

# **AUDIOVISUAL LICENSING ALLIANCE (AVLA) LIMITED**

## **ANNUAL TRANSPARENCY REPORT – YEAR 2024**

### **Message from the Co-Chairs – *Richard Combes and Max Rumney***

AVLA has successfully commenced its operations over the past eighteen months. The AVLA licence for hotels (and other types of temporary accommodation businesses) was launched on 1 January 2024. In the first year alone, a significant number of businesses, including several of the major hotel groups operating in the United Kingdom, have already taken the licence.

As is often the case with the introduction of new licensing schemes, AVLA devoted considerable efforts to inform the sector, contacting authorities, umbrella organisations and also hundreds of businesses directly, engaging constructively.

We are pleased to report that income has exceeded initial expectations. At the same time, operational costs have been carefully managed under strict internal control, ensuring that AVLA operates efficiently and in full alignment with its non-profit mandate.

We remain confident that the clear legal framework, based on the fundamental principle that creatives must be fairly remunerated for the use of their work, will continue to gain recognition and acceptance. Where necessary, we are prepared to consider legal action to safeguard the rights of the producers, authors, performers, directors and visual artists we represent.

We look forward to continuing to grow from this solid foundation in the coming years.

### **About AVLA**

AVLA is a not-for-profit organisation established in the United Kingdom by the creators of films, series, documentaries, cartoons and other audiovisual works.

We offer the most comprehensive audiovisual licence for hotels, aparthotels, hostels, B&Bs, guesthouses and other similar establishments, enabling them to lawfully offer their guests access to TV channels featuring works from our repertoire.

Our mission is to ensure that creatives are fairly rewarded for the use of their work. AVLA is an official licensor recognised and monitored by the UK government.

As a non-profit organisation, all revenue is distributed as royalties to copyright owners - comprising producers, authors, performers, directors and visual artists - after the deduction of a management fee to cover operational costs.

### **Legal and governance structure**

AVLA is a collective management organisation (CMO) and is governed by its members: the Association de Gestion Internationale Des Oeuvres Audiovisuelles (AGICOA), the Authors' Licensing and Collecting Society (ALCS), British Equity Collecting Society (BECS), the Design and Artists Copyright Society (DACS), Directors UK and PICSEL (Picture Industry Collecting Society for Effective Licensing).

AVLA is a private company limited by guarantee, and it is overseen by a Board of Directors composed of representatives from its members. This governance structure ensures representation of all categories of audiovisual rightsholders that have mandated AVLA to manage their rights.

Membership of AVLA is open to any society, guild, association, company or other entity (including other Collective Management Organisations) that is a legal person and:

- a) is a substantial copyright owner or represents rightsholders in respect of a substantial number of works in which copyright or related rights subsist; or
- b) represents a substantial number of copyright owners.

### **Membership of other bodies**

During this financial period AVLA was a member of the British Copyright Council.

### **Information on refusals to grant a licence**

AVLA did not refuse to grant any licences to relevant business during the period covered by this report.

### **Deductions for social, cultural and educational services**

No deductions were made for social, cultural or educational purposes.

### **Relationships with other CMOs**

AVLA has appointed the Copyright Licensing Agency (CLA) to act as an agent to promote and sell the licences on its behalf. The Commission paid to CLA for the period was £44,899.

### **Activities separate to normal collective rights management activities**

There were no activities undertaken outside the scope of normal collective rights management activities during the period covered by this report.

### **Financial Statements**

The Financial Statements for each financial year are published annually on our website: [www.avla.uk/resources/](http://www.avla.uk/resources/) . The current Financial Statements cover the period 1 July 2023 to 31 December 2024.

### **Remuneration of Board of Directors**

No remuneration was paid to the Board of Directors.

### **Financial Information on Rights Revenue**

AVLA plans to carry out quarterly distributions based on the timing of collections and cash receipts, once revenues exceed establishment and management costs.

Administrative overheads and costs relate to rights management and are allocated in direct proportion to gross fees invoiced during the year. During this financial period costs amounted to £414,796. The figure for costs as a proportion of rights revenue is 116.4%.

As no distribution were made during this financial year, no management fee was effectively applied.

All income (£356,220) was derived from the sale of licences to hotels, Aparthotels, serviced apartments, guesthouses and other similar establishments.

## Cash Flow Statement

Period from 1 July 2023 to 31 December 2024

	Period from 1 Jul 23 to 31 Dec 24 £	Period from 21 Jun 22 to 30 Jun 23 £
<b>Cash flows from operating activities</b>		
Loss for the financial period	(103,475)	(265,047)
<b>Adjustments for:</b>		
Depreciation of tangible fixed assets	630	-
(Increase) in trade and other debtors	(328,649)	-
Increase in Members' Advancements	326,931	265,047
Increase in other creditors	467,798	-
<b>Net cash inflow from operating activities</b>	<b>363,235</b>	<b>-</b>
<b>Cash flows from investing activities</b>		
Purchases of tangible assets	(1,256)	-
<b>Net cash to investing activities</b>	<b>(1,256)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>361,979</b>	<b>-</b>
Cash and cash equivalents at the beginning of the period	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>361,979</b>	<b>-</b>

## **AUDITORS' REPORT TO THE DIRECTORS OF AUDIOVISUAL LICENSING ALLIANCE (AVLA) LIMITED**

We have performed the procedures agreed with you and enumerated below with respect to the annual transparency report of Audiovisual Licensing Alliance (AVLA) Limited for the period 1 July 2023 to 31 December 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 period ended 31 December 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 Audiovisual Licensing Alliance (AVLA) 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 Audiovisual Licensing Alliance (AVLA) Limited for any other purpose whatsoever. Our Report was not prepared for the benefit of any party other than Audiovisual Licensing Alliance (AVLA) Limited. Moore Kingston Smith 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.

Signed by:  
  
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Tim Hardy  
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Date: 26/9/2025