



Annual Transparency Report

2023 – 2024

Copy, Right



Message from the Co-Chairs

Rosie Glazebrook and Tom Chatfield

CLA celebrated 40 years of delivering value to the UK's creative economy and achieved another record year in 2023/24, generating £103.3m in revenue. This success allowed us to distribute over £91.5m via CLA's members (ALCS, DACS, PICSEL and PLS) and international partners to authors, publishers and visual artists based in the UK and overseas.

The 40th-anniversary celebrations concluded with an event held at the British Library to mark CLA's remarkable journey over the past four decades. We brought together over 100 key stakeholders from our member organisations, publishing houses, government, NHS, higher education and other key partners.

Rosie Glazebrook, CLA Co-Chair said: *"CLA has contributed £1.5bn over the past 40 years to the UK creative industries and continues to grow its revenues, every year – an outstanding achievement"*.

Tom Chatfield, CLA Co-Chair said: *"CLA continues to thrive as a unique collaboration between publishers, authors and visual artists. Its ongoing success is a tribute to the strength and significance of these relationships, and the importance of the creative ecosystems they sustain."*

Looking forward, CLA is embracing the challenges and opportunities presented by the rapid growth of generative AI. While these new technologies offer huge potential for enhanced productivity and creativity, it is important to recognise and ensure that copyright-protected content is respected. This means making sure that creators and rightsholders receive fair compensation and remuneration when their work is used to train generative AI models and used as prompts in generative AI tools.

We are confident that CLA and collective licensing can offer a sustainable solution that not only empowers generative AI companies and users to access content lawfully, but also ensures that creators and rightsholders are recognised and rewarded for their contributions to the AI learning process.

This commitment to fairness and innovation is made possible by the dedication and expertise of the CLA team. As the CLA Values state, "Our people make us what we are." With this in mind, we would like to thank all those who work for CLA and acknowledge the excellent leadership of our CEO, Mat Pfleger, who, together with the board, achieved such remarkable success in 2023/24.

Annual summary by the CEO


Mat Pfleger

This financial year has been significant for CLA, with the organisation realigning resources to deliver focus and enhanced collaboration at all levels of the business, helping us deliver a record year of revenues of £103.3m.

A summary of key highlights for the year includes:

- Revenues of £103.3m, including UK revenue of £88.4m. Annual corporate licensing sales grew to £28.7m in 2023/24. CLA also secured new multi-year licensing agreements with the Central Government, the Department of Health and NHS Wales.
- Record net distributions to authors, publishers and visual artists based in the UK and overseas of £91.5m.
- Negotiations concluded with Universities UK and Guild HE to renew the Higher Education Licence, securing a new 3-year deal. The new agreements commenced in August 2024.
- The launch of sector-focused marketing campaigns, building on the Copy, Right positioning. This activity delivered 8% of CLA new business revenues (excluding MMO and PR leads and upgrades) in the year.
- With the interests of creators and rightsholders at the forefront, CLA developed and published its [Principles for Copyright and Generative AI](#), a set of principles to help ensure that generative AI is developed safely, ethically and legally.
- CLA's Sustainability initiative saw significant progress this year. Building on the issues identified in 2022/23, the team further defined the issues, set targets and incorporated solutions into everyday operations. The progress dashboard on page 9 demonstrates achievements and will be updated annually to track continued advancement.
- The volume of publisher-provided 'born digital' content available on the Digital Content Store (DCS) has almost doubled in the year, to 300,000, helping lift the total volume of digitised book and journal extracts to 450,000. The DCS helps university academic and library services manage the provision of student course packs and reading lists. Now adopted by 153 Higher Education Institutions and serving 76% of full-time equivalent students in the UK, it has seen almost 21.3 million student downloads since its launch.

On behalf of the Senior Leadership Team, I would like to thank the staff at CLA for their hard work, resilience, and fantastic results in 2023/24. Their hard work has not only driven financial success, but fuelled several new ventures that will come into fruition in the coming year.



Looking to the future, 2024/25 promises to be another impactful year for CLA.

