

# ASOCIACIJALATGA

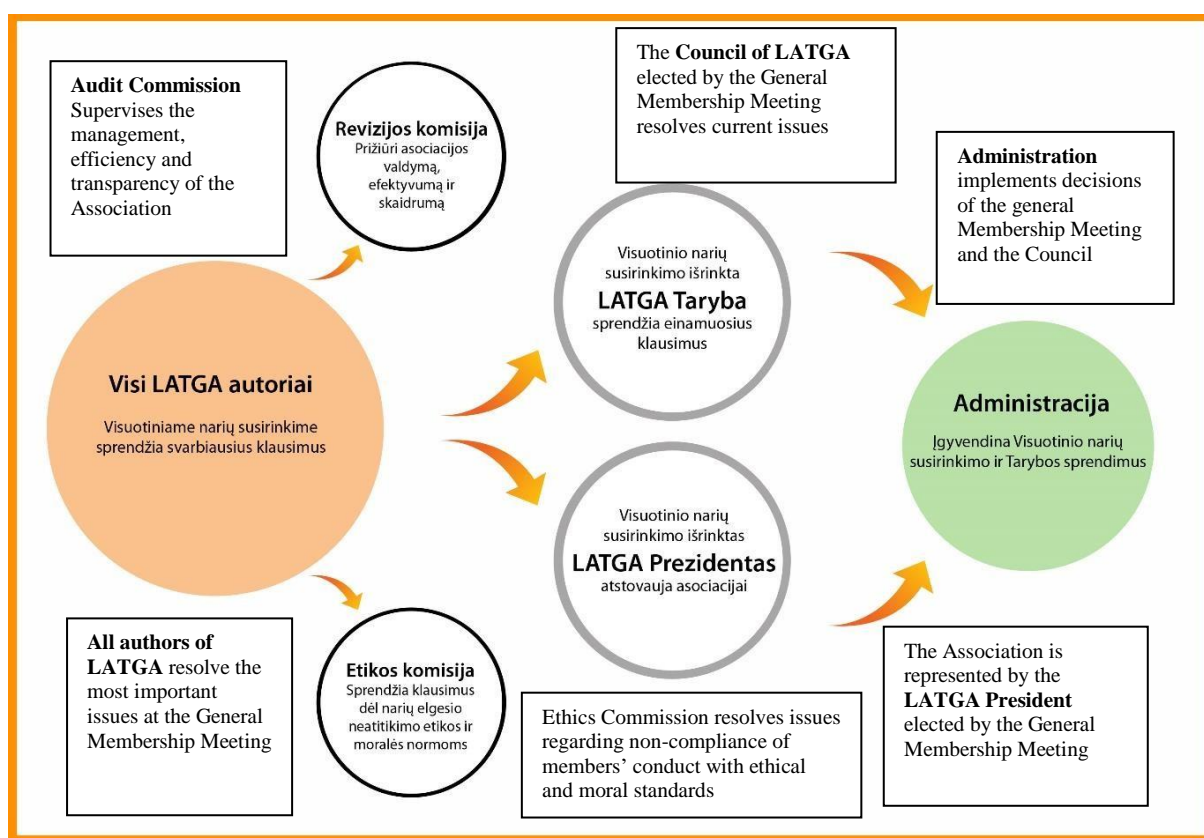
## TRANSPARENCY REPORT 2017



## IMPORTANT INFORMATION

**The Transparency Report** is a new form of activity and financial statement of the Association LATGA harmonized with the Directive 2014/26/EU of the European Parliament and of the Council of 26 February 2014 on collective management of copyright and related rights and the Law on Copyright and Related Rights of the Republic of Lithuania. Association LATGA presents its financial, activity and special report according to the list of information necessary for the report on the transparency of collective copyright and related rights organizations approved by the order of the Minister of Culture of the Republic of Lithuania of 29 March 2017.

This Transparency Report presents the main financial and operational information of the Association LATGA in 2017, the audit conclusion and a special report on the creative and cultural activities of the authors of the Association LATGA.



