CLA

Annual Transparency Report

2024 - 2025

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Message from the Co-Chairs

Kit Fan and Monisha Shah

2024/25 has been a pivotal year for CLA, marked by both progress and change.

As new Co-Chairs, we are proud to join at a time when the organisation is delivering strong results in this financial year. We reached total revenues of £108.9 million and distributed a record £95.4 million to authors, publishers and visual artists in the UK and overseas, strengthening our role in supporting the creative ecosystem through future-focused licensing. In today's rapidly changing technological landscape and the popularisation of generative AI use and training, CLA becomes indispensable to protect rights and ensure that creators and publishers are fairly remunerated so that creativity continues to be a viable and vibrant industry.

We would like to thank our predecessors, Rosie Glazebrook and Tom Chatfield, for their leadership and service, and to recognise the enormous contribution of Mat Pfleger, who retired this year after nearly two decades at CLA. Their commitment has shaped the strong, values-led organisation we see today. We also acknowledge the CLA team, whose expertise and dedication continue to drive the organisation forward.

Looking ahead, we are excited to unfold CLA's next chapter. One that champions innovation, protects creativity, and strengthens the value of collective licensing for the future. We look forward to working closely with Tony Johnson as he begins his tenure as interim CEO, and to supporting the organisation through its next phase of growth.

CLA was founded on the shared vision that rightsholders are stronger together. Drawing on our business acumen and collaborative spirit over the last four decades, we will harness the strengths of collective licensing in these changing times and enrich the creativity community across the UK.

Annual summary by the Interim CEO

2024/25 has been a landmark year for CLA, being one of growth, innovation, and transition.

The summary of key highlights for the year include:

- **Total revenues reached £108.9 million**, with annual corporate licensing sales increasing to £37.5 million in 2024/25.
- **A record £95.4m was distributed** to authors, publishers and visual artists based in the UK and overseas.
- **New multi-year licensing agreements** were secured with key public sector and education partners, including the Education Authority Northern Ireland (EANI), the Welsh Local Government Association (WLGA), and Health and Social Care Northern Ireland (HSCNI). These agreements will generate just over £2 million in licence fees for the 2025/26 financial year.
- **CLA introduced a major licensing update** permitting the use of published content in the prompting of generative AI tools. Approved by our members and now included in all business and selected public sector licences, this change supports responsible and lawful generative AI use while ensuring rightsholders are fairly remunerated when their content is reused.
- **CLA is on track to achieve its target of 95% customer retention following the roll out of the new Workplace Generative AI permissions.** Over 1,200 customers renewed on the enhanced terms during Q1 25/26, generating £223,147 of revenue attributable to these new permissions. This strong uptake reflects **growing recognition of the value these permissions** offer in enabling compliant use of content in prompting AI and supporting the creative economy.
- **CLA launched a new online copyright training course**, Copyright in the Workplace, to enhance understanding of copyright and the value of the CLA Licence. Available to all business licensees, with a new module to support the launch of the workplace generative AI permissions on the horizon.

2024/25 marked a period of important leadership transition for CLA. I am pleased to welcome Kit Fan and Monisha Shah as our new Co-Chairs. Their combined experience and strategic insight will be instrumental in guiding CLA through its next phase of development.

I would also like to extend my sincere thanks to our outgoing Co-Chairs, Rosie Glazebrook and Tom Chatfield, for their valued leadership and counsel. Their contributions have played a key role in shaping CLA's direction during a time of significant transformation.

After 17 years of dedicated service, nine of which were as Chief Executive Officer, Mat Pfleger retired in July 2025. On behalf of everyone at CLA, I extend my sincere thanks to Mat for his outstanding leadership and unwavering commitment to CLA's mission.

Finally, it would be extremely remiss of me not to acknowledge the tremendous contribution of our amazing team at CLA. The dedication and teamwork that I witness on a daily basis is truly inspiring.

Looking to 2025/26:

Looking forward, we aim to embrace the challenges and opportunities that unprecedented technological change is bringing to collective copyright licensing. We remain committed to a spirit of innovation and enhancing our collective licensing solutions to fully reflect how content is being used in the digital age.