CLA is working with its member organisations to develop three new licence solutions for the UK to address challenges and opportunities created by the rise of AI and Generative AI:

- CLA Text and Data Mining (TDM) Licence: A licence that allows organisations to store and analyse legally and process copies of copyright-protected published works for internal use while protecting the rights of rightsholders and creators.
- CLA Generative AI Workplace Licence: A licence that would permit organisations to make copies and upload them to third-party AI tools within their workplace.
- CLA Generative AI Training Licence: A licence that would be available to both large and small organisations that wish to use copyrighted works in training Generative AI tools or have done so and wish to seek a retrospective licence.

CLA's UK solution will always and uniquely consider authors, publishers, and visual artists and enable our customers, regardless of the form of copying they use, to Copy, Right.

CLA has also developed its first corporate copyright course, 'Copyright in the Workplace,' which launched its pilot in August 2024. This course aims to educate teams on the basics of copyright, the permissions within the CLA Licence, and how their day-to-day actions may result in a copyright compliance risk.

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

About CLA

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

As a not-for-profit company, CLA distributes our revenues back into the creative industries helping to ensure rights holders are fairly remunerated when their works are used.

CLA is recognised by the UK government as the collective management organisation for published material. We exist to support knowledge sharing, protect your company, and champion the creative ecosystem.

Our revenue is distributed to our member organisations who pay royalties directly to copyright owners – authors (ALCS), publishers (PLS), and visual artists (DACS & PICSEL).

Over the past four decades, CLA has earned a reputation for excellence and innovation in rights and licensing, generating over £1.5bn in collective licensing revenues that have been distributed to over 200,000 authors, publishers, and visual artists. The work that CLA does is essential to the creative ecosystem.

CLA licences facilitate the efficient reuse of content by 12.7 million students and over 9.5 million employees in over 40,000 businesses, schools, and universities across the UK. With over 40 international agreements, CLA provides lawful and simple access to over 8 million print and online publications.

Act responsibly. **Protect** your organisation. **Support** creatives. **Copy, Right.**

Legal and governance structure

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

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.

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 14.4% of CLA's total revenue in 2023/24. The breakdown of revenue distributed to overseas CMOs can be found in the Financial Information on Rights Revenue.

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:

(i) NLA media access Ltd (NLA) and sell licences on their 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.

(ii) Audio-Visual Licensing Alliance (AVLA) and sell licences on their behalf in the hotel and hospitality sector. Under this agreement we market and sell the licences and take an agency fee in the form of a commission from the revenue collected by AVLA.

Details on the amounts distributed to the NLA can be found in Financial Information on Rights Revenue. No revenue has been received from AVLA in 2023/24. No disclosure has been made with regards to the administration fee on the grounds that this is deemed sensitive information.