**The Association LATGA** is a non-profit collective management organization for copyright and related rights having a status of legal entity whose main purpose is to manage collectively the property rights of the authors and the rights of the holders of related rights and to represent and protect the rights and legitimate interests of the members of the Association. The bodies of the Association are the General Membership Meeting of the Association, the collegial body is the Council, the sole bodies are the Director of the Association and the President of the Association, the Audit Commission performing the functions of supervision, and the non-executive body the Ethics Commission. The governing bodies of the Association are the Council and the Director.

Each member of LATGA resolves the most important issues at the **General Membership Meeting**.

The **Council** elected by the General Membership Meeting resolves relevant current issues, establishes mandatory work tasks. The Council forms and implements the policy of LATGA. Seven members were delegated to the Council from the members of the Creative Union of the Association LATGA; six members of the Council are freely elected. Elections to the LATGA Council took place in 2016.

The current Council consists of the following members:

Edita Utarienė (stained-glass composer)	Vladas Braziūnas (poet)
Jonas Rudzinskas (artist)	Zita Bružaitė (composer)
Juozas Širvinskas (composer)	Liutauras Degėsys (poet)
Teisutis Makačinas (composer)	Bronius Leonavičius (artist)
Eimutis Valentinas Sventickas (writer)	Jonas Staselis (photographer)
Gintaras Česonis (photographer)	Gediminas Zujus (composer)
Dainius Radzevičius (journalist)	

The **President** of the Association, Teisutis Makačinas, represents the Association, convenes meetings of the Council, presides over them.

The **Ethics Commission** consists of five members of the Association, who were elected at the General Membership Meeting for a term of four years. The Ethics Commission, on its own initiative or at the Council's discretion, considers disputes between the members of the Association, misconduct of members of the Association, and any other violations of the ethics by the members of the Association. Members of the Ethics Commission are Dainius Babonas (songwriter), Erika Drungytė (poet), Vėtrė Antanavičiūtė (designer), Nijolė Vilutienė (artist), Birutė Jonuškaitė (writer).

The **Audit Commission** is the supervisory body ensuring the management of the Association elected by the General Membership Meeting of the members of the Association for a term of four years. The Audit Commission is responsible for monitoring the activities of the Association and its governing bodies. Members of the Audit Commission are Kazys Daugėla (composer), Algimantas Biguzas (artist), Eligija Volodkevičiūtė (prose writer, scriptwriter). Two additional members of the Audit Commission will be elected at the General Membership Meeting this year.

Association LATGA collectively administers the rights of authors, publishers of music works and AV producers. Collectively administered rights are as follows:

1. Public performance
2. Broadcasting
3. Retransmission
4. Publication (on the Internet)
5. Reproduction
6. Resale
7. Public showing
8. Reproduction for private purposes:
  - a) blank storage device.
  - b) reprography.
9. Use of books

The administration of new rights commenced	N/A
The administration of rights terminated	N/A
Licensing agreements concluded	1091 pcs.
Cases of refusal to grant licences	N/A

Information about members' licences granted independently	N/A
Information about entities that are directly or indirectly, fully or partly managed or controlled by the organization of collective administration	N/A

**The number of LATGA members is 4594**

4552 natural persons and 42 legal entities (publishers of music works and AV producers)

**The number of LATGA members according to administered rights**

Public performance and public announcement: 4812

Reproduction: 4872

Resale: 895

Public showing: 327

**Number of new members by the number of administered rights in the reporting year**

Public performance and public announcement: 236

Reproduction: 287

Resale: 58

**Number of withdrawn members by the number of administered rights in the reporting year**

Public performance and public announcement: 11

Reproduction: 11

**Foreign organizations of collective administration with which representation agreements have been signed during the reporting year**

In 2017, a reciprocal representation contract was signed with the Russian organization of collective administration of audio-visual works RUR.

Based on reciprocal representation contracts, the LATGA Association currently represents over 20 million foreign works and over 4 million authors of music and drama, visual arts and audio-visual art works and producers from around the world. Today, LATGA cooperates with 153 foreign collective administration societies.

