

The background of the cover is a dark teal color. It features several large, overlapping, semi-transparent geometric shapes. A prominent shape is a large, light green triangle pointing downwards, which is partially overlaid by a larger, semi-transparent teal circle. Below the circle, there are several curved, teal-colored bands that resemble a stylized 'C' or a series of overlapping arcs.







Annual Transparency Report 21/22

Message from the Co-Chairs

CLA experienced another very strong year in 2021/2022, achieving revenues of £88.7m and making record payments of £79.7m to authors, publishers and visual artists based in the UK and overseas.

The CLA team has worked hard to achieve these results whilst also adapting, with considerable success, to hybrid working following the easing of restrictions of the pandemic. CLA's continuing investment in its digital services and operations has helped to ensure that CLA has been able to respond effectively to changing customer and staff needs over the last two years, and position CLA for the future.

During the year CLA undertook a review of its company values. A working group consisting of members of the CLA Board and CLA employees developed a new set of values to support our vision, shape our culture and express what we believe in. The six new core values are:

-  We support creativity
-  Our knowledge is our strength
-  We find solutions
-  We connect creative communities
-  We are ambitious
-  Our people make us what we are

These values are now being threaded through the fabric of the business and our communications with our customers enabling ever stronger relationships.

We are again proud to announce such a positive year for CLA, in these testing times. Maintaining this success has only been achievable due to the hard work and efforts of the whole company and the CLA Board; everyone has played their part.

Rosie Glazebrook & Tony Bradman, Co-Chairs



Annual summary by the CEO

In the latest financial year to March 2022, CLA delivered revenues of £88.7m. Overall revenue declined year on year by £1.2m as a result of CLA ending its agency agreement with Printed Music Licence Limited (value circa £4.2m revenue per annum). A very strong performance in corporate licensing, including record new business sales of £5.1m, reduced the revenue impact of this decision and ensured that CLA grew its core business and delivered record revenues to its members in 2021/22.

Last year was an incredibly important year for CLA as it completed a significant programme of modernisation. The adoption of a new enterprise CRM platform is already having a significant impact upon customer engagement and retention. The development of a new rights and distribution engine, underpinned by a centralised data warehouse, helps ensure that CLA has the necessary foundations in place to evolve its business as our marketplace changes. Both programmes required a huge effort from CLA staff and very clearly demonstrated a number of our company values in action, in particular that our people make us what we are.

The road ahead remains challenging as our marketplace continues to evolve. I would like to thank the CLA Board and our four Members: ALCS, DACS, PICSEL and PLS for continuing to invest in and support the ongoing evolution of CLA.

A summary of key highlights for the year includes:

- Revenues of £88.7m, including UK revenue of £76.3m. Annual Corporate licensing sales grew to £21.1m in 21/22. CLA also secured new multi-year licensing agreements for all state schools in Scotland and Northern Ireland.
- Record distributions to authors, publishers and visual artists based in the UK and overseas of £79.7m.
- Completion of modernisation programme and switching our approach to continuous improvement.
- Growth in the depth and diversity of content available on the Education Platform (EP). This is an online service offered with the CLA licence, which gives schools and Further Education (FE) colleges access to digital resources to use for teaching. EP has been developed so teachers and other staff can access high quality digital versions of books and magazines owned by their institution. They can then make and share copies with their students for teaching and learning.

The last year has seen growth of 370% of new book titles available as our members and individual educational publishers continue to contribute to the platform by providing 41,000 books and nearly 1,000 magazines for use by educators. Copies made using the Platform have now benefited 377,000 students across 6,600 institutions, representing nearly 24% of all eligible schools and colleges. The Department for Education continues its support for the value CLA provides by licensing English state funded schools until 2026.

- Growth of the Digital Content Store (DCS) with the addition of more original material from publishers. Like the Education Platform is for schools, the DCS is offered to Higher Education Institutions as part of the licence at no additional charge. It is a web-based system that combines a searchable repository of over 430,000 digitised book and journal extracts with an online workflow management tool to ensure licence compliance for digitised content. The DCS helps



university academic and library services manage the provision of student course packs and reading lists. Now adopted by 145 Higher Education Institutions and serving 70% of full-time equivalent students in the UK, it has seen almost 15 million student downloads since its launch. In June 2022, the DCS repository was enriched with over 60,000 more book titles from 5 different publishers. The addition of this content allows DCS users to attach high quality, publisher original content to their digitisation requests, saving them time sourcing and scanning their own material.