Activities separate to normal collective rights management activities

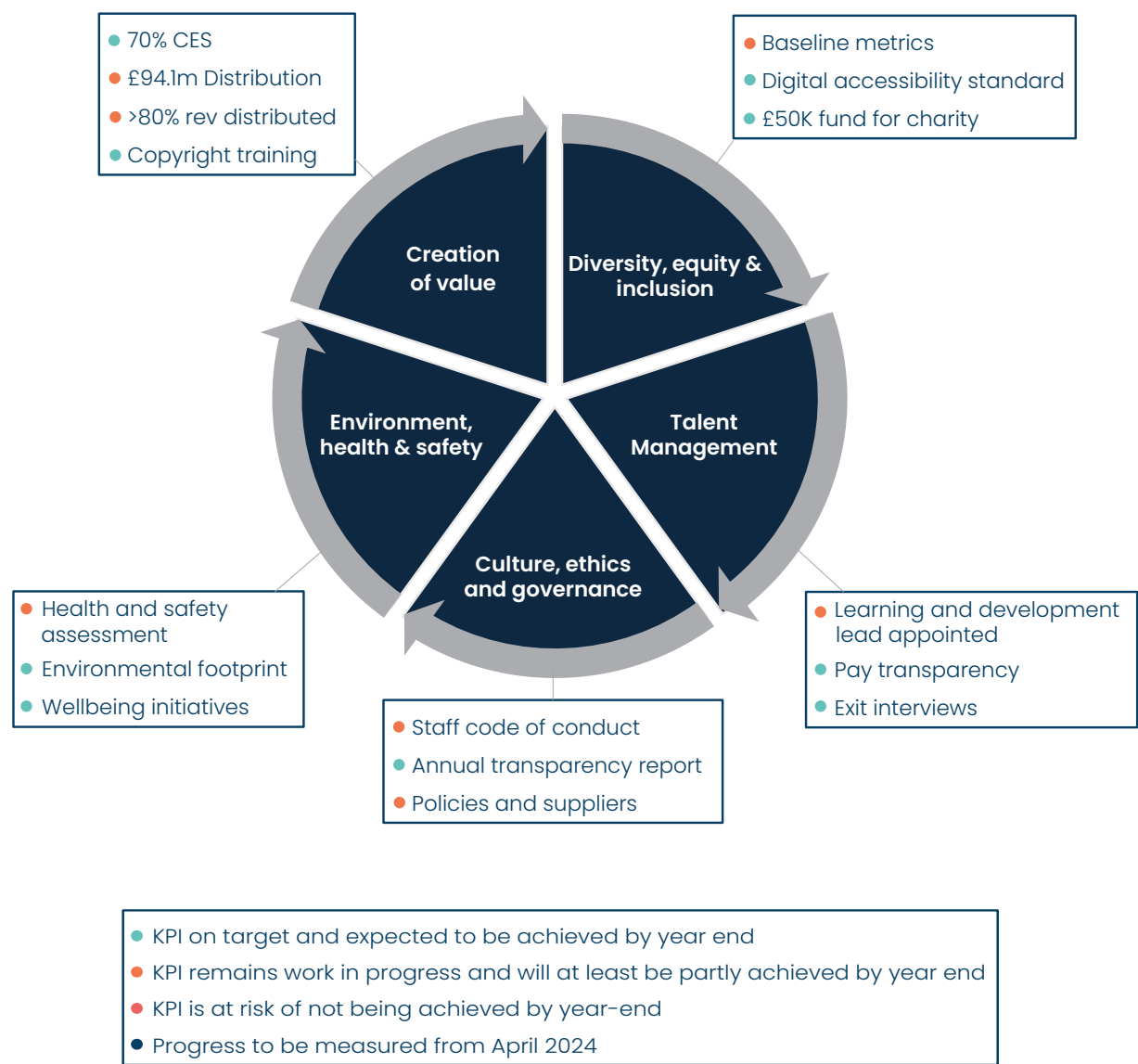
CLA continues its commercial partnership with Kortext Limited in the provision of a Resource List Management product called 'KeyLinks' to the education sector.

CLA Sustainability Dashboard

In establishing our sustainability framework, CLA has considered elements of Environmental, Social, Governance (ESG), sustainability, and corporate social responsibility (CSR) management and disclosure standards and guidelines. The framework establishes our approach to delivering a positive and enduring impact for all CLA stakeholders.

The dashboard below illustrates the material issues and priorities for CLA for the year 2024/25. The boxes hold our targets and progress. At the time of publication progress can be seen to be on track or ahead across all measures

24/25 sustainability targets



Financial statements

The Financial Statements for the financial year 2023/24, 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 £13,858,450 which represents 13.4% of gross fees invoiced in the year.

CLA earned interest income of £562,729 (2022/23 £138,548) during the financial year. This income has been used to offset administrative expenses.

Distribution of licence fees collected net of CLA administration charge amounted to £31,566,924 to ALCS (2022/23: £27,549,474), £44,906,980 to PLS (2022/23: £39,374,447), £8,630,416 to DACS (2022/23: £4,316,156) and £1,730,676 to PICSEL (2022/23: £787,767).

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 £2,617,090 (2022/23: £2,354,240). Net distributions paid to overseas CMOs amounted to £6,656,404 (2022/23: £6,033,813).

The table below is a summary of the gross fees issued in the year and the amount distributed of those gross fees only.