The LATGA Association is a member of the following international copyright societies:

- CISAC - International Confederation of Societies of Authors and Composers. Unites 239 members. The LATGA has been a member since 1992
- EVA - European Visual Artists. Unites 26 members. The LATGA has been a member since 2000
- IFFRO - International Federation of Reproduction Rights. Unites 145 members. The LATGA has been a member since 2003
- GESAC - European Grouping of Societies of Authors and Composers. Unites 34 members. The LATGA has been a member since 2005
- BIEM (Bureau International des Sociétés Gérant les Droits d'Enregistrement et de Reproduction Mécanique) – Confederation of Societies Administering the Rights of Mechanical Recording and Reproduction. Unites 55 members. The LATGA has been a member since 2016

## DIVISION OF MUSICAL WORKS

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### **Broadcasting and retransmission of works**

The majority of income from royalties, similarly to now, is collected from television broadcasters. In 2017, the royalties from this area were growing.

Another important area is bestowal of the right to retransmit. Negotiations are required in this area under the Law on Copyright and Related Rights. Last year, they lasted almost 6 months and moved to this year. The final terms and conditions of contracts have not been negotiated yet, but the basic terms and conditions make it possible to expect the revenue to increase in this area in the coming long licensing period.

### **Concerts and events**

Most of the royalties collected from concerts of foreign performers. In 2017, quite a lot of famous creators and performers visited Lithuania. There were concerts of those performers organized: Robbie Williams, Sting, Queen with Adam Lambert, Kings of Leons, Sarah Brightman, Patricia Kaas, Nelly Furtado and Andrea Bocelli. Also in 2017, several performers from Russia, such as Grigory Leps, Valery Meladze, Mumij Trol, Ruki Vverh and others have visited Lithuania. The great concert organizers remain the same: *Live Nation Lietuva*, *Medusa Concert*, *Bravo Events*, *Seven Live*. Among the new organizers, we would like to mention the company "Aštuntas elementas", which organizes relatively small events and brings artists and groups of new generations to Lithuania such as Benjamin Clementine, *Foals*, Jose Gonzalez & *String Theory*, and *Cigarettes After Sex*. In 2017, there have also been many concerts of Lithuanian performers. Gytis Paškevičius, Džordana Butkutė, "SEL", "G&G Sindikatas", Martynas Levickis, "BIX", Marijonas Mikutavičius, Leon Somov and Jazzu, Rondo, Lilas and Inomine, Merūnas Vitulskis, Vytautas Šiškauskas, Ovidijus Vyšniauskas and others performed in the big arenas. The main festivals do not change and remain the same – "Gaida", Pažaislis Music Festival, *Kaunas Jazz*, *Vilnius Jazz*, *Mama Jazz*, "Granatos live", *Blues Nights*, *Rock Nights*, "Galapagai", "Menuo Juodaragis", "Velnio akmuo", "Vilniaus fejerija" and other smaller festivals. Moreover, after a year's break, *Karklė Live Music Beach Festival* has returned.

In recent years, we have quite a few concerts of foreign organizers, mostly Latvian, Estonian or Czech companies. It is vexatious, but we have many problems with them due to unsigned contracts or unpaid invoices. To date, we do not have any more serious legal means to prevent illegal use of works.

### **Background music**

In the meantime, four specialists from the LATGA Association worked and served in the territories of Vilnius, Kaunas, Šiauliai and the Panevėžys regions. The main functions of the specialists working in the regions were to find new clients and establish contracts with them, as well as to manage contacts with "difficult" clients. Most part of problems related to illegal use of works were resolved peacefully and without going to courts. From the works of the users who used the works without valid contracts additional royalties of EUR 12 685 were recovered. Specialists working in the regions are responsible for entering into contracts with the users of works who use works for public performances. In 2017, the specialists concluded 1011 new contracts, in which payments in both percentages and fixed sums were foreseen for the use of the works. The value of such concluded contracts in 2017 was EUR 14,405 a month.