- We will continue rolling out our Workplace Generative AI permissions, to ensure all customers are able to reuse content in their generative AI workflows in a copyright compliant manner.
- We are working closely with our member organisations to launch a new Generative AI Training licence. Our aim is to enable organisations to continue to innovate and harness the power of content in an evolving world, whilst ensuring proper recognition and compensation to our rightsholders.
- In August 2025 we launched The Vault, our centralised content management and distribution solution. The Vault is a key strategic initiative, that positions CLA to fully exploit our position as a trusted partner to the creative industry.
- We are also developing a replacement for our Digital Content Store (DCS) platform, which serves the Higher Education sector and is used by over 150 Higher Education Institutions. The new platform, scheduled for launch in 2026, will provide a solid foundation for higher education copyright-related workflows and set us up for future development.

As CLA enters this new chapter, I am excited to lead an organisation with such a strong strategic identity, team-centric culture and clear sense of purpose. I would like to extend my sincere thanks to our customers, partners, member organisations, and staff for their continued trust and collaboration.

Tony Johnson
Interim CEO

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).

CLA is a private company limited by guarantee and is governed by a Board of Directors. There is in place a supervisory function to monitor the organisation's activities in accordance with The Collective Management of Copyright (EU Directive) Regulations 2016. 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 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)
- Independent Publishers Guild (IPG)
- International Federation of Reproduction Rights Organisations (IFRRO)
- Press Database and Licensing Network (PDLN)
- Professional Publishers Association (PPA)
- Trading Standards Institute (TSI)

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 13% of CLA's total revenue in 2024/25. 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 act as 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. Details on the amounts distributed to the NLA can be found in Financial Information on Rights Revenue. No disclosure has been made with regards to the administration fee on the grounds that this is deemed sensitive information.
ii. Audiovisual Licensing Alliance Limited (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. £54k revenue was received from AVLA in 2024/25.

Activities separate to normal collective rights management activities

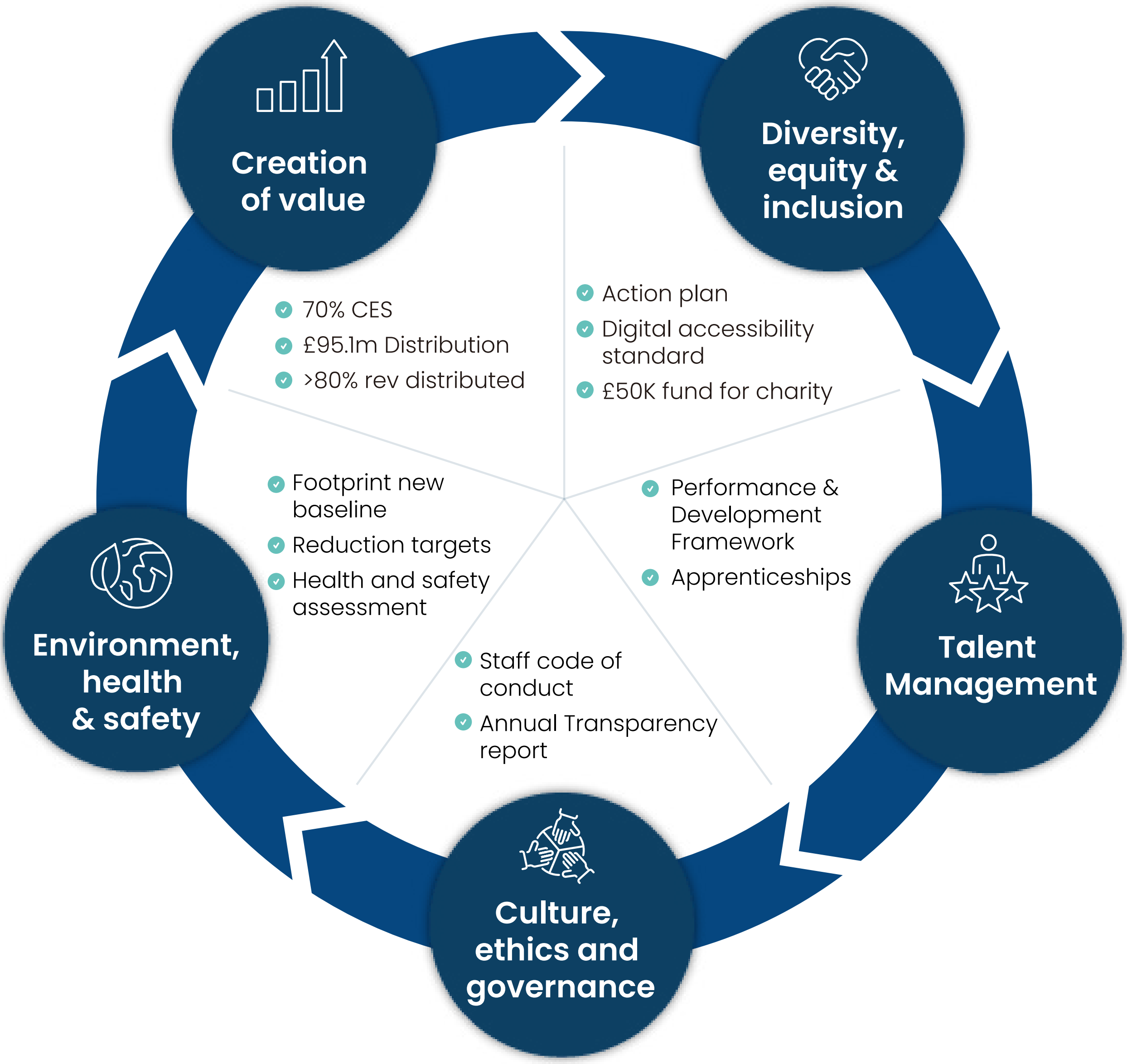
CLA continues its commercial partnership with Kortext Limited in the provision of a Resource List Management product called 'KeyLinks' to the education sector.