- Development Fund. CLA was proud to be able to support six charities in 2021: Art Refuge, Book Aid International, Creative Future, Give A Book, IntoArt and Listening Books. The charities were again chosen for the strong work they each undertake in supporting access to creative works for disadvantaged people across the UK. The donations were incredibly well-received, particularly in such a challenging year for many charities. Information on the impact of the donations can be found at cla.co.uk/charitable-and-community and some of the charities have written posts for CLA's Education Blog.

On behalf of the Senior Leadership Team, I would like to thank the people in CLA for their hard work, resilience and fantastic results in 2021/22.

Finally, thank you to our customers, partners and suppliers for your ongoing support and engagement with CLA.

Mat Pflieger, CEO

About CLA



We are the Copyright Licensing Agency and we exist to simplify copyright for content users and copyright owners.

We help our customers to legally access, copy and share the published content they need, while also making sure that copyright owners are paid for the use of their work.

For more than 35 years we've been providing rights and licences, as well as a growing range of services that simplify copyright and make it easier to access content. Our blanket licences allow customers to copy and share extracts from published content, without having to seek permission from copyright owners each time. We offer technology-based services that help our customers to manage content and workflow.

We are non-profit-making. After deducting an agency fee to cover operational costs our licence revenue is paid out to the copyright owners - authors, publishers and visual artists.

Legal and governance structure



CLA is a collective management organisation (CMO) and is controlled by its members, the Authors' Licensing and Collecting Society (ALCS), Design and Artists Copyright Society (DACS), Picture Industry Collecting Society for Effective Licensing (PICSEL) and Publishers' Licensing Services (PLS).

We are a private company limited by guarantee and are governed by a Board of Directors. CLA has two Co-Chairs who are nominated by ALCS and PLS and who alternate annually in performing the Chair role at meetings and co-chair other activities together. The majority of the non-executive Board Directors are nominated by the Members, with two Independent Directors. All Directors must submit themselves for re-election at least every three years if they wish to continue serving and are considered by the Board to be eligible.

Membership of CLA is open to any Collective Management Organisation that can demonstrate;

- That it represents rights holders
- That it has acquired the necessary mandates relevant to CLA Licences
- That it operates under the terms of and complies with, an effective code of conduct compliant with the established regulatory regime

Any Collective Management Organisation which considers itself eligible for membership may apply for admission.

Membership of other bodies



During this financial period CLA has been a member of, or affiliated to, the following bodies:

- Association of Learned and Professional Society Publishers (ALPSP)
- British Copyright Council (BCC)
- British Educational Suppliers Association (BESA)
- The Chartered Institute of Library and Information Professionals (CILIP)
- Independent Publishers Guild (IPG)
- International Federation of Reproduction Rights Organisations (IFRRO)
- Outsell
- Press Database and Licensing Network (PDLN)
- Professional Publishers Association (PPA)
- Trading Standards Institute (TSI)



Relationships with other CMOs

We have contractual relationships with other CMOs whereby we act in two capacities:

i. Reciprocal agreements with overseas CMOs

We have reciprocal agreements with overseas CMOs enabling us to include their repertoire in CLA licences sold in the UK and for our repertoire to be included in licences sold in their territories overseas. These agreements generate significant revenue for CLA with money from overseas licensing through international CMOs making up 14% of CLA's total revenue in 2021/22. The breakdown of revenue distributed to overseas CMOs can be found in the Financial Information on Rights Revenue section below.

In relation to this, we are members of the International Federation of Reproduction Rights Organisations (IFRRO), the international CMO's network. As a member, we comply with the IFRRO Code of Conduct, which sets out what is expected in terms of their representation of copyright owners and relationships with users. Membership of IFRRO, and compliance with the Code, is a necessary condition to exchange a bilateral agreement with a CMO in another country.

ii. Agency licensing agreements with UK CMOs

We are agents for NLA media access Ltd (NLA) and sell licences on its behalf across the education sector including schools, further education and higher education. Under this agreement we market and sell the licences and distribute the licence fees to NLA and take an agency fee in the form of a subvention from the monies distributed to NLA.



Information on refusals to grant a licence

We have not refused to grant any licences in the period of this report.



Deductions for social, cultural and educational services

We have not made any deductions for social, cultural or educational services.



Activities separate to normal collective rights management activities

CLA continues its commercial partnership with Kortext Limited in the provision of a Resource List Management product called 'KeyLinks' to the education sector.



