



# **Koda's Transparency Report 2022**

# Introduction

Koda's transparency report for 2022 provides information as required by the Danish Act on Collective Management of Copyright and Related Rights from 2016 and is based on the financial information set out in Koda's audited financial statements, to be found at the end of this report.

The transparency report starts with an activity report reviewing the year's key events at Koda. The following two sections specify how Koda's revenues from music used in public are distributed to rightsholders in Denmark and internationally. Koda's use of the funds for cultural purposes is described in the report's fourth section. Section five describes situations in which Koda can refuse to license a musical work and section six outlines Koda's legal structure and the entities of which Koda is a part. The last section contains Koda's financial statements for 2022.

## **Koda, April 2023**

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# 1. Activity report

After two years marked by the societal lockdowns resulting from the COVID-19 pandemic, 2022 saw the re-opening of society. The opportunities for concerts and using music in restaurants, hotels and shops, coupled with growth in areas such as the film and series market, favourably impacted Koda's total revenues in the year under review. In Koda, the year was otherwise marked by the development of a new business strategy and an intensified focus on developing an economically, environmentally and socially sustainable music scene.

## Highlights of the year's financial performance

- Koda's turnover: EUR 150.4 million (EUR 138.8 million in 2021)
- Amount to be distributed among rightsholders: EUR 130.1 million (EUR 113.7 million in 2021)
- Total deduction for administration: EUR 15.4 million (EUR 15 million in 2021)
- Administration cost ratio: 10.6% (10.8% in 2021)

Koda's turnover came to EUR 150 million in 2022, up EUR 12 million on the previous year and the highest ever in Koda's history. The result means that EUR 130 million will be distributed to rightsholders, partly as individual payments and partly as contributions to the funds for cultural purposes. The amount for distribution is determined by subtracting the deduction for administration and an interest expense of EUR 5 million from the turnover.

Koda's total revenues derive from music played in Denmark and from Koda members' music played internationally. Revenues for music use in Denmark rose by EUR 11 million, amounting to EUR 137 million. The amount remaining after deduction for administration will be distributed among Koda members and rightsholders that are members of other collective rights management organisations abroad. Koda's total revenues from members' music played internationally rose by EUR 0.7 million, amounting to EUR 12 million to be distributed among Koda members. Revenues from international revenue streams were the highest ever.

The total deduction for administration amounted to EUR 15 million, or an administration cost ratio of 10.6%.

## General public performance: Live concerts and background music are back

The lifting of the COVID-19 restrictions in February 2022 positively impacted Koda's revenues in the area of general public performance, which covers concerts and background music played in places like shops and restaurants. Total revenues in the area amounted to EUR 31 million, including EUR 1 million in revenues from administration cost ratio. Revenues in this area are thus on a par with those in 2019, the most recent COVID-19-free year.

In the concert area, Koda showed growth in the pre-2019 years before the outbreak of the COVID-19 pandemic and the lockdown of cultural life significantly and adversely impacted the area in both 2020 and 2021. In February 2022, sales of concert tickets re-opened, and total revenues in the concert area climbed to EUR 13 million, more than twice the figure for 2021 and approaching the 2019 level.

Koda's revenues from use of background music came to EUR 15 million, up EUR 4 million on the previous year and almost EUR 1 million higher than in 2019. This solid result was achieved despite the pressure of the COVID-19 lockdowns felt by customers – primarily shops, restaurants and hotels – at the start of the year and the impact of the energy crisis and inflation at the end. Nevertheless, many new retail and restaurant businesses opened, and Koda signed a record-high number of agreements in the area.

Revenues in the cinema area increased by 27% on the year before, ending at EUR 1 million. However, this fell short of the 2019 level, the most recent COVID-19-free year, when revenues were in the region of EUR 2 million.

### **Radio and TV broadcasting: Stable markets despite declining revenues**

Radio, TV and TV distribution in Denmark generated EUR 58 million in revenues in 2022, accounting for about 40% of Koda's total revenues and corresponding to an 8% drop compared to the previous year. The decline was partly driven by the high revenues in the TV area the year before due to extraordinary revenues from previous years' music use as a result of finalised distribution negotiations with other rightsholders in 2021.

The radio market in Denmark was stable, as were Koda's revenues from the area in 2022. Revenues totalled EUR 18 million, on a level with 2021.

### **Online: Growth in streaming markets**

Streamed series, films and TV accounted for the bulk of Koda's revenues from online music use. Revenues from this area were EUR 19 million, 12% up on the previous year. This growth is due to payments covering previous years and the fact that Danes subscribed to more streaming services offering film and series content.

Koda saw 15% growth in the Danish music streaming market, with revenues amounting to almost EUR 14 million. This increase is not explained by more consumers' taking out music streaming subscriptions but rather reflects payment for previous years' music consumption in certain areas as well as Koda's first receipt of payment from TikTok.

### **International: Good collaboration agreements secure high revenues**

Total revenues from Koda members' music played internationally in 2022 amounted to EUR 12 million, an increase of 7%. These revenues derive from international performances in all payment areas, including streaming directly licensed internationally.

The largest share of Koda's international revenues is attributable to online music use. Revenues from this area alone amounted to EUR 6 million, corresponding to 45% of the international revenue. The high revenues from online music use are largely attributable to the increasing music streaming revenues received by Koda via the joint Nordic Polaris Hub since 2021. In practice, this means Koda receives payment directly from the music services rather than via the organisations similar to Koda outside Denmark, as was previously the case. The direct payment model and closer contact with the music services has led to higher total payments since 2021.

The remainder of Koda's international revenues consisted primarily of music played on radio and TV, which, having generated total revenues of EUR 5 million, represented 38% of international revenues in 2022. The remainder of the international revenues comes from general public performance, which generated revenues of EUR 1 million. The bulk of revenues in this category came from concerts. Internationally, the concert area is on the upswing after dipping during the COVID-19 pandemic, but has yet to return to the level before COVID-19 restrictions closed concert venues. In the pre-COVID-19 years, Koda typically received reporting regarding 3,000 concerts involving Koda members internationally. In 2022 this figure was slightly over 2,000.

The reason for the 6% rise in Koda's revenues from international revenues, and thus the best results ever, can be seen partly as an expression of Koda's ability to maintain and optimise its collaboration agreements with similar organisations outside Denmark. In 2022 Koda received revenues from 56 organisations similar to Koda outside Denmark.

### **Higher compensation for private copying**

In 2022 a new compensation scheme for private copying became effective – the so-called blank media scheme. The scheme is intended to compensate artists, including Koda's members, for the private copying done via PCs, tablets, smartphones and similar devices. The new scheme reflects this copying better than the old scheme. For Koda, the new scheme meant that the revenues recorded under KulturPlus in this report were EUR 2 million, against EUR 0.4 million in 2021.

### **50,000 members**

At end-2022 Koda's members comprised 49,386 songwriters and composers and 731 music publishers. During the year, 1,435 composers and songwriters applied for membership, as did 106 publishers. This brought Koda's members to over 50,000, many of whom contributed to the 1,636,676 works registered in Koda's database by the end of 2022, an increase of 77,103 works.

The number of works in the international database Koda draws on to identify musical works used rose by almost three million, and is now 34,705,513.

### **More than a billion kroner paid to rightsholders**

In 2022, Koda paid EUR 146 million to rightsholders in Denmark and internationally, the first time in its history that the distributed amount topped a billion kroner. By comparison, Koda distributed EUR 113 million in 2021.

The high amount distributed is primarily due to a combination of two factors. At the end of 2021, Koda recorded extraordinarily high revenues following the split negotiations concluded regarding music used in prior years. A large portion of these revenues was distributed in 2022, thus covering music usage over a longer-than-normal period. Since 2019, Koda has actively focused on optimising the distribution speed, and the time from the playing of a work until we make a payment has thus dropped significantly. Koda makes monthly payments, which means, for example, that payments relating to a work played at a concert in a given month may already be paid in connection with the next month's payments.

### **Small proportion of members generates the majority of revenues**

Koda members received EUR 76 million of Koda's total payments. The large majority of these payments went to a small group of Koda's members. In other words, a relatively small number of members have their music played to an extent that means they account for the vast majority of revenues, and thus for the amounts paid out.

Of the total amount paid to Koda's members, 83% went to members earning an annual income of over DKK 100,000 (DKK 1 = EUR 0.13), comprising 547 authors and 83 publishers. Combined, these members represent 2% of all members receiving payment. Of all the members to whom Koda made payments, 24,672, or 85% of recipients, received less than DKK 10,000.

Recent years have been characterised by a tendency for an ever-decreasing percentage of earning members to account for an ever-increasing share of earnings.

### **Political focus on music streaming and VAT**

The work of securing reasonable framework conditions for Koda members' earnings included focusing on efforts to increase music streaming revenues and efforts to prevent VAT from being levied on rights payments.

With the aim of securing reasonable music streaming revenues and proposing specific ways to achieve this, a trans-organisational task force was appointed comprising members from Koda, Autor, Danish Composers' Society (DKF), Danish Popular Auteurs (DPA) and Danish Music Publishers Association, the Danish Artists' Union and the Danish Musicians' Association.