Sector licence analysis

Summary	Gross Fees invoiced in year	Distributed in Year	Pending Distribution	Admin Charge Allocation
Schools	£19,739,516	£19,321,798	(£417,718)	£2,647,634
FE	£4,688,419	£4,683,952	(£4,467)	£628,851
HE	£19,917,210	£19,890,763	(£26,448)	£2,671,468
Government	£9,289,589	£8,760,775	(£528,815)	£1,246,000
Business & Transactional	£34,785,339	£26,088,342	(£8,696,996)	£4,665,710
International	£14,902,014	£8,651,521	(£6,250,493)	£1,998,787
	£103,322,087	£87,397,151	(£15,924,937)	£13,858,450

Geographical source analysis

Summary	Gross Fees invoiced in year	Distributed in Year	Pending Distribution	Admin Charge Allocation
UK & Ireland	£87,193,842	£77,211,332	(£9,982,510)	£11,695,190
Europe	£5,253,236	£2,487,462	(£2,765,775)	£704,609
USA & Canada	£6,036,514	£3,870,949	(£2,165,564)	£809,669
ROW	£883,551	£320,474	(£563,077)	£118,510
Australia & NZ	£3,954,944	£3,506,934	(£448,011)	£530,318
	£103,322,087	£87,397,151	(£15,924,937)	£13,858,450

The amount pending distribution represents amount attributed to, but not yet distributed to, right holders.

Financial Information on Rights Revenue continued

International receipts received in the year were as follows:

Territory	CMO	Receipt	CLA Admin fee allocation
Argentina	CADRA	£926	£124
Australia	Copyright Agency	£3,439,901	£461,255
Austria	Litarar Mechana	£258,308	£34,636
Belgium	Reprobel	£122,065	£16,368
Canada	Access Copyright	£110,028	£14,754
Denmark	Copydan	£1,404,713	£188,358
Finland	Kopioosto	£636,752	£85,382
France	CFC	£718,159	£96,298
Germany	VG Wort	£387,795	51,999
Greece	OSDEL	£19,391	2,600
Hong Kong	HKRRLS	£84,984	11,395
Ireland	ICLA	£341,437	45,783
Jamaica	Jamcopy	£13,704	1,838
Japan	JAC	£209,984	28,157
Japan	JCOPY	£116,720	15,651
Netherlands	IPRO	£582,208	78,068
Netherlands	Stichting Reprorecht	£224,776	30,140
New Zealand	CLNZ	£515,043	69,062
Norway	Kopinor	£1,251,706	167,841
Quebec	Copibec	£156,360	20,966
Singapore	CLASS	£76,532	10,262
South Africa	DALRO	£257,350	34,508
South Korea	KOLAA	£64,632	8,666
Spain	CEDRO	£364,260	48,844
Sweden	Bonus Copyright Access	£349,874	46,914
Switzerland	Pro Litteris	£293,185	39,313
USA	CCC	£5,770,125	773,714

The breakdown of the category of rights for international receipts is not readily available.

International distributions paid in the year were as follows:

Territory	CMO	Gross dist. paid before CLA admin subvention & withholding tax	Distributions paid net of CLA Admin subvention	CLA Admin subvention
Argentina	CADRA	£5,958	£3,845	£2,113
Australia	Copyright Agency	£281,223	£221,721	£59,502
Austria	Literar Mechana	£3,715	£3,029	£686
Belgium	Reprobel	£55,053	£44,661	£10,392
Canada	Access	£244,748	£201,681	£43,068
Denmark	Copydan	£49,586	£40,781	£8,805
United Arab Emirates	ERRA	£4,433	£3,445	£988
Finland	Kopioisto	£7,042	£6,292	£750
France	CFC	£251,729	£204,943	£46,786
Germany	VG WORT	£426,728	£346,181	£80,547
Greece	OSDEL	£9,033	£7,437	£1,596
Hong Kong	HKRRLS	£10,786	£9,079	£1,707
Iceland	Fjölis	£617	£487	£130
India	IRRO	£24,729	£17,416	£7,313
Ireland	ICLA	£342,837	£283,046	£59,792
Italy	SIAE	£117,350	£88,831	£28,520
Jamaica	Jamcopy	£2,455	£1,802	£653
Japan	JAC	£78,628	£65,011	£13,617
Japan	JCOPY	£10,366	£8,872	£1,493
Korea	KOLAA	£20,150	£14,382	£5,768
Luxembourg	LUXXOR	£16,417	£12,298	£4,119
Mexico	CEMPRO	£2,053	£1,546	£507
Netherlands	Stichting Reprorecht	£179,498	£144,639	£34,860
New Zealand	CLNZ	£115,122	£85,356	£29,766
Norway	Kopinor	£17,367	£14,113	£3,254
Quebec	Copibec	£37,316	£30,609	£6,708
Singapore	CLASS	£29,918	£23,113	£6,805
South Africa	DALRO	£40,031	£32,759	£7,272
Spain	CEDRO	£95,272	£77,723	£17,549
Sweden	Bonus Copyright Access	£32,335	£25,357	£6,977
Switzerland	Pro Litteris	£181,840	£148,661	£33,178
Turkey	YAYBIR	£5,559	£4,105	£1,453
USA	CCC	£5,241,839	£4,354,000	£887,840
		£7,941,735	£6,527,222	£1,414,513