Financial Statements



The Financial Statements for the financial year 2021/22, are published annually on our website: www.cla.co.uk

A summary of key financial activities for the financial year is set out below:

Financial Information on Rights Revenue



CLA makes monthly distributions based on the timing of income and cash receipts. All administrative overheads and costs relate to the management of rights and are allocated in direct proportion to gross fees invoiced in the year.

During this financial year, in accordance with the distribution policy, commission of 11% was deducted on renewed licences and commission of 40% deducted on new licences by CLA at the point of invoicing to cover operational costs. Commission rate deductions for CMOs with agency agreements with CLA are at individually agreed rates. As a result of this policy, the actual commission rate charged to members during this year was £11,765,850, which represents 13.3% of gross fees invoiced in the year.

Distribution of licence fees collected net of CLA administration charge amounted to £26,665,189 to ALCS (2021: £25,437,196), £38,379,884 to PLS (2020: £36,125,474), £4,655,953 to DACS (2020: £4,569,052) and £850,546 to PICSEL (2020: £861,606). Full detail on how licence fees are split between the members can be found in CLA's [Distribution Model Report](#). Net distributions paid to NLA amounted to £2,333,131 (2021: £1,757,133). Net distributions paid to overseas CMOs amounted to £6,255,594 (2021: £5,800,182).

Sector licence analysis

Summary	Gross Fees Invoiced in Year	Distributed in Year	Undistributed	Admin Charge Allocation
Schools	£ 18,342,645	£ 18,138,291	(£ 204,354)	£ 2,432,903
FE	£ 4,439,690	£ 4,390,945	(£ 48,745)	£ 588,865
HE	£ 17,907,881	£ 17,709,374	(£ 198,507)	£ 2,375,237
Government	£ 8,165,585	£ 7,646,858	(£ 518,727)	£ 1,083,054
Business & Transactional	£ 27,448,213	£ 20,883,934	(£ 6,564,280)	£ 3,640,633
International	£ 12,403,522	£ 6,609,775	(£5,793,747)	£ 1,645,159
	£ 88,707,537	£ 75,379,176	(£ 13,328,361)	£ 11,765,850

Geographical source analysis

Summary	Gross Fees Invoiced in Year	Distributed in Year	Undistributed	Admin Charge Allocation
UK & Ireland	£ 74,612,157	£ 66,882,605	(£ 7,729,552)	£ 9,896,289
Europe	£ 7,108,950	£ 3,890,536	(£3,218,414)	£ 942,906
USA & Canada	£ 4,538,080	£ 2,691,626	(£ 1,846,454)	£ 601,915
ROW	£ 604,198	£ 254,671	(£ 349,528)	£ 80,139
Australia & NZ	£ 1,844,152	£ 1,659,739	(£ 184,413)	£ 244,602
	£ 88,707,537	£ 75,379,176	(£ 13,328,361)	£ 11,765,850

Financial Information on Rights Revenue Continued



International distributions paid in the year were as follows

Territory	CMO	Gross distributions paid before CLA admin subvention & withholding tax	Distributions paid net of CLA Admin subvention	CLA Admin subvention					
Argentina	CADRA	£ 5,951	£ 4,848	£ 1,102					
Australia	Copyright Agency	£ 274,708	£ 224,533	£ 50,175					
Austria	Literar Mechana	£ 4,014	£ 3,257	£ 757					
Belgium	Reprobel	£ 38,935	£ 31,267	£ 7,668					
Canada	Access Copyright	£ 233,650	£ 190,348	£ 43,302					
Quebec	COPIBEC	£ 12,917	£ 10,385	£ 2,533					
Denmark	Copydan	£ 44,438	£ 36,085	£ 8,353					
Finland	Kopiosto	£ 46,041	£ 35,689	£ 10,351					
France	CFC	£ 232,620	£ 188,286	£ 44,334					
Germany	VG Wort	£ 338,347	£ 271,481	£ 66,866					
Greece	OSDEL	£ 9,770	£ 8,139	£ 1,630					
Hong Kong	HKRRLS	£ 18,174	£ 14,564	£ 3,610					
Iceland	FJOLIS	£ 616	£ 513	£ 103					
India	Fjolis	£ 202,748	£ 143,552	£ 59,196					
Ireland	ICLA	£ 231,995	£ 190,078	£ 41,916					
Italy	SIAE	£ 100,909	£ 82,626	£ 18,283					
Jamaica	JAMCOPY	£ 1,002	£ 831	£ 171					
Japan	JAC	£ 99,921	£ 80,501	£ 19,420					
Japan	JCOPY	£ 13,704	£ 11,465	£ 2,239					
Korea	KOLAA	£ 20,008	£ 15,525	£ 4,483					
Luxembourg	LUXXOR	£ 9,153	£ 7,224	£ 1,929					
Mexico	CEMPRO	£ 7,211	£ 5,632	£ 1,580					
Netherlands	Stichting Reprorecht	£ 147,529	£ 117,556	£ 29,973					
New Zealand	CLL	£ 78,999	£ 65,656	£ 13,343					
Norway	KOPINOR	£ 14,584	£ 11,785	£ 2,798					
Singapore	CLASS	£ 41,961	£ 34,821	£ 7,140					
South Africa	DALRO	£ 28,484	£ 23,377	£ 5,107					
Spain	CEDRO	£ 61,176	£ 50,239	£ 10,937					
Sweden	Bonus Copyright Access	£ 17,632	£ 13,893	£ 3,739					
Switzerland	Pro Litteris	£ 179,279	£ 143,540	£ 35,739					
Turkey	YAYBIR	£ 5,840	£ 4,684	£ 1,155					
USA	CCC	£ 5,198,477	£ 4,233,213	£ 965,264					
		£ 7,720,790	£ 6,255,594	£ 1,465,196					