The issue of levying VAT on rights payments also marked the year. In brief, in autumn 2021, a bill was proposed regarding the introduction of VAT on rights, a move that would have major economic consequences for Koda's members. Years of efforts on the part of Koda and a number of other industry organisations have served to highlight all the consequences of the bill. This was among the factors that led Folketinget, the Danish Parliament, to reject the bill in June, after several deferments. However, the Danish Ministry of Taxation has not abandoned the issue, and at the time of writing, the Ministry plans to re-introduce the bill in 2023.

### **Help for series and film composers**

To help Koda members that create music for TV series, feature films or other audiovisual productions, Koda announced our work on suggested wording to be used by composers in order to retain their rights in contracts with international streaming services. Very occasionally, these services demand that members relinquish their right to future payments as a condition for getting the job. Koda members cannot do what the services demand. By entering into an agreement containing this wording, members can ensure they retain the right to future payment.

### **Development of new business strategy**

2022 was marked by the development of Koda's new business strategy for the 2023–2028 period. The strategy prioritises Koda's work for a strong, sustainable music scene and focuses

on partnerships, international collaborations and future growth. The strategy was not finally adopted and announced until January 2023.

### **Stronger focus on sustainability**

With the appointment of a sustainability manager, in 2022 Koda chose to give higher priority to a strategic focus on economic, environmental and social sustainability on the music scene. In this conjunction, Koda adopted a sustainability strategy for 2022–2025.

Notable major sustainability initiatives internally at Koda include introducing measuring carbon footprint, a diversity action plan, a waste-sorting scheme and a new maternity policy. Externally, the year saw the launch of a partnership for the sustainable development of the music scene, a code of conduct for equal access and a large-scale industry survey of mental health among performing and creative musicians.

### **Gender imbalance: Solid knowledge base as a springboard for change**

Sexism is widespread in the music industry, which is why women come up against significantly more work- and career-related obstacles than men. Such was the conclusion of the survey entitled 'Why are there so few women in the music industry?', which was conducted by the analysis and research company, Analysis & Numbers, and Denmark's knowledge centre for gender and equality, KVINFO, on behalf of Koda, Dansk Live, JazzDanmark, Art Music Denmark, ROSA (a rock music genre organisation) and Tempa (an organisation promoting roots music). The survey results were published in the first half of 2022. The survey aim was to identify the reasons for the gender imbalance, and its findings are to be used as a basis for promoting gender equality in the music industry. The survey data included almost 6,000 questionnaire responses.

A little later in the year, Koda published its third annual gender statistics report. The overall gender balance showed the same disparity as in the two previous years' reports: 20% of Koda members are women, who collectively receive 10% of total payments. However, the statistics showed small signs of greater equality among more recent Koda members – for example, women's share of payments in the radio area had more than doubled compared with the previous year.

### **Koda Kultur**

Koda's latest strategy for using the funds for cultural purposes applies for the 2022–2025 period. This makes 2022 the first year employing the strategy aimed to set the general direction for using and prioritising the funds for cultural purposes. The strategy has three strategic goals: gender balance, talent pipeline and international perspective. Within these areas, the funds for cultural purposes are to be re-invested in the music scene, thereby contributing to developing a sustainable music industry, a diverse music culture and the future business foundation for Koda. Gender balance is the strategic aim with the highest priority.



In 2022, the funds to be used for cultural purposes amounted to EUR 10 million. Of this amount, EUR 1 million went to fund administration, while EUR 2 million went to cultural and business policy activities and EUR 7 million was awarded in the form of grant and project support.

The 32 pools open to applications for grant and project support in 2022 received 8,714 applications in all, of which 4,124 applicants were successful.

In 2022, EUR 7 million was paid out in the form of grant and project support; these payments related to both 2021 and 2022.

An annual report on the use of the funds for cultural purposes has been prepared and is available on Koda's website.

## 2. Money in and out of Koda 2022

The table below shows how, after deductions and distribution of interest, Koda's revenues in 2022 come to the net amount available for distribution among rightsholders. The method and principles for the table are described in the following section.

Table 2.1

### Revenues and deductions 2022

In thousand EUR

Area of use	Revenue	Interest	Deduction for administration	Deduction for cultural contributions	Distribution of interest	For individual distribution	2021
<b>General Public Performance</b>							
Background - with reporting	7,877		-1,328 (16.9%)	-603 (7.7%)	-293	5,654	3,743
Background - no reporting	7,193		-1,185 (16.5%)	-553 (7.7%)	-267	5,188	4,323
Cinemas and film screenings	1,371		-231 (16.9%)	-105 (7.7%)	-51	984	791
Concert	11,758		-1,815 (15.4%)	-915 (7.8%)	-437	8,591	4,058
Major Live Concert	1,276		-71 (5.6%)	-111 (8.7%)		1,094	77
Koda works performed internationally	1,240					1,240	989
<b>General Public Performance Total</b>	<b>30,716</b>		<b>-4,629 (15.1%)</b>	<b>-2,287 (7.4%)</b>	<b>-1,048</b>	<b>22,752</b>	<b>13,981</b>
<b>Broadcast</b>							
Radio	17,631		-2,419 (13.7%)	-1,412 (8.0%)	-591	13,209	13,374
TV incl TV distribution *	36,512		-3574 (9.8%)	-3,045 (8.3%)	-1,281	28,611	32,329
TV distribution - distributed by other societies	3,836		-135 (3.5%)	-341 (8.9%)	-143	3,218	4,311
Danish TV channels internationally	420		-15 (3.5%)			405	493
Danish TV channels uplinked from the UK	160		-17 (10.5%)			143	158
Koda works performed internationally	4,337					4,337	4,310
<b>Broadcast Total</b>	<b>62,895</b>		<b>-6,160 (9.8%)</b>	<b>-4,798 (7.6%)</b>	<b>-2,015</b>	<b>49,923</b>	<b>54,976</b>
<b>Online</b>							
Interactive TV services	14,457		-1,446 (10%)	-898 (6.2%)	-537	11,576	13,964
Music streaming **	13,391		-1,385 (10.3%)	-1,101 (8.2%)	-147	10,759	9,668
Music streaming - direct licensing internationally **	2,646		-277 (10.5%)			2,368	2,322
Streaming of series, film and tv *	18,523		-1,277 (6.9%)	-960 (5.2%)	-688	15,598	14,149
Online other	879		-128 (14.5%)	-57 (6.5%)	-33	661	623
Koda works performed internationally	3,188					3,188	2,638
<b>Online Total</b>	<b>53,085</b>		<b>-4,513 (8.5%)</b>	<b>-3,017 (5.7%)</b>	<b>-1,405</b>	<b>44,150</b>	<b>43,365</b>
<b>Synchronization</b>							
Synchronization - distributed by Koda	377		-23 (6%)	0		354	0
<b>Synchronization Total</b>	<b>377</b>		<b>-23 (6%)</b>	<b>0</b>		<b>354</b>	<b>0</b>
<b>Out of category</b>							
KulturPlus (individual)	1,544		-39 (2.5%)	0		1,505	251
KulturPlus (collective)	773			0		773	143
Interests		-4,920		453 (9.2%)	4,467	0	0
Koda works performed internationally	968			0		968	982
<b>Out of category Total</b>	<b>3,285</b>	<b>-4,920</b>	<b>-39 (-2.4%)</b>	<b>453 (27.7%)</b>	<b>4,467</b>	<b>3,247</b>	<b>1,376</b>
<b>Grand total</b>	<b>150,357</b>	<b>-4,920</b>	<b>-15,363 (10.6%)</b>	<b>-9,648 (6.6%)</b>	<b>0</b>	<b>120,425</b>	<b>113,698</b>

\* Some areas are subject to combined deductions, eg, Streaming of series, films and TV, incl. TV distribution. The individual deductions by service/channel are specified at [koda.dk/music-creators/payment-and-distribution/koda-s-distribution-chart](https://koda.dk/music-creators/payment-and-distribution/koda-s-distribution-chart).

\*\* This deduction is explained separately in 'Method and principles for "Money in and out of Koda"':

## **Method and principles for ‘Money in and out of Koda’**

The following describes the method and assumptions on which Table 2.1 is based.

Koda’s revenues are classified by rights categories, which are further sub-divided into a number of areas of use. The classification is based on the registration of revenues in Koda’s chart of accounts and follows the presentation in Note 1 to the financial statements. The accounting period – like Koda’s financial statements – follows the calendar year.

A deduction to cover administrative costs is calculated for each area of use. The calculation of this deduction is based on the actual resource consumption associated with the given area of use. The resources consumed may, for example, relate to collection, the processing of music reporting and the distribution in respect of the individual area of use. The deduction also covers the individual areas’ use of joint and staff functions. Deductions for administrative costs are not made from the revenues Koda receives from similar organisations outside of Denmark for performances of Koda members’ music, because the administrative costs of the individual foreign organisations have already been deducted from these revenues. In 2022, revenues from similar organisations outside of Denmark could be recognised directly under each rights category in Table 2.1. The average deduction percentage for each rights category is thus not directly comparable with the 2021 figure. An overall specification of revenues from similar organisations outside of Denmark broken down by rights category can be found in Table 2.4.