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 2023/24 is detailed below:

Total Undistributable 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
Paid to UK based charities (paid in July 2022)	£40,000
Paid to UK based charities (paid in July 2023)	£40,000
Funds remaining in the Development Fund (March 2024)	£27,200

The charitable causes supported during 2023/24 were:

English Pen	£20,000
Children's Literacy Charity	£20,000

Funds remaining in the Development Fund will be used in 2024/25.

Directors' remuneration:

During the year, there were no retirement benefits accruing to any director (2023 – £nil) in respect of defined contribution pension schemes. Key management personnel include all directors across the group who together have authority and responsibility for planning, directing and controlling the activities of the Company. Directors comprise the CEO, individual non-executive directors and non-executive directors paid via their representative company. The emoluments of the directors are as follows:

	2024	2023
Directors' remuneration		
The directors' aggregate remuneration in respect of qualifying services was:		
Remuneration	£321,864	£318,367
Company contributions to defined contribution pension plans	£24,890	£22,516
	£346,754	£340,883
CEO		
Emoluments and other remuneration	£184,143	£184,741
Pension contributions (to a defined contributions scheme)	£24,890	£22,516
	£209,033	£207,257
Fees paid to Non-Executive Directors (received as individuals)		
F Bird	–	£10,815
T Bradman	–	£15,000
N Burgess	£11,248	£10,815
T Chatfield	£18,337	£12,276
R Glazebrook	£24,052	£22,500
Dr Howes	–	£12,075
N Service	–	£5,408
C Quinn	£14,081	£12,075
S Voss	£11,248	£5,407
J Revill	£6,118	£5,625
J Freeman	£12,558	–
J McConnachie	£10,584	–
O Nzelu	£6,999	–
	£115,225	£111,996
Fees paid to Non-Executive Directors (received indirectly via service company)		
S Lotinga	–	£3,605
M Majurey	£11,248	£10,815
A Freeman	£11,248	£7,210
	£22,496	£21,630
Total payments to Directors	£346,754	£340,883

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

To the directors of The Copyright Licensing Agency Limited

We have performed the procedures agreed with you and enumerated below with respect to the annual transparency report of The Copyright Licensing Agency Limited for the year ended 31 March 2024. Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The procedures were performed solely for the purpose of your compliance with Regulation 21(2) (b) of the Collective Management of Copyright (EU Directive) Regulations (2016) and are summarised in guidance issued by the Intellectual Property Office to Auditors in October 2017.

The procedures are set out in Annex A: Agreed upon procedures for the audit of an annual transparency report of the "Guidance on the collective management of Copyright (EU Directive) Regulations 2016: annual transparency reports and audit" issued by the Intellectual Property Office in October 2017

Solely on the basis of the above procedures we report that:

We carried out the procedures as set out in Annex A: Agreed upon procedures for the audit of an annual transparency report of the "Guidance on the collective management of Copyright (EU Directive) Regulations 2016: annual transparency reports and audit" issued by the Intellectual Property Office in October 2017. There were no errors or exceptions found as a result of our testing.

Because the above procedures do not constitute engagements made in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland), we do not express any assurance on the annual transparency report for the year ended 31 March 2024.

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. Shipleys 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.

Tim Hardy

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Date: 07 October 2024

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