<b>Territories served by the specialists and the numbers of contracts in effect until 31/12/2017</b>			
Specialists according territories	Territory	Number of contracts	Monthly value of the contracts in fixed amounts, EUR
Vilnius	Vilnius City	892	31,406.66
	Vilnius County	85	2,185.265
Kaunas	Kaunas City	825	12,158.06
	Counties of Alytus, Kaunas, Marijampolė and Tauragė	503	12,591.15
Šiauliai	Klaipėda City and the seaside resorts	377	10,361.19
	Counties of Klaipėda, Šiauliai and Telšiai	569	7,629.70
Panevėžys	Counties of Panevėžys and Utena	805	8,304.89
Net contracts	All of Lithuania	148	31,875.15

### **Reproduction of works and online publications**

In 2017, 193 new licensing contracts were concluded regarding the right to reproduce repertoire works of the LATGA Association in the media. In comparison to 2016, the collection of the royalties for the reproduction of works on the media increased over the past year by 5 percent. Among the licensed albums which were partly funded by LATGA were album of Andrius Kulikauskas "Ateina Dievas", "Einam tolyn" of the group "Žalvarinis", Marijonas Mikutavičius's "Padavimai apie žmones", "Kinetika" of "Happyendless", "99" of "G&G Sindikatas", etc. we should like to note that the royalty for reproduction in media is collected only for those rights holders, who have transferred the reproduction right to the LATGA Association.

In 2017, the collection of royalties for Publication of works on the Internet (in the territory of Lithuania) compared with 2016, increased by 37 percent. We are happy for cooperation with the Lithuanian Association of Related Rights AGATA - the royalty for the LATGA authors is also successfully collected and distributed from the largest legal website of Lithuanian music - Pakartot.lt - the most heard performers, according to the number of listened: Rolandas Kazlas and "Pakeleviai", Mad Money, "Antikvariniai Kašpirovskio dantys", Aistė Smilgevičiūtė and "Skylė" and other well-known performers.

The royalties for the authors of the LATGA Association are collected from major international works as well: LATGA Association collaborates with Danish associations NCB and NMP that administer LATGA licence agreements with major international users of works publishing works on the Internet, such as *YouTube*, *Spotify*, *Deezer*, *iTunes*, *Google Play*. In these areas, collection of royalties is steadily increasing, especially on the *Spotify* music platform. It is worth noting that there is still a lot of potential, because only a small part of the Lithuanian music repertoire has been registered and uploaded on this site - only professionals can do it, and everything depends on the producers of the recordings and on the authors themselves.

In assessing the change in the royalties collected for the use of works on the storage device and on the Internet, it can be concluded that the market of the royalties collected for storage devices remains stable, while the number of publications on the Internet is increasing. We would like to remind that the authors whose works are reproduced on CD (or other storage device) and are licensed under the licensing procedure of LATGA, or the works are published on legal websites, participate not only in the distribution of royalties, but also participate in the distribution of Empty Storage Device once a year: an additional amount of EUR 54 895.80 was allocated to authors for 2016. Therefore, to license the

storage device, regardless of whether the authors care of publishing thereof themselves, or whether their publishers take care of publishing, is financially beneficial for authors.

### **Registration of works, distribution of royalties**

In 2017, 105 membership contracts were signed with Lithuanian authors. At the end of the reporting period, 3301 right holders and 31 music publishers were the members of LATGA.

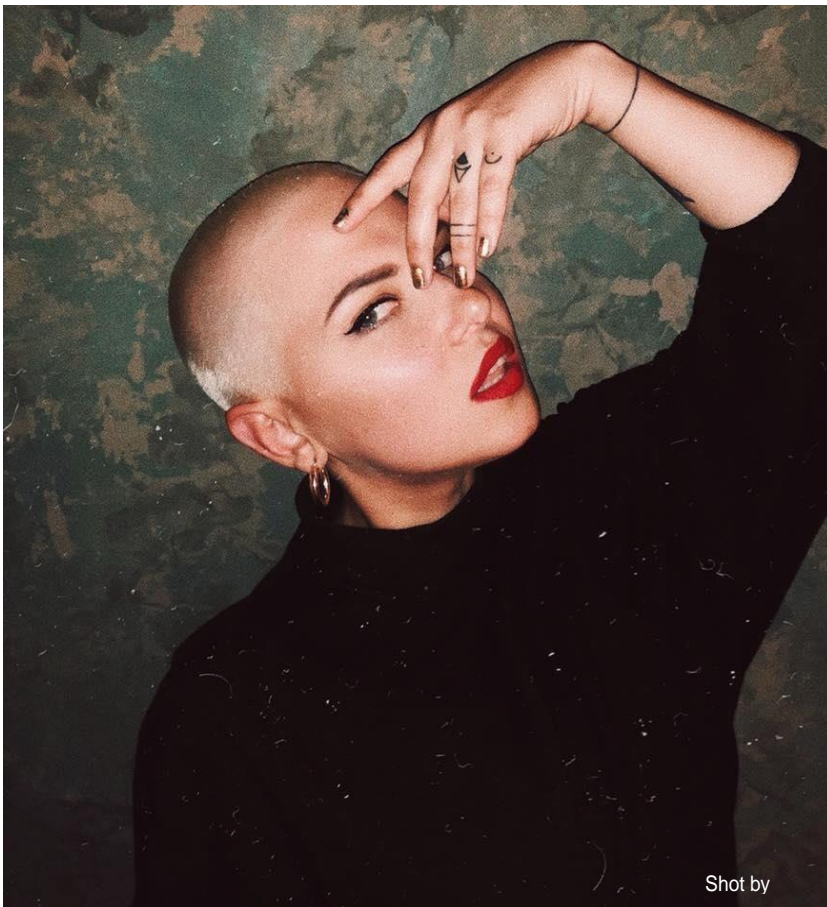
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#### **JUSTĖ ARLAUSKAITĖ-JAZZU**