A deduction for Koda’s funds for cultural purposes is calculated for each area of use. In accordance with Koda’s statutes, the deduction is calculated on the basis of the total revenues for public performance by type of use, less the deduction for administration. A deduction for funds for cultural purposes is not made from payment for the exploitation of mechanical rights, nor from international revenues or KulturPlus revenues. In 2022, separate payment as regards subsidised concerts and first performances was transferred to Koda’s funds for cultural purposes. The amount allocated in 2021 to subsidised concerts is included in Table 2.1 in the column above under ‘Concert’.

The accrual basis of accounting used for deductions for administration and for funds for cultural purposes in the ‘Music streaming’ area differs from that used for deductions for administration and funds for cultural purposes in the other areas. Deductions in the ‘Music streaming’ area are calculated on the basis of amounts distributed in the year, which also contain amounts distributed in previous income years. The deductions for both administration and funds for cultural purposes are thus calculated on the basis of other periods than the revenues, which means that the calculated deduction percentages deviate from the actual fixed rates applicable to the area. For ‘Music streaming’, the deduction for administration is actually 10%, and, of the amount remaining after this deduction, 10% is deducted from the portion of the amount ascribable to performing rights for funds for cultural purposes.

‘Music streaming’ includes Koda’s revenues from music services and social media received via the Polaris Hub, which has concluded multi-territorial agreements with the services on behalf

of Koda, TONO and TEOSTO. The agreements also cover the use of Koda members' works internationally, which were previously licensed via collective management organisations in other countries but are now licensed directly via the Polaris Hub. The directly licensed international revenues are specified in the table under the 'Streaming directly licensed internationally' area. Multi-territorial revenues on account not specified by territory at the time of invoicing are only included under the 'Music streaming' area of use.

Synchronisation revenues relate to the incorporation of music in AV productions whose revenues are distributed by Koda. Other synchronisation revenues are registered by NCB. Koda's interest income is distributed pro rata among the individual areas of use. In years with a positive return, this would result in a contribution to the distribution pools. In 2022, the return was negative, which is reflected in a deduction for the individual areas of use as shown in Table 2.1.

Table 3.1, 'Distributed, paid and for distribution in 2022', also specifies the portion of amounts 'For individual distribution' paid in 2022 as well as the portion for payment as of 31 December 2022.

## Correlation between Koda’s financial statements and transparency report

The sum totals in Table 2.1 have been stated and reconciled with Koda’s financial statements for 2022. The correlation is shown in this summary:

Table 2.2 **Correlations between definitions in Financial Statements and Transparency Report**

Financial Statements for 2022		Transparency Report - Revenues and deductions 2022
Income Statement - Total music revenue	=	Revenue
Income Statement - Net financial income and expenses	=	Interest
Administrative expenses + Depreciation, amortisation and impairment losses	=	Deduction for administration
Note 2 - Distribution to rights holders	=	For distribution after deduction of administration
Note 2 - Calculated funds for cultural contributions for the year	=	Deduction for cultural contributions
Note 10 - Provision for distribution for the year	=	For individual distribution (except KulturPlus (collective distribution) TEUR 773)

The adjustment of provisions for bad debts stated in Koda’s financial statements for 2022 is not specified by the individual revenue areas in Koda’s financial statements, but is distributed as shown in the second column of Table 2.4.

- The areas of ‘Money in and out of Koda’ are grouped under the ‘Broadcast’, ‘General public performance’, ‘Online’ and ‘Synchronisation’ categories plus an ‘Out of category’ group.
- In ‘Money in and out of Koda’, all revenues from ‘Primary transmission on radio and TV and retransmission’ are included under ‘Broadcast’ in Note 1 to the financial statements, with the exception of synchronisation remuneration. In addition comes an amount under ‘International’ in Note 1 to the financial statements that covers amounts distributed by Koda on behalf of collective rights management organisations outside of Denmark for performances on Danish TV channels in cable and satellite packages received in other countries.
- In ‘Money in and out of Koda’, revenues stated in Note 1 to the financial statements under ‘Hotels and restaurants’, ‘Background music’ and ‘Concerts, events, etc’, are included under ‘General public performance’. Furthermore, ‘Cinema and films’ from Note 1 to the financial statements is also included under ‘Other public performance’.
- Amounts stated as ‘Online’ in ‘Money in and out of Koda’ are the amounts stated under ‘Internet and On-demand’ in the financial statements, Note 1.
- Amounts stated as ‘Synchronisation’ in ‘Money in and out of Koda’, are stated under ‘Primary radio and TV broadcasting and retransmission’ in the financial statements, Note 1.

- The 'Out of category' group in 'Money in and out of Koda' covers revenues from KulturPlus (collective and individual funds).
- Revenues received in other countries for the performance of Koda repertoire are classified under the respective rights categories in which the music has been used.

Table 2.3 **Correlations between amounts in Financial Statement and Transparency Report**

In thousand EUR

FINANCIAL STATEMENTS				TRANSPARENCY REPORT		
Note 1	Amount	Adjustment of provision for bad debts	Revenue	Rights category from Revenues & deductions	Area of use - Revenues and deductions	Revenue
<b>Primary transmission on radio and TV and retransmission</b>	<b>58,296</b>	<b>59</b>	<b>58,355</b>			<b>58,355</b>
				Broadcast	Radio	17,631
				Broadcast	TV incl TV distribution	36,512
				Broadcast	TV distribution - distributed by other societies	3,836
				Broadcast	Synchronization	377
<b>KulturPlus</b>	<b>2,317</b>		<b>2,317</b>			<b>2,317</b>
				Out of category	KulturPlus - Blank Tape Levy (individual)	1,544
				Out of category	KulturPlus - Blank Tape Levy (collective)	773
<b>Internet and On Demand</b>	<b>49,904</b>	<b>-7</b>	<b>49,897</b>			<b>49,897</b>
				Online	Background music on websites	879
				Online	Interactive TV services	14,457
				Online	Streaming of TV, film and series	18,523
				Online	Music streaming and download	13,391
				Online	Polaris hub international - Music streaming and download	2,646
<b>Concerts and Background total</b>	<b>29,539</b>	<b>-63</b>	<b>29,475</b>			<b>29,475</b>
Hotels and restaurants	7,031	-36		General Public Performance	Background - with reporting	7,877
Background music	7,443	-9		General Public Performance	Background - no reporting	7,193
Concerts, events, etc	13,748	-8		General Public Performance	Concert	11,758
Cinemas and films	1,317	-11		General Public Performance	Major Live Concert	1,276
				General Public Performance	Cinemas and films	1,371
<b>International</b>	<b>10,313</b>		<b>10,313</b>			<b>10,313</b>
				Broadcast	Danish TV channels uplinked from the UK	420
				Broadcast	Danish TV channels internationally	160
				International	Koda works performed internationally	9,733
<b>Adjustment of provision for bad debts total</b>	<b>-12</b>	<b>12</b>	<b>0</b>			
<b>Total</b>	<b>150,357</b>		<b>150,357</b>			<b>150,357</b>

## Revenues from other collective rights management organisations

The table below shows the portion of Koda's total revenues in 2022 received from other collective rights management organisations. The table follows the same method and principles as Table 2.1, as described in 'Methods and principles for "Money in and out of Koda 2022" '.

Table 2.4 **Revenues from other collective rights management societies in 2022** In thousand EUR

Received from	Revenue	Deduction for administration	Deduction for cultural contribution	For distribution	2021
<b>COPYDAN</b>					
<b>AVU-medier</b>					
<b>General Public Performance</b>					
Background - no reporting	153	-25	-12	116	111
<b>General Public Performance Total</b>	<b>153</b>	<b>-25</b>	<b>-12</b>	<b>116</b>	<b>111</b>
<b>Online</b>					
Streaming of series, film and tv	1,556	-156	-97	1,303	1,333
<b>Online Total</b>	<b>1,556</b>	<b>-156</b>	<b>-97</b>	<b>1,303</b>	<b>1,333</b>
<b>AVU-medier Total</b>	<b>1,708</b>	<b>-181</b>	<b>-108</b>	<b>1,419</b>	<b>1,445</b>
<b>KulturPlus</b>					
<b>Out of category</b>				0	
KulturPlus (individual)	1,544	-39	0	1,505	251
KulturPlus (collective)	773		0	773	143
<b>Out of category Total</b>	<b>2,317</b>	<b>-39</b>	<b>0</b>	<b>2,279</b>	<b>394</b>
<b>Kultur Plus Total</b>	<b>2,317</b>	<b>-39</b>	<b>0</b>	<b>2,279</b>	<b>394</b>
<b>Verdens TV</b>					
<b>Broadcast</b>					
TV incl TV distribution	22,868	-1,112	-2,003	19,753	23,739
<b>Broadcast Total</b>	<b>22,868</b>	<b>-1,112</b>	<b>-2,003</b>	<b>19,753</b>	<b>23,739</b>
<b>Online</b>					
Interactive TV services	14,457	-1,446	-898	12,113	14,035
<b>Online Total</b>	<b>14,457</b>	<b>-1,446</b>	<b>-898</b>	<b>12,113</b>	<b>14,035</b>
<b>Verdens TV Total</b>	<b>37,325</b>	<b>-2,558</b>	<b>-2,901</b>	<b>31,866</b>	<b>37,774</b>
<b>COPYDAN Total</b>	<b>41,350</b>	<b>-2,777</b>	<b>-3,009</b>	<b>35,564</b>	<b>39,612</b>