Financial Information on Rights Revenue Continued



International receipts received in the year were as follows

Territory	CMO	Receipt	CLA Admin Fee Allocation				
Argentina	CADRA	£ 1,500	£ 197	Italy	SIAE	£ 154,011	£ 20,240
Australia	Copyright Agency	£ 1,256,593	£ 165,141	Japan	JAC	£ 248,622	£ 32,674
Austria	Literar Mechana	£ 136,807	£ 17,979	Japan	JCOPY	£ 22,635	£ 2,975
Belgium	Reprobel	£ 125,215	£ 16,456	Netherlands	IPRO	£ 596,965	£ 78,453
Canada	Access Copyright	£ 62,899	£ 8,266	Netherlands	Stichting Reprorecht	£ 240,637	£ 31,624
Quebec	Copibec	£ 120,952	£ 15,895	New Zealand	CLNZ	£ 587,559	£ 77,217
Denmark	Copydan	£ 1,426,738	£ 187,501	Norway	Kopinor	£ 1,522,454	£ 200,080
Finland	Kopiosto	£ 547,133	£ 71,904	South Africa	DALRO	£ 280,467	£ 36,859
France	CFC	£ 678,303	£ 89,142	South Korea	KOLAA	£ 50,975	£ 6,699
Germany	VG Wort	£ 543,840	£ 71,471	Spain	CEDRO	£ 264,198	£ 34,721
Greece	OSDEL	£ 48,636	£ 6,392	Sweden	Bonus Copyright Access	£ 533,526	£ 70,116
Iceland	Fjolis	£ 38,755	£ 5,093	Switzerland	Pro Litteris	£ 251,730	£ 33,082
Ireland	ICLA	£ 483,787	£ 63,579	USA	CCC	£ 4,354,229	£ 572,230

Financial Information on Rights Revenue Continued



CLA Development Fund

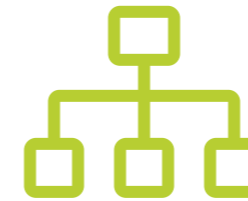
In 2019, CLA agreed a Policy for Undistributable Amounts assigned to non-UK rightsholders. From 2020/21 onwards, where CLA has amounts over three years old relating to non-UK rightsholders that it is unable to distribute, these monies may be reallocated to CLA's members for distribution to rightsholders and/or added to CLA's Development Fund. The Development Fund is used to support charitable causes in the creative industries and to assist in the development of collective licensing overseas. The breakdown of the development fund in 2021/22 is detailed below:

Total Undistributed Amount (in 2019/20)	£ 736,000
Total distributed to members (paid in April 2020)	£ 368,000
Total Available in Development Fund	£ 368,000
Paid to UK based charities (paid in July 2020)	£ 100,000
Allocated to international support	£ 40,800
Paid to UK based charities (paid in July 2021)	£120,000
Funds remaining in the Development Fund (March 2022)	£ 107,200

The charitable causes supported during 2021/22 were:

Book Aid International	£ 20,000
Creative Future Ltd	£ 20,000
Listening Books	£ 20,000
Give a Book	£ 20,000
Art Refuge	£ 20,000
Into Art	£ 20,000

Funds remaining in the Development Fund will be used in 2022/23.