Last summer, a request to become a member of our association was presented by the most popular singer and songwriter in the country Justė Arlauskaitė-Jazzu. “I am returning to the Association LATGA, because I want all my taxes to remain in Lithuania,” said the singer, who for some time belonged to the Swedish Collective Copyright Administration Society STIM.

One of the most popular singers in the country became a member of the Association LATGA soon after starting her musical career; however, having started working with Swedish producers, she felt pressured to entrust the administration of her copyright to STIM. The latter organization collected royalties for the use and public performance of her works in Sweden as well as other foreign countries for a number of years; the same Association LATGA collected the royalty from the Lithuanian music users, which later transferred it to STIM in the same way as to the authors of the Swedish music and texts, i.e. on the grounds of international cooperation agreements.

“I left the association LATGA not voluntarily, my producers in Sweden wished me to do this. After having said goodbye to them and having given my attention to the musical career in Lithuania, I realized that I wanted to “return” to my country as an author as well. Firstly, for financial reasons, when collecting royalty through a number of intermediaries, part of it simply fell off, besides, I wanted my taxes from royalties to travel to Lithuanian budget rather than the Swedish. The second reason is convenience. You will not be able to resolve all copyright related issues by telephone and mail; direct consultations are also needed. Why should I to fly to Sweden if the Association LATGA is based in Vilnius, has excellent international relations and can perfectly represent me in collecting royalties not only in Lithuania, but also abroad,” says the singer.



## REPORT OF MUSICAL DIVISION FOR 2017 (in euros)

### Revenue from royalties received: 5,091,477

Broadcasting	1,719,782
Retransmission	421,663
Public performance	2,393,997
Publication (on the Internet)	38,582
Reproduction (TL)	475,597
Reproduction (on storage device)	41,856

### Distributed royalties (after deduction of administration costs): 4,083,554

Broadcasting, public performance, retransmission, publication (on the Internet)	3,649,923
Reproduction (TL)	404,496
Reproduction (on storage device)	29,135

### Royalties paid to Lithuanian authors

Broadcasting, public performance, retransmission, publication (on the Internet), reproduction*	1,985,791
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\* 4 times a year

### Royalties paid to foreign authors

Broadcasting, public performance, retransmission, publication (on the Internet), reproduction	2,027,826
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### Undistributed royalty to music and text authors: 3,541,486

Broadcasting, public performance***	2,040,721
Retransmission*	111,341
Public performance*	10,694
Publication (on the Internet)*	26,154
Reproduction (on storage device)*	28,735
Broadcasting, public performance * (for foreign authors)	1,062,548
Reserve of royalties**	261,293

\* Deadline for distribution in 2018

\*\* Redistributed according to the Rules on Distribution

\*\*\* Deadline for distribution in 2018-2020

### Amount of non-distributable royalty to music authors: 41,674



## SUBDIVISION OF DRAMA

In 2017, the Subdivision of Drama of the Arts Department of the LATGA Association has collected and distributed EUR 434,217 to the drama and musical drama authors represented. Compared to 2016, collection and distribution increased by 0.5 percent.