Continued on next page

Table 2.4

Continued

In thousand EUR

Received from	Revenue	Deduction for administration	Deduction for cultural contribution	For distribution	2021
<b>Collective rights management societies outside of Denmark</b>					
<b>General Public Performance</b>					
Koda works performed internationally	1,240		0	1,240	989
<b>General Public Performance Total</b>	<b>1,240</b>			<b>1,240</b>	<b>989</b>
<b>Broadcast</b>					
Danish TV channels internationally	420	-15	0	405	4,310
Danish TV channels uplinked from the UK	160	-17	0	143	493
Koda works performed internationally	4,337		0	4,337	158
<b>Broadcast Total</b>	<b>4,916</b>	<b>-32</b>		<b>4,885</b>	<b>4,961</b>
<b>Online</b>					
Koda works performed internationally	3,188		0	3,188	2,638
<b>Online Total</b>	<b>3,188</b>			<b>3,188</b>	<b>2,638</b>
<b>Out of category</b>					
Koda works performed internationally	968		0	968	982
<b>Out of category Total</b>	<b>968</b>			<b>968</b>	<b>982</b>
<b>International Total</b>	<b>10,313</b>	<b>-32</b>	<b>0</b>	<b>10,281</b>	<b>9,570</b>
<b>Grand total</b>	<b>51,663</b>	<b>-2,809</b>	<b>-3,009</b>	<b>45,845</b>	<b>49,183</b>



## 3. Koda payments

### Payment frequency and speed

Koda makes monthly payments in a wide range of areas, specifically much of the radio, TV and concert areas as well as the international area.

In the radio and TV areas receiving monthly payments, revenues in respect of a performance are typically paid within two to three months of the performance itself. Revenues in respect of concerts are paid as they are registered and prepared for payment in Koda's systems, a process that can take as little as 14 days from a concert until its revenue is paid. However, payment in respect of a concert remains contingent on the concert having been reported to Koda as well as on Koda having received payment and information from the organiser regarding, for example, ticket revenue.

Koda makes ongoing efforts to enhance the distribution frequency and speed also in its other areas. Several areas have switched from annual to quarterly or biannual payments. In addition, efforts are also being made in several areas to process reporting more swiftly in order to bring down the time between performance and payment.

Koda's payment calendar, which can be found on Koda's website, sets out all Koda's payment areas and specifies when revenues for the individual performance periods by area are scheduled for payment. Find Koda's payment calendar here: <https://www.koda.dk/music-creators/payment-and-distribution/distribution-schedule>.

The payment frequency by area is also specified in Koda's distribution chart, which can be found here: <https://www.koda.dk/music-creators/payment-and-distribution/koda-s-distribution-chart>. The distribution chart contains a detailed overview of how Koda distributes revenues within the individual areas of music use.

Koda remains committed to streamlining its processes for collecting and processing music reporting, the aim being to add more areas to Koda's monthly payments. In some situations, payment delays may still occur, sometimes due to unclarified contractual issues, a lack of reporting or insufficient information about works or rightsholders. The reasons for delays in 2022 and the related amounts are specified in Tables 3.2 and 3.3.

## Distributed, paid and for distribution in 2022

Table 3.1 provides an overview of how much Koda has paid in the course of the year, and how much remains to be paid at the end of the year.

The key figures in the table (the totals in the last column) are stated in Note 10 to the financial statements.

The various items in the table are explained in the text on the page following this table.

Table 3.1 **Distributed, paid and for distribution 2022**

In thousand EUR

	General Public Performance	Broadcast	Online	Synchro- nization	Out of category	Perfor- mances - distributed via other societies	Total	2021
<b>For distribution at the beginning of 2022</b>								
For distribution 2020 income and earlier	178	1,781	16,801		1	725	19,486	24,396
For distribution 2021 income	10,649	28,140	33,872		251	2,438	75,350	69,254
Undistributable amounts 2021	298	689	775				1,763	1,430
Distributed - not paid out	1,794	3,950	5,954				11,697	12,169
<b>For distribution in respect of 2021 and prior years</b>	<b>12,920</b>	<b>34,560</b>	<b>57,402</b>		<b>251</b>	<b>3,163</b>	<b>108,296</b>	<b>107,249</b>
<b>Revenue to be distributed 2022</b>								
Revenue to be distributed 2022	21,511	45,586	40,962	354	1,505	9,733	119,652	113,554
<b>Paid out in 2022</b>								
<i>Distributed in 2022 of 2021 income and earlier</i>	-10,874	-30,530	-47,245		-391	-2,759	-91,800	-76,058
<i>Distributed in 2022 of 2022 income</i>	-7,856	-27,183	-13,842		0	-7,302	-56,184	-38,204
<b>Distributed total</b>	<b>-18,730</b>	<b>-57,713</b>	<b>-61,087</b>		<b>-391</b>	<b>-10,062</b>	<b>-147,983</b>	<b>-114,262</b>
Adjustment of amounts distributed - not paid out	-234	-99	1,683		55		1,405	1,291
Returned amounts	0	0	329		152	7	489	464
<b>Paid out in 2022</b>	<b>-18,964</b>	<b>-57,811</b>	<b>-59,075</b>		<b>-184</b>	<b>-10,054</b>	<b>-146,090</b>	<b>-112,507</b>
<b>For distribution at the end of 2022</b>								
For distribution 2021 income and earlier	252	80	4,532		12	412	5,288	19,486
For distribution 2022 income	13,655	18,403	27,120	354	1,505	2,431	63,468	75,350
Distributed - not paid out	1,560	3,851	7,636		55		13,102	13,460
<i>- of which are Undistributable amounts 2022</i>	291	552	436		4		1,282	1,763
<b>For distribution at the end of 2022</b>	<b>15,466</b>	<b>22,334</b>	<b>39,289</b>	<b>354</b>	<b>1,572</b>	<b>2,843</b>	<b>81,858</b>	<b>108,296</b>

## **Method and principles for ‘Distributed, paid and for distribution in 2022’**

The items in the main sections of Table 3.1 on the previous page are explained below.

### **For distribution in respect of 2021 and prior years**

‘For distribution in respect of 2021 and prior years’ comprises amounts that were ready to be distributed at the start of 2022 as regards music use in 2021 and prior years. The amount is divided into provisions for performances in 2020 and prior years and provisions for performances in 2021. At the start of 2022, part of the reporting to Koda for the music used in 2021 was outstanding, and for this reason the amount of this item will always be quite substantial.

Part of the item ‘For distribution in respect of 2021 and prior years’ constitutes amounts already distributed but where final payment has not been possible. These amounts relate largely to the use of musical works or to rightsholders for which insufficient information is available for payment to be made. In other words, these amounts relate to specific performances registered and distributed in Koda’s systems but which await further processing in order for payment to be effected.

Amounts ‘Distributed – not paid’ that remain unpaid after three full years’ provisioning are classified in Koda’s accounts as ‘Non-distributable amounts’. Non-distributable amounts are added to the following year’s distribution pools within the area in which the amount was earned, and are thus included in the ongoing distribution by area.

### **Revenue to be distributed 2022**

‘Revenue to be distributed 2022’ comprises the remuneration Koda received as revenues in 2022 for the use of music primarily in 2022 (but also from prior years) less the costs incurred and contributions to the funds for cultural purposes. The result is stated in Koda’s financial statements (Note 2 – distribution to rightsholders for the year) and specified in more detail by areas of utilisation in Table 2.1 of the transparency report. Table 2.1 also includes the amount for ‘KulturPlus (collective funds)’. As these revenues are paid out as collective funds on the basis of applications, they are not included in ‘Distribution to rightsholders’.

### **Paid out in 2022**

‘Paid out in 2022’ comprises amounts paid for music use for which revenues were distributed in Koda’s reporting and distribution system in 2022. The amounts distributed are divided into revenues from 2021 and prior years and revenues from 2022. Initially, incomplete information about works or rightsholders may make payment of a small portion of the distributed amounts impossible. These amounts are stated as ‘Distributed – not paid out’ in Table 3.1 and are specified in more detail in Table 3.3.

At the start of the year, some amounts ‘Distributed – not paid out’ will remain in Koda’s systems from prior years. In the course of the year, some of these amounts will be paid out as Koda

collects the missing information about works and rightsholders. With each distribution, provisions will also be made for new amounts that cannot be paid out owing to insufficient information about works and rightsholders.

The difference between new and released provisions is stated as 'Adjustment of amounts distributed – not paid out'.

### **For distribution at the end of 2022**

'For distribution at the end of 2022' comprises amounts ready to be distributed at the end of 2022 as regards music use in 2022 and prior years. The amount is divided into provisions for revenues in 2021 and prior years and provisions for revenues in 2022. At the end of 2022, part of the reporting to Koda for the music used in 2022 was outstanding, and for this reason the amount of this item will always be quite substantial.