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 2025/26. 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.

2025/26 Sustainability targets



- KPI on target and expected to be achieved by year end.
- KPI remains work in progress and will at least be partly achieved by year end.
- KPI is at risk of not being achieved by year end.
- Progress to be measured from April 2024

Financial statements

The Financial Statements for the financial year 2024/25, 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 £13,613,270.60 which represents 12.5% of gross fees invoiced in the year.

CLA earned interest income of £1,605,692 (2023/24 £562,729) 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 £30,894,392 to ALCS (2023/24: £31,566,924), £47,774,277 to PLS (2023/24: £44,906,980), £5,411,607 to DACS (2023/24: £8,630,416) and £967,244 to PICSEL (2023/24: £1,730,676).

In this financial year, CLA identified £102,880.82 of revenue received in 2017 that had not yet been distributed. This amount was subsequently distributed to CLA's members in May 2025.

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 £2,455,556 (2023/24: £2,617,090). Net distributions paid to overseas CMOs amounted to £7,263,991 (2023/24: £6,656,404).

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	£20,370,141	£19,885,581	(£484,560)	£2,546,304
FE	£4,807,853	£4,800,802	(£7,051)	£600,990
HE	£22,347,459	£22,238,633	(£108,826)	£2,793,472
Government	£9,817,854	£9,197,422	(£620,432)	£1,227,249
Business & Transactional	£37,455,829	£27,355,360	(£10,100,469)	£4,682,045
International	£14,105,486	£7,528,713	(£6,576,774)	£1,763,211
	£108,904,622	**£91,006,510**	**(£17,898,112)**	**£13,613,271**

Geographical source analysis

Summary	Gross Fees Invoiced In Year	Distributed in Year	Pending Distribution	Admin Charge Allocation
UK & Ireland	£93,661,639	£82,060,913	(£11,600,726)	£11,707,871
Europe	£6,111,576	£2,824,158	(£3,287,417)	£763,958
USA & Canada	£3,914,314	£1,882,208	(£2,032,107)	£489,296
ROW	£2,857,364	£2,359,913	(£497,451)	£357,176
Australia & NZ	£2,359,728	£1,879,317	(£480,411)	£294,970
	£108,904,622	**£91,006,510**	**(£17,898,112)**	**£13,613,271**

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	£648	£81
Australia	Copyright Agency	£1,877,489	£234,727
Austria	Literar Mechana	£173,094	£21,641
Belgium	Reprobel	£120,223	£15,030
Canada	Access Copyright	£60,473	£7,560
Denmark	COPYDAN	£1,356,016	£169,531
Finland	Kopiosto	£628,930	£78,630
France	CFC	£754,087	£94,277
Germany	VG Wort	£337,418	£42,185
Greece	OSDEL	£47,930	£5,992
Hong Kong	HKRRLS	£90,272	£11,286
Iceland	FJÖLIS	£97,099	£12,139
Ireland	ICLA	£510,733	£63,853
Italy	SIAE	£557,724	£69,728
Jamaica	JAMCOPY	£2,275	£284
Japan	JAC	£174,798	£21,854
Japan	JCOPY	£160,291	£20,040
Korea	KOLAA	£40,054	£5,008
Luxemburg	Luxorr	£10,526	£1,316
Netherlands	IPRO	£619,063	£77,396
Netherlands	Stichting Reprorecht	£391,946	£49,002
New Zealand	CLNZ	£482,239	£60,290
Norway	Kopinor	£1,399,230	£174,934
Quebec	Copibec	£134,835	£16,857
Singapore	CLASS	£82,084	£10,262
South Africa	DALRO	£249,783	£31,228
Spain	CEDRO	£296,916	£37,121
Sweden	Bonus Copyright Access	£380,696	£47,595
Switzerland	Pro Litteris	£296,692	£37,093
USA	CCC	£2,771,922	£346,550