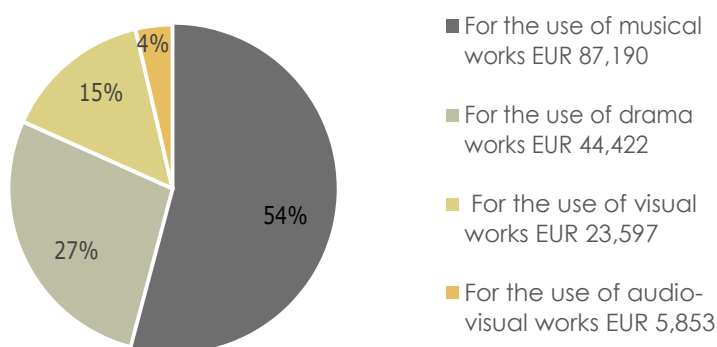
### COLLECTION AND DISTRIBUTION OF ROYALTIES IN 2017 IN COMPARISON WITH THE YEAR 2016 BY THE ADMINISTERED RIGHTS

Administered rights	2017, EUR	2016, EUR	Comparison
Public performance	411,137	407,495	By 1 percent more
Publication (broadcasting)	20,946	14,071	By 49 percent more
Reproduction for private purposes	2,134	10,660	5 times less

The royalties for the performances in the cultural centres increased by 21 percent.

The royalties received from the authors of the foreign drama and musical drama works represent a significant part in total amount received by LATGA from abroad. These are the royalties for granting licences to foreign theatres and the tours of Lithuanian theatres abroad, which increased by 29 percent.

### Royalties received from abroad in 2017 in comparison with other areas represented by LATGA



The increase in the collection of the publication (broadcasting) was the result of a licence from the Polish copyright association ZAIKS, which granted the right to make a record of the ballet for children the "Snowflake and the seven dwarfs" staged by Lithuanian National Opera and Ballet theatre ballet and allowed it to be broadcast by LRT. The rates of Polish copyright society for such broadcasts are much higher than agreed between LATGA and LRT. LRT had to accept conditions unconditionally because the record of the performance was made without a licence. This situation can become a precedent for future talks with the televisions when agreeing on higher rates for Lithuanian authors as well.

## REPORT OF SUBDIVISION OF DRAMA FOR 2017 (in euros)

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### Revenue from royalties received: 415,019

Public performance	380,428
Broadcasting	21,609
Reproduction for personal purposes (TL)	12,982

### Distributed royalties: 438,184

Public performance	411,137
Broadcasting	20,946
Reproduction for personal purposes (TL)	6,101

### Royalties paid to Lithuanian authors: 331,953

Public performance	313,653
Broadcasting	12,342
Reproduction for personal purposes (TL)	5,957

\* The royalties for public works from theatres are distributed once a month, from cultural centres twice a year

\*\* 4 times a year

\*\*\* Once a year

### Royalties paid to foreign authors: 51,846

### Undistributed royalty of drama and musical drama works: 60,514

Public performance	55,795
Broadcasting	3,837
Reproduction for personal purposes (TL)	882

\* Deadline for distribution in 2018

\*\* Redistributed according to the Rules on Distribution

### Non-distributable amounts: royalties of 2014 for reproduction for personal purposes (TL): 2,415

## SUBDIVISION OF VISUAL ARTS

**New members.** 60 new members were accepted. There are currently 1119 members.

There has not been such numerous acceptance of the members of Visual Arts for 10 years. None of the authors terminated the contract with the Association LATGA; only the heirs of the deceased authors did not always manage to arrange the certificates of inheritance and sign a new membership contract with LATGA.

**Claims.** 35 claims were filled on illegal reproduction of works, violation of copyright, breach of the integrity of the work, and unlawful publicity on the Internet. In many cases, we demanded that the offenders would implement the claims of authors.

**Educational activities.** Four reports were read: at the Mažvydas Library, Vilnius J. Vienožinskis Art School, Vilnius Academy of Fine Arts, camp of photographers in Nida.