Part of the item 'For distribution at the end of 2022' constitutes amounts already distributed but where final payment has not been possible. These amounts 'Distributed – not paid out' relate largely to the use of musical works or to rightsholders for which insufficient information is available for payment to be made. In other words, these amounts relate to specific performances registered and distributed in Koda's systems, which await further processing in order for payment to be made.

Amounts 'Distributed – not paid out' that remain unpaid after three full years' provisioning are classified in Koda's accounts as 'Non-distributable amounts'. The areas are specified in Table 3.1 and the reasons in Table 3.3.

## Reasons for delayed payment

Table 3.1 shows revenues neither distributed nor paid as of 31 December 2022. Most of these are 2022 revenues that follow Koda's scheduled payment dates and will be paid in 2023 within the applicable deadlines for payment set out in section 15(2) of the Act on Collective Management of Copyright and Related Rights. Table 3.1 also shows revenues from 2021 and prior years considered delayed according to the payment deadlines stipulated by the Act. The reasons these revenues were not distributed as of 31 December 2022 are specified in Table 3.2 below. The time limit for paying revenues received via an organisation outside of Denmark differs from that for revenues directly collected by Koda; see section 18(4) of the Act on Collective Management and Related Rights. This means that revenues received from organisations outside of Denmark within the first six months of 2022, which are not paid by the end of the year, are also considered delayed under the terms of the Act.

Table 3.2 Provisions as of 31 December 2022

In thousand EUR

Reason for delayed distribution	2021 and before	2020 and before (from Koda Transparency Report 2021)
<b>Denmark</b>		
<b>Interim amount that cannot be distributed:</b>		
▪ Awaiting contractual clarification with music user	0	14,109
▪ Delayed due to negotiations between Copydan's member organisations and Koda		
<b>Koda has yet to receive the data necessary for distribution, wholly or in part</b>		
▪ Music user reporting is delayed for technical/practical reasons		
▪ Music user reporting is incomplete; Koda awaits supplementary reporting	1,900	1,573
▪ Remaining amount transferred, in accordance with established practice, to the next year's pool within the same distribution area - including amounts awaiting final settlements and distributions		
<b>Amounts not yet distributed from retransmission of TV and radio channels with uplinks outside of Denmark</b>		
▪ Cannot be sent on because the affiliated society in the relevant uplink country does not license or process reporting for primary transmissions.	144	490
<b>From distribution areas managed by NMP/NCB</b>		
▪ Funds where NMP awaits information on the distribution basis, wholly or in part	2,006	1,456
▪ Interim amounts awaiting final distribution at the end of claim period		
▪ Reported tracks that cannot be matched to an ICE work or which await payment from music user	826	1,132
<b>Total - Denmark</b>	<b>4,877</b>	<b>18,761</b>
<b>International</b>		
<b>Reason for delayed distribution *</b>		
▪ Awaiting processing of reporting	412	725
▪ Awaiting work documentation		
<b>Total - International</b>	<b>412</b>	<b>725</b>
<b>Grand Total</b>	<b>5,288</b>	<b>19,486</b>

\* In addition to this revenue from 2021 and before, revenue received from outside of Denmark before 30 June 2022 is also delayed compared to the deadline stipulated in the Act on Collective Rights Management. This figure amounts to 156 thousand EUR.

## Reasons for Koda's provisions

The reasons for Koda's provisions as of 31 December 2022 are set out below. Most are revenues that have been distributed and are ready for payment, but which cannot be paid because of lack of or unclarified documentation regarding the works or rightsholders. These amounts will be charged to various accounts depending on the type of provision.

Table 3.3

### Provisions as of 31 December 2022

In thousand EUR

	Provisions, Koda	Provisions, NMP/NCB	Undistributable funds - included in the proposal for use presented at the 2023 general assembly	Total	2021
<b>Allocated, unassigned sums - Royalties linked to unidentified works/uses, rights holders and disputes</b>					
Unregistered works	2,211	297	478	2,986	2,186
Works registered in part	640	755		1,396	1,600
Reserved due to dispute between rightsholders	2,321	318		2,640	2,557
<b>Allocated, unassigned total</b>	<b>5,173</b>	<b>1,371</b>	<b>478</b>	<b>7,022</b>	<b>6,344</b>
<b>Assigned, unpaid sums - Royalties assigned to rights holders that cannot be paid out</b>					
The rightsholder cannot be identified or located, or Koda does not have their account information.	2,992	313	804	4,110	4,988
Amounts awaiting transfer to composers/authors, heirs, publishers, other societies etc.	1,152	819		1,971	2,129
<b>Assigned, unpaid total</b>	<b>4,145</b>	<b>1,132</b>	<b>804</b>	<b>6,081</b>	<b>7,116</b>
<b>Allocated, unpaid total</b>	<b>9,317</b>	<b>2,503</b>	<b>1,282</b>	<b>13,102</b>	<b>13,460</b>

## Revenues from organisations outside of Denmark in 2022

The table below shows revenues received by Koda in 2022 from organisations outside of Denmark. The amounts cover use of Koda members' music performed internationally in various performance periods. The revenues are stated by organisation and classified by rights category.

Table 3.4 **Revenues from collective rights management societies outside of Denmark in 2022**

In thousand EUR

Country	Society	General public performance	Broadcast	Online	Unknown category / other	Distributed by Koda on behalf of another society	Total	2021
Argentina	SADAIC	2	1	3	0		6	7
Australia	APRA	14	44	105	0		163	164
Austria	AKM	13	55	11	13	1	92	76
Belarus	NCIP							3
Belgium	SABAM	8	63	9	34		114	205
Brazil	UBC	2	17	38	12		69	38
Bulgaria	MUSICAUTOR							2
Canada	SOCAN	6	54	96	-3		153	114
Chile	SCD	0	2	1	1		3	8
China	MCSC	56	2		8		66	126
Colombia	SAYCO				6		6	8
Costa Rica	ACAM				1		1	
Croatia	HDS-ZAMP		2		6		8	
Czech Republic	OSA	3	22	3	20		48	54
Estonia	EAÜ	7	10	0	16		33	26
Finland	TEOSTO	129	1,131	180	43	5	1,488	1,278
France	SACEM	50	104	76	54		284	461
Georgia	GCA				2		2	
Germany	GEMA	168	436	249	224	5	1,082	1,134
Greece	AUTODIA	10	5	0	0		14	3
Hong Kong	CASH	0	4	5	2		11	16
Hungary	ARTISJUS	3	5	1	7		16	12
Indonesia	WAMI	0	0	10	0		10	8
Ireland	IMRO	1	14	11	0		26	32
Israel	ACUM	5	23	4	2		34	27
Italy	SIAE	33	35	24	85		177	188
Japan	JASRAC	38	74	80	1		193	196
Latvia	AKKA-LAA	5	19	3	2		29	17
Lithuania	LATGA-A	3	38		9		49	41
Malaysia	MACP	0	3	10	8		22	6
Mexico	SACM	3	7	44	1		55	24
Montenegro	PAM		1		0		1	0
Netherlands	BUMA	104	82	65	33		284	247
Netherlands	STEMRA				28		28	55
North Macedonia	ZAMP				1	0	1	1
Norway	TONO	149	690	300	13	64	1,216	1,049

Continued on next page

Table 3.4 **Continued**

In thousand EUR

Country	Society	General public performance	Broadcast	Online	Unknown category / other	Distributed by Koda on behalf of another society	Total	2021
Peru	APDAYC	1	0	1	2		4	3
Philippines	FILSCAP	4	1		10		15	15
Poland	ZAIKS	6	21	12	16		55	55
Portugal	SPA	7	6	1	8		22	17
Romania	UCMR-ADA	6	23	7	15		51	8
Serbia	SOKOJ	0	8	0	1		9	7
Singapore	COMPASS	0	4	0	6		10	12
Slovakia	SOZA	1	14	0	0		15	16
Slovenia	SAZAS	1	3	0	10		14	8
South Africa	SAMRO		12	1	0		13	11
South Korea	KOMCA	8	28	138	24		198	191
Spain	SGAE	51	60	25	-16		120	74
Sweden	STIM	73	530	882	32	345	1,862	1,644
Switzerland	SUISA	27	205	63	39		335	342
Thailand	MCT	2	0	3	0		6	2
Turkey	MESAM	0	1	0	0		1	12
United Kingdom	PRS	136	184	281	203	160	964	810
Uruguay	AGADU				3		3	
Uruguay	LATINAUTOR				1		1	
USA	ASCAP	88	245	227	-1		560	416
USA	BMI	19	46	198	-20		243	335
USA	SESAC	0	3	17	5		25	2
Vietnam	VCPMC							2
<b>Total</b>	<b>1,240</b>	<b>4,337</b>	<b>3,188</b>	<b>968</b>	<b>579</b>		<b>10,313</b>	<b>9,607</b>



## Distribution to organisations outside of Denmark in 2022

The table below shows the amounts Koda distributed to organisations outside of Denmark in 2022 for the performance of their members' music in Denmark. The amounts are stated by organisation and classified by rights category.