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 & witholding tax	Distributions paid net of CLA Admin subvention	CLA Admin subvention
Argentina	CADRA	£4,649	£3,048	£1,601
Australia	Copyright Agency	£330,354	£259,970	£70,385
Austria	Literar Mechana	£3,947	£3,247	£700
Belgium	REPROBEL	£64,329	£52,120	£12,208
Canada	ACCESS	£275,204	£226,692	£48,511
Denmark	COPYDAN	£38,274	£31,702	£6,572
United Arab Emirates	ERRA	£7,977	£6,250	£1,727
Finland	KOPIOSTO	£8,096	£7,188	£907
France	CFC	£233,249	£190,605	£42,644
Germany	VG WORT	£408,731	£332,075	£76,656
Greece	OSDEL	£5,330	£4,545	£785
Hong Kong	HKRRLS	£25,686	£20,783	£4,904
Iceland	FJÖLIS	£439	£354	£85
India	IRRO	£31,204	£21,944	£9,261
Ireland	ICLA	£361,589	£298,649	£62,940
Italy	SIAE	£84,858	£64,557	£20,301
Jamaica	JAMCOPY	£2,102	£1,537	£565
Japan	JAC	£51,441	£43,392	£8,049
Japan	JCOPY	£6,750	£5,830	£920
Korea	KOLAA	£20,148	£14,520	£5,628
Luxembourg	LUXXOR	£21,701	£16,332	£5,368
Malaysia	MARC	£2,582	£1,988	£594
Mexico	CEMPRO	£1,756	£1,341	£414
Netherlands	STICHTING REPRORECHT	£206,994	£167,031	£39,963
New Zealand	CLNZ	£135,755	£100,195	£35,559
Norway	KOPINOR	£27,541	£22,118	£5,423
Quebec	COPIBEC	£35,510	£28,501	£7,009
Singapore	CLASS	£29,566	£23,031	£6,535
South Africa	DALRO	£39,172	£31,936	£7,236
Spain	CEDRO	£111,743	£90,818	£20,925
Sweden	BONUS COPYRIGHT ACCESS	£54,085	£42,686	£11,399
Switzerland	PRO LITTERIS	£210,397	£171,264	£39,133
Turkey	YAYBIR	£6,924	£5,095	£1,829
USA	CCC	£5,040,647	£4,186,253	£854,394
		£7,888,730	**£6,477,597**	**£1,411,130**

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. Where no undistributable monies are available in the Development Fund in a particular year, an amount may be included as part of the annual budget.

The Development Fund is used to support charitable causes in the creative industries and to assist in the development of collective licensing overseas. In 2024/25, £50,000 was available in the Development Fund and was used as follows:

Engage, National Association for Gallery Education	£20,000
Writing on the Wall	£20,000
Allocated to international support	£10,000

Directors' remuneration

The emoluments of the directors are as follows:

	2025	2024
CEO		
Emoluments and other remuneration	£207,753	£184,143
Pension contributions (to a defined contributions scheme)	£27,514	£24,890
	£235,267	**£209,033**
Fees paid to Non-Executive Directors (received as individuals)		
N Burgess	£11,907	£11,248
T Chatfield	£16,380	£18,337
R Glazebrook	£25,878	£24,052
C Quinn	£13,565	£14,081
S Voss	£11,810	£11,248
J Revill	–	£6,118
J Freeman	£13,186	£12,558
J McConnachie	£14,173	£10,584
O Nzelu	£12,068	£6,999
	£118,967	**£115,225**
Fees paid directly to The Publishers Association		
M Walford	£6,889	–
M Majurey	£4,921	£11,248
A Freeman	£11,810	£11,248
	£23,620	**£22,496**
Total payments to Directors	**£377,854**	**£346,754**

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 2025. 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 2025.

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: 22 October 2025

The Copyright Licensing Agency Limited

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