Directors' remuneration

The emoluments of the directors are as follows:

	2022	2021
CEO		
Emoluments and other remuneration	£ 169,849	£ 216,155
Pension contributions (to a defined contributions scheme)	£ 20,715	£ 20,682
	£ 190,564	£ 236,837
Fees paid to Non-Executive Directors (received as individuals)		
F Bird	£ 10,300	£ 12,017
T Bradman	£ 15,425	£ 15,425
N Burgess	£ 10,600	£ 11,500
T Chatfield	£ 10,300	£ 10,300
R Glazebrook	£ 14,144	£ 15,425
C Graf	-	£ 5,250
Dr Howes	£ 11,500	£ 11,400
N Service	£ 10,300	£ 10,300
L Tribe	£ 2,575	£ 10,300
C Quinn	£ 11,500	£ 5,150
	£ 96,644	£ 107,067
Benefits	£ 790	£ 782
Fees paid to Non-Executive Directors (received indirectly via service company)		
S Lotinga	£ 10,300	£ 10,300
M Majurey	£ 6,308	-
	£ 16,308	£ 10,300
Total payments to Directors	£ 304,306	£ 354,986
Total remuneration of highest paid Director	£ 190,564	£ 236,837

Independent Chartered Accountants' Review Report to the Copyright Licensing Agency Limited

To the directors of The Copyright Licensing Agency Limited

We were also engaged to carry out an assurance review of the Annual Transparency Report ("ATR"). We performed procedures in line with the Agreed Upon Procedures as set out by the ICAEW and in order to achieve greater efficiency, we combined the requirements of the ATR review with the statutory audit. For example, where we were required to test a sample of distributions, this procedure was performed as part of our work around revenue recognition as described above under 'risk assessment'. Where the ATR requirements extended beyond our testing, we simply examined further documentation or made further enquiries of management for our existing distributions sample.

The ATR for the year to 31 March has been drafted and agreed. We are required to include an independent chartered accountant review report in this, which reports by exception. Our findings on carrying out the ATR work this year are detailed below.

We report our findings as follows:

Based on our review, nothing has come to our attention that causes us to believe that the information included within sections 21.4a, h(i)(ii), i(ii)(iv)(v)(vi) and j(i)(ii)(iii)(v)(vi)(vii) of the Annual Transparency Report (ATR) as at 31 March 2022 is incomplete or misleading, or that the ATR has not been compiled in accordance with the requirements of the Regulations.

We would comment as follows on the following sections:

- i. Section 21.4(g), no report was produced as no amounts were deducted for the purpose of social, cultural or educational services,
- ii. Sections 21.4(i)(i), (ii), (iii) and (viii), as the only category of rights managed is reprography and there are no other services provided other than rights management, operating expenses were not split between different categories of rights managed or between different services, and
- iii. Sections 21.4(j)(iv)(v), the amounts due to rights holders were not split to show amounts collected but not yet attributed to rights holders, but a breakdown of total amount due to rights holders has been provided in the ATR.
- iv. Section 21.4k(iv), amounts distributed directly to right holders originating from other collective management organisations with a breakdown for each category of rights and for each organisation cannot be easily determined and is therefore not disclosed in the ATR.

Although the procedures performed are of an audit nature, they do not constitute a full scope audit or review engagement performed in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland). Accordingly, we do not express any assurance on the annual transparency report for the year ended 31 March 2022.

Had we performed additional procedures or had we performed engagements in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland), other matters might have come to our attention that would have been reported to you.

Use and purpose of our report

Our Report is prepared solely for the use of The Copyright Licensing Agency Limited and solely for the purpose of its compliance with Regulation 21(2)(b) of the Collective Management of Copyright (EU Directive) Regulations 2016. It may not be relied upon by The Copyright Licensing Agency Limited for any other purpose whatsoever. Our Report was not prepared for the benefit of any party other than The Copyright Licensing Agency Limited. Berg Kaprow Lewis LLP neither owes nor accepts any duty to any other party (including any copyright owner, heirs to copyright owners, agents or licensees) and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our Report.

Directors' Responsibilities

The directors are responsible for the preparation of the Transparency Report, and for being satisfied that it is complete and compliant with the requirements of the Regulations.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have undertaken to make available to us as and when required, all the company's accounting records and related financial information, including minutes of management and directors' meetings that we need to do our work. This includes excerpts from relevant legal documentation, and any other explanations they believe are relevant to enable us to fulfil our responsibilities.

Myfanwy Neville FCA

For and on behalf of

BERG KAPROW LEWIS LLP

Chartered Accountants
London

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