Table 3.5 **Distribution to collective rights management societies outside of Denmark in 2022**

In thousand EUR

Country	Society	General public performance	Broadcast	Online	Out of category	Distributed on behalf of Koda	Total	2021
Albania	ALBAUTOR	0	0	0			1	1
Algeria	ONDA	0	0	0			0	0
Argentina	SADAIC	2	6	22	0		30	23
Armenia	ARMAUTHOR NGO	0	0	0			0	0
Australia	AMCOS			51	0		51	31
Australia	APRA	133	638	428			1,199	1,050
Austria	AKM	27	198	117	1		342	260
Austria	AUME			25	0		25	13
Azerbaijan	AAS		0	0			0	0
Barbados	COSCAP	0	0	0			0	0
Belarus	NCIP		0	0			0	0
Belgium	SABAM	21	60	145	0	1	228	102
Benin	BUBEDRA	0	0	0			0	0
Bolivia	SOBODAYCOM	0	0	0			0	0
Bosnia And Herzegovina	AMUS	0	0	0			0	0
Bosnia And Herzegovina	SQN		0	0			0	0
Brazil	ABRAMUS	4	2	3			8	4
Brazil	ADDAF			0			0	0
Brazil	AMAR SOMBRÁS	0	1	0	0		2	1
Brazil	ASSIM	0	0	0			0	1
Brazil	SADEMBRA	0	0	0			0	0
Brazil	SBACEM	0	1	0			1	1
Brazil	SICAM	0	0	0			0	0
Brazil	SOCINPRO	0	1	0			1	0
Brazil	UBC	3	6	3			13	11
Bulgaria	MUSICAUTOR	0	0	0	0		1	1
Burkina Faso	BBDA	0	0	0			0	0
Canada	CMRRA			0			0	0
Canada	SOCAN	155	696	616	3	1	1,471	1,096
Canada	SODRAC			23	0		23	10
Chile	SCD	0	1	1			2	1
China	MCSC	0	1	1			2	1
Colombia	SAYCO	0	1	1			2	3
Congo	BCDA		0	0			0	0
Costa Rica	ACAM	0	0	0			0	0
Cote D'Ivoire	BURIDA	0	0	0			0	0
Croatia	HDS-ZAMP	0	4	3	0		7	10
Cuba	ACDAM	0	0	0	0		1	1
Czech Republic	OSA	4	9	11	0		25	12
Democratic Republic Of The Congo	SONECA (SACEM)		0	0			0	0

Table 3.5 **Continued**

In thousand EUR

Country	Society	General public performance	Broadcast	Online	Out of category	Distributed on behalf of Koda	Total	2021
Dominican Republic	SGACEDOM	0	0	0			0	0
Ecuador	SAYCE	0	0	0			0	0
Egypt	SACERAU			0			0	0
Estonia	EAU	2	3	7	0		12	30
Finland	TEOSTO	28	63	55	0		147	140
France	SACEM	157	1,314	1,314	7	57	2,850	2,113
France	SACENC			0			0	0
Georgia	GCA	0	0	0			1	0
Germany	GEMA	184	827	1,033	4	1,452	3,500	2,493
Ghana	COSGA	0	0	0			0	0
Ghana	GHAMRO	0	0	0			0	0
Greece	AEPI	0	0	0			0	2
Greece	AUTODIA	0	0	0			1	0
Guatemala	AEI-GUATEMALA	0	0	0			0	0
Guinea	BGDA	0	0	0			0	0
Honduras	AACIMH			0			0	0
Hong Kong	CASH	0	2	3			6	6
Hungary	ARTISJUS	3	6	9	0		18	9
Iceland	STEF	16	58	31	0		105	141
India	IPRS	0	0	2			3	2
Indonesia	KCI		0	0			0	0
Indonesia	WAMI	0	0	0			0	0
Ireland	IMRO	58	175	95	1		329	210
Israel	ACUM	2	13	13	0		28	27
Italy	SIAE	43	197	184	1	1	427	324
Jamaica	JACAP	0	0	0	0		0	0
Japan	JASRAC	5	27	65	0		98	59
Kazakhstan	KAZAK		0	0			0	0
Kenya	MCSK	0	0	0			0	0
Korea, Republic Of	KOMCA	4	10	24			38	26
Latvia	AKKA-LAA	1	1	3	0		5	5
Lithuania	LATGA	1	1	1	0		3	3
Macau	MACA			0			0	0
Macedonia, The Former Yugoslav Republic Of	ZAMP Macedonia	0	0	0			1	0
Madagascar	OMDA		0				0	0
Malawi	COSOMA	0		0			0	0
Malaysia	MACP	0	15	7			22	3
Mali	BUMDA	1	1	0			1	1
Mauritius	MASA	0		0	0		0	0
Mexico	SACM	6	4	4	0		14	11
Mongolia	MOSCAP			0			0	0
Montenegro	PAM CG	0	0	0			0	0
Morocco	BMDA			0			0	0
Namibia	NASCAM	0		0			0	0
Nepal	MRCNSN		0	0			0	0
Netherlands	BUMA	58	217	119	1		395	344
Netherlands	STEMRA			39	0		40	29

Table 3.5 **Continued**

In thousand EUR

Country	Society	General public performance	Broadcast	Online	Out of category	Distributed on behalf of Koda	Total	2021
Nigeria	COSON	0	0	0			0	0
Nigeria	MCSN	0	0	0			0	0
Norway	TONO	125	341	341	1	334	1,143	1,009
Panama	SPAC		0	0			0	0
Paraguay	APA	0		0			0	0
Peru	APDAYC	0	1	1			2	2
Philippines	FILSCAP	0	0	0			0	0
Poland	ZAIS	2	12	36	0		50	35
Portugal	SPA	1	4	6	0		10	7
Puerto Rico	SPACEM (SACEM)			0			0	0
Romania	UCMR-ADA	1	0	4	0		5	5
Russian Federation	RAO	2	5	11	0		18	11
Saint Lucia	ECCO	0	0	3			3	3
Senegal	SODAV	0	1	1	0		2	1
Serbia	SOKOJ	0	1	1			2	2
Singapore	COMPASS	0	1	2			3	2
Slovakia	SOZA	0	0	1	0		1	0
Slovenia	SAZAS	0	0	1	0		1	1
South Africa	CAPASSO			1			1	0
South Africa	SAMRO	2	10	18			29	22
South Africa	SARRAL			0			0	0
Spain	SGAE	15	82	190	0	2	289	185
Sweden	STIM	2,472	7,134	7,361	43	722	17,732	22,502
Switzerland	SUISA	16	45	51	0	4	116	104
Taiwan, Chinese Taipei	MÜST	0	1	0			1	1
Tanzania, United Republic Of	COSOTA		0	0			0	0
Thailand	MCT	0	0	0			0	0
Trinidad And Tobago	COTT	0	1	0			1	1
Turkey	MESAM	0	2	2	0		4	4
Turkey	MSG	0	1	11			12	18
Uganda	UPRS			0			0	0
Ukraine	NGO-UACRR	0	1	1			2	4
United Kingdom	MCPS			490	1	587	1,078	551
United Kingdom	PRS	1,612	8,183	5,000	38	3,288	18,121	13,625
United States	AMRA	43	76	36	0		155	152
United States	ASCAP	1,206	4,101	3,966	15		9,289	6,729
United States	BMI	1,079	3,982	4,248	16		9,325	6,804
United States	SESAC	76	395	384	1		855	491
Uruguay	AGADU	0	1	1			2	1
Venezuela	SACVEN	0	0	0			0	0
Viet Nam	VCPMC	0	0	0			0	0
Zambia	ZAMCOPS	0	0	0			0	0
Zimbabwe	ZIMURA	0	0	0			1	0
<b>Total</b>		<b>7,573</b>	<b>28,940</b>	<b>26,632</b>	<b>136</b>	<b>6,449</b>	<b>69,731</b>	<b>60,884</b>

## 4. Use of Koda's funds for cultural purposes

In 2022, the funds to be used for cultural purposes amounted to EUR 9.6 million. The funds were accrued in 2021.

In addition, funds for cultural purposes transferred from prior years amounted to EUR 6.1 million, and internally reallocated amounts came to EUR 0.3 million, of which KulturPlus accounts for EUR 0.04 million, which are to be added to the funds for use in the Up-and-Coming Pool. A portion of the funds transferred from prior years has already been awarded, but had not yet been paid out at the end of 2021. These funds were paid out in 2022, while a few amounts are not expected to be paid out until 2023. The four organisations Autor, Danish Composers' Society (DKF), Danish Popular Auteurs (DPA) and Danish Music Publishers Association were each allocated EUR 1.7 million of the funds to be used in 2022. Koda (incl. Greenland and the Faroe Islands) was allocated EUR 2.8 million.

At end of 2022, non-paid funds came to EUR 6.4 million. The majority of the transferred funds of EUR 6.4 million have already been awarded (EUR 4.5 million), but are not expected to be paid out until 2023. EUR 1.9 million has not been awarded. This sum includes EUR 1.2 million, which the general assembly in 2019 decided to use for subsidised concerts and first performance awards. These funds, which are to be used as from 2023, will be managed under the auspices of Koda's funds for cultural purposes. The remainder of the funds not yet awarded will be transferred for award in 2023.

Koda's general assembly has decided that the four organisations are – in equal proportions – to collectively administer 71.2% of the funds for cultural purposes, while Koda administers 28.8%. In the general policy for deductions from rights revenues, it has furthermore been decided that Koda and each of the four organisations may use up to 15% for fund administration and up to 17% for cultural policy purposes. At least 68% is to be administered as funds to be applied for and used within the framework of Koda's cultural strategy. From Koda's cultural strategy for 2022–25: With a focus on gender balance, talent pipeline and international perspective, the funds for cultural purposes are re-invested in the music scene, thus contributing to the development of a sustainable music industry, a diverse music culture and the future business foundation for Koda. This portion of the funds is distributed, among other things, in the form of work, study, and travel grants; production and publication support; PR activities; and support for concerts and projects.

The use of the funds by the organisations and Koda for administration, cultural and business policy, support and grant payments, respectively, is specified in the table below. The table thus shows the amount used and paid out in 2022.

Table 4.1

**How the cultural contributions were spent**

In thousand EUR

Association	Transferred as of 1 January 2022 and internal reallocations	For use in 2022	Spent on: Administration	Spent on: Cultural and business	Distributed: Grants and support	Spent on and distributed: Total 2022	Total transferred to 1 January 2023
Autor	179	1,703	256 (15%)	289 (17%)	1,195 (70%)	1,740	142
Danish Composers' Society	770	1,703	229 (15%)	290 (17%)	1,286 (76%)	1,804	669
Danish Popular Auteurs	1,248	1,703	221 (13%)	290 (17%)	1,248 (73%)	1,758	1,193
Danish Music Publishers Association	1,470	1,703	164 (10%)	284 (17%)	1,338 (79%)	1,787	1,386
Total – Managed by the associations	3,667	6,814	870 (13%)	1,153 (17%)	5,067 (74%)	7,090	3,390
Koda	1,556	2,624	392 (15%)	444 (17%)	1,570 (60%)	2,406	1,774
UR/SUB	1,229	-	0 (0%)	0 (0%)	0 (0%)	-	1,229
Greenland	8	64	3 (5%)	6 (9%)	34 (53%)	42	30
Faroe Islands	-	68	9 (13%)	10 (14%)	50 (73%)	68	-0
Total – Managed by Koda	2,793	2,756	403 (15%)	460 (17%)	1,653 (60%)	2,517	3,033
<b>Total</b>	<b>6,460</b>	<b>9,570</b>	<b>1,274 (14%)</b>	<b>1,612 (17%)</b>	<b>6,721 (70%)</b>	<b>9,607</b>	<b>6,423</b>

Figures in parentheses state the share of the total distribution in 2022 represented by the amount in the specific row.

\* The calculation of this percentage includes the repayment of EUR 26,882 (overspend from 2019 and 2020).

Koda publishes a separate report on the use of the funds for cultural purposes for the year. As well as going into greater depth regarding the individual organisations' activities and fund use, the report includes summaries of support and grants by geography, gender and age. The report also describes the content of Koda's cultural strategy and the action areas in focus in 2022.

'Annual report: Use of Koda's funds for cultural purposes 2022' can be found at [koda.dk/cultural22](https://koda.dk/cultural22).

## 5. Reasons for licence refusal

According to established practice, Koda only refuses to issue licences in three situations:

1. Situations which, in Koda's opinion, do not constitute public performance of music, and no basis for licensing therefore exists.
2. Situations in which the publicly performed music is not copyrighted.
3. Situations in which Koda is not authorised by the rightsholders to manage the rights to the music performed.

However, in certain circumstances in which a music user repeatedly fails to comply with contractual terms, including payment terms, Koda can refuse to issue a licence so long as the contractual terms are not met.

In 2022, Koda did not refuse to issue licences in situations other than the types mentioned here.

## 6. Koda's legal structure

### **Koda's legal and management structure**

Koda is a non-profit members' organisation whose statutes stipulate that its primary purpose is to manage the rights of musical works on behalf of composers, lyricists and music publishers. The Koda organisation has a board of directors responsible for the overall supervision of Koda's operations. The board appoints the CEO, to whom the other employees of Koda report.

### **Entities directly or indirectly, wholly or partly owned or controlled by Koda at the end of the year:**

- Nordisk Copyright Bureau
- Network of Music Partners A/S ("NMP")
- Polaris Nordic A/S
- Polaris Hub AB

### **At the end of the year Koda was represented on the boards of the following entities:**

- Copydan Arkiv
- Copydan AVU Medier
- Copydan KulturPlus
- Copydan Verdens TV (observatør)
- MXD
- Rettighedsalliancen



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## *Koda*

# Financial Statements for 2022

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CVR No 64 08 69 28

The Financial Statements have been translated from the original in Danish. In case of discrepancy, the Danish version shall prevail.

When translating from DKK into EUR, the exchange rate at the balance sheet date for both current and prior years, ie 743.65, has been used for both income statement and balance sheet items.

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# Management's Statement

The Executive Board and the Board of Directors have today considered and adopted the Financial Statements of Koda for the financial year 1 January to 31 December 2022.

The Financial Statements are prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class A, the By-laws of Koda as well as section 23(5) of the Danish Act on Collective Management of Copyright. We consider the accounting policies applied appropriate and the estimates made reasonable. Moreover, we consider the overall financial statements presentation true and fair.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Society and of the results of the Society operations for 2022.

We recommend that the Financial Statements be adopted at the Ordinary General Meeting of the Society.

Copenhagen, 29 March 2023

## Executive Board

Gorm Arildsen

## Board of Directors

Marie-Louise Törnqvist  
(Chair)

Tobias Stenkjær  
(Deputy Chair)

Emil de Waal  
(Deputy Chair)

Ole Dreyer Wogensen

Juliana Hodkinson

Lasse Matthiessen

Nanna la Cour Jacobi

Søren Winding Lorenzen

Pernille Bévort

Jens Visby  
(Employee Representative)

The Financial Statements were presented at the Annual General Meeting of the Society 26. April 2023.

## Chair



# ***Independent Auditor's Report***

To the members of Koda

## **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Society at 31 December 2022, and of the results of the Society's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act applying to enterprises of reporting class A, the By-laws of Koda as well as section 23(5) of the Danish Act on Collective Management of Copyright.

We have audited the Financial Statements of Koda for the financial year 1 January - 31 December 2022, which comprise summary of significant accounting policies, income statement, balance sheet, cash flow statement and notes ("Financial Statements").

## **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class A and the By-laws of Koda and which fulfil the requirements of section 23(5) of the Danish Act on Collective Management of Copyright, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, Management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

## ***Independent Auditor's Report***

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

## ***Independent Auditor's Report***

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 29 March 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Ulrik Ræbild  
State Authorised Public Accountant  
mne33262

Anders Røjleskov  
State Authorised Public Accountant  
mne28699

## Accounting Policies

The Financial Statements of Koda for 2022 are prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class A, the By-laws of Koda as well as section 23(5) of the Danish Act on Collective Management of Copyright.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in EUR thousands.

### Recognition and measurement

Music revenue is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Society, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Society, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

# Accounting Policies

## Income Statement

### Music revenue

Koda's music revenue is recognised in the income statement under the completed-contract method when music has been used before the balance sheet date, and Koda has acquired the right to the revenue on behalf of its members, and the revenue can be reliably measured.

Music revenue from associates are recognised in the income statement when these are received in Koda.

### Administrative expenses

Administrative expenses comprise of payroll expenses, rent, office supplies, etc with deduction of reimbursements received. Staff expenses comprise salaries and payroll related expenses.

### Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of projects and operating equipment.

### Income from investments in group enterprise

The item "Income from investment in subsidiary" includes the profit/loss for the year.

### Financial income and expenses

Financial income and expenses comprise return on portfolios etc and are recognised in the income statement at the amounts relating to the financial year.

### Tax

Tax on profit for the year is recognised in the Financial Statements of the Society under the provisions applying to trade associations.

# Accounting Policies

## Balance Sheet

### Receivables

Receivables are recognised at market value, usually corresponding to the invoiced amount. Other receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. The value is reduced by provisions for bad debts according to principles determined on the basis of the Society's experience from past years and of an individual assessment of each receivable.

### Securities

Securities are measured at market value at the balance sheet date. Unrealised price gains/losses at the balance sheet date and realised price gains/losses from sale are included in the item "Net financial income" in the income statement.

### Operating equipment and leasehold improvements

Operating equipment and leasehold improvements are recognised at cost less accumulated depreciation and any impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives which are 3-5 years for operating equipment and 10 years for leasehold improvements.

Expected useful lives and carrying values reassessed on a yearly basis.



# Accounting Policies

## Investment in associates

Investment in associates is recognised at cost. An associate with a negative net asset value is recognised at EUR 0. Any legal or constructive obligation of the Society to cover the negative balance of the enterprise is recognised as a liability.

## Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums and subscriptions, etc.

## Financial debts

Loans are measured at amortised cost which substantially corresponds to nominal value.

## Cash flow statement

The cash flow statement shows the Society's cash flows for the year broken down by payments received, operating and investing activities, payments made and changes for the year in cash and cash equivalents and securities at the beginning and end of the year.

## Income Statement 1 January - 31 December

	Note	2022	2021
		EUR 'ooo	EUR 'ooo
Performing rights		127.156	119.086
Mechanical rights		12.888	10.153
Music revenue, abroad		10.313	9.607
<b>Total music revenue</b>	1	<b>150.357</b>	<b>138.846</b>
Distribution to rights holders for the year	2	-130.072	-123.342
<b>Profit before expenses etc</b>		<b>20.285</b>	<b>15.504</b>
Administrative expenses	3	-14.811	-14.332
<b>Profit before depreciation, amortisation and other items</b>		<b>5.474</b>	<b>1.172</b>
Depreciation, amortisation and impairment losses		-554	-660
<b>Profit before interest</b>		<b>4.920</b>	<b>512</b>
Net financial income and expenses	4	-4.920	-512
<b>Profit before tax</b>		<b>0</b>	<b>0</b>
Corporation tax		0	0
<b>Net profit for the year</b>		<b>0</b>	<b>0</b>

## Balance Sheet at 31 December

### Assets

	Note	2022	2021
		EUR '000	EUR '000
Investment in associates		24	24
Deposits		545	531
<b>Fixed asset investments</b>		<b>569</b>	<b>555</b>
Fixtures and fittings, operating equipment and leasehold improvements	5	256	787
<b>Property, plant, equipment and intangible assets</b>		<b>256</b>	<b>787</b>
Receivables		1.481	7.704
Advances for members		348	393
Prepayments		146	102
Other receivables		12.163	12.792
Cash at bank and in hand		28.237	52.616
Securities	6	60.226	53.826
<b>Current assets</b>		<b>102.604</b>	<b>127.432</b>
<b>Assets</b>		<b>103.426</b>	<b>128.772</b>
<b>Capital and liabilities</b>			
Funds for cultural contributions	7	16.299	15.640
KulturPlus - Collective blank media funds	8	1.311	585
Other payables and debt	9	2.963	2.889
Reserves special purpose (technology)		993	1.360
Provision for distribution	10	81.858	108.295
<b>Capital and liabilities</b>		<b>103.426</b>	<b>128.772</b>
Contingent liabilities	11		

## Cash Flow Statement

	2022	2021
	EUR '000	EUR '000
<b>Music revenue received, Denmark</b>		
Music revenue for the year (performing rights and mechanical rights)	140.044	129.240
Change in trade receivables	6.223	2.371
Change in other receivables	629	2.162
	<b>146.896</b>	<b>133.773</b>
<b>Music revenue received, abroad</b>		
Music revenue for the year, abroad	10.313	9.607
	<b>10.313</b>	<b>9.607</b>
<b>Operating expenses</b>		
Administrative expenses for the year	-14.811	-14.332
Change in payables	-293	-532
Change in prepayments	-46	75
	<b>-15.150</b>	<b>-14.789</b>
<b>Financial expenses</b>		
Interest expenses for the year	-4.920	-510
Change in deposits	-14	-10
	<b>-4.934</b>	<b>-520</b>
<b>Investments</b>		
Development projects and operating equipment	-21	0
	<b>-21</b>	<b>0</b>
<b>Funds for cultural contributions and collective blank media funds</b>		
Funds for cultural contributions and KulturPlus - collective blank media funds for the year	-10.424	-9.789
Change in funds for cultural contributions and KulturPlus collective blank media funds	1.384	789
	<b>-9.040</b>	<b>-9.000</b>
<b>Individual contributions</b>		
Individual contributions for the year	-119.652	-113.554
Change in individual contributions	-26.438	1.047
	<b>-146.090</b>	<b>-112.507</b>
<b>Advances for members</b>		
Change in advance for members	46	109
	<b>46</b>	<b>109</b>
<b>Change in cash and cash equivalents for the year</b>	<b>-17.981</b>	<b>6.673</b>
Securities and cash and cash equivalents, beginning of year	106.442	99.770
<b>Securities and cash and cash equivalents, end of year</b>	<b>88.461</b>	<b>106.443</b>

## Notes to the Financial Statements

	2022	2021
	EUR 'ooo	EUR 'ooo
<b>1 Music revenue</b>		
Primary transmission on radio and TV and retransmission	58.295	62.440
KulturPlus	2.317	401
Internet and On Demand	49.903	48.540
Cinemas and films	1.317	900
Hotels and restaurants	7.031	4.824
Background music	7.443	5.859
Concerts, events, etc	13.748	6.129
Adjustment of provision for bad debts	-12	146
Foreign income from sister societies	10.313	9.607
	<b>150.355</b>	<b>138.846</b>
<b>2 Distribution to rights holders for the year</b>		
Distribution to rights holders for the year is allocated as follows:		
Funds for cultural contributions*	9.647	9.645
KulturPlus - Collective blank media funds	773	143
Provision for distribution for the year	119.652	113.554
<b>Distribution to rights holders</b>	<b>130.072</b>	<b>123.342</b>

## Notes to the Financial Statements

	2022	2021
	EUR '000	EUR '000
<b>3 Administrative expenses</b>		
Staff expenses	-10.976	-10.238
Refunded administrative expenses	1.229	1.277
Fees and comission	-2.106	-2.298
Marketing and PR	-234	-245
Travelling, meetings and entertainment	-235	-122
Rental income	141	139
Rental expenses	-1.349	-1.332
Property expenses	-341	-267
Office supplies	-502	-514
IT expenses	-1.621	-1.673
Membership fees etc	143	156
Refund of administrative expenses	1.040	784
	<b>-14.811</b>	<b>-14.333</b>
Remuneration to the Executive Board and the Board of Directors	556	531
Average number of employees	118	117
<b>4 Net financial income</b>		
Return on portfolio	-4.809	-333
Bank and giro accounts	-273	-272
Receivables etc	162	93
	<b>-4.920</b>	<b>-512</b>

# Notes to the Financial Statements

## 5 Fixtures and fittings, operating equipment and leasehold improvements

	Fixtures and fittings	IT equipment	IT software	Leasehold improvements	Total
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Cost at 1 January	457	664	4.772	1.364	7.257
Additions for the year	13	0	0	8	21
Disposals for the year	0	-49	0	0	-49
<b>Cost at 31 December</b>	<b>470</b>	<b>615</b>	<b>4.772</b>	<b>1.372</b>	<b>7.229</b>
Depreciation, amortisation and impairment at 1 January	-457	-531	-4.428	-1.054	-6.470
Impairment losses for the year	0	49	0	0	49
Depreciation and amortisation for the year	-1	-77	-332	-142	-552
<b>Depreciation, amortisation and impairment at 31 December</b>	<b>-458</b>	<b>-559</b>	<b>-4.760</b>	<b>-1.196</b>	<b>-6.973</b>
<b>Carrying amount at 31 December</b>	<b>12</b>	<b>56</b>	<b>12</b>	<b>176</b>	<b>256</b>

## 6 Securities

The portfolio consists of bonds, corporate bonds and mutual fund certificates in distributing mutual funds, where the underlying portfolios consist of bonds. In addition, investments have been made in alternative investments to support the UN's global goals. Investments are made in solar energy, reinsurance and microfinance, which consists of unlisted securities. The investment in securities is in accordance with the association's general investment policy.

## Notes to the Financial Statements

	2022	2021
	EUR '000	EUR '000
<b>7 Funds for cultural contributions</b>		
Funds for cultural contributions for the year	9.648	9.645
Funds for cultural contributions, transferred from previous years	6.651	5.995
	<b>16.299</b>	<b>15.640</b>
<b>8 KulturPlus - Collective blank media funds</b>		
KulturPlus collective blank media funds for the year	773	143
Other KulturPlus collective blank media funds, transferred from previous years	538	442
	<b>1.311</b>	<b>585</b>
<b>9 Payables and other debt</b>		
Koda-Dramatik	3	171
Accrued expenses	2.338	2.093
Accrued holiday pay	437	453
VAT	142	129
Social cost	13	13
Prepayments	30	30
	<b>2.963</b>	<b>2.889</b>
<b>10 Provision for distribution</b>		
For distribution, beginning of year	108.296	107.249
Provision for distribution for the year	119.652	113.554
Distribution for the year	-146.089	-112.508
	<b>81.859</b>	<b>108.295</b>
Music revenue to the Executive Board and the Board of Directors of Koda	21	29



# Notes to the Financial Statements

## 11 Contingent liabilities

### *Rental obligation:*

The Society has entered into a rental obligation which is non-cancellable until 1 March 2026. The obligation amounts to EUR 3,892k at 31 December 2022 and part of the lease has been sub-leased on non-cancellable leases totalling EUR 157k.

### *Lease obligation:*

At 31 December 2022, the obligation amounts to EUR 68k.

### *Other contingent liabilities:*

Koda has entered into a contractual obligation with others which has a notice period of 12 months. The obligation amounts to EUR 1,202k at 31 December 2022.

### *Polaris Nordic A/S*

Together with Tono, Norway, and Teosto, Finland, Koda participates in the jointly owned company Polaris Nordic A/S that has entered into a non-cancellable operating agreement to the end of 2022, afterwards a notice period of 12 months. At 31 December 2022, the future estimated expense for Koda in the contract period amounts to EUR 213k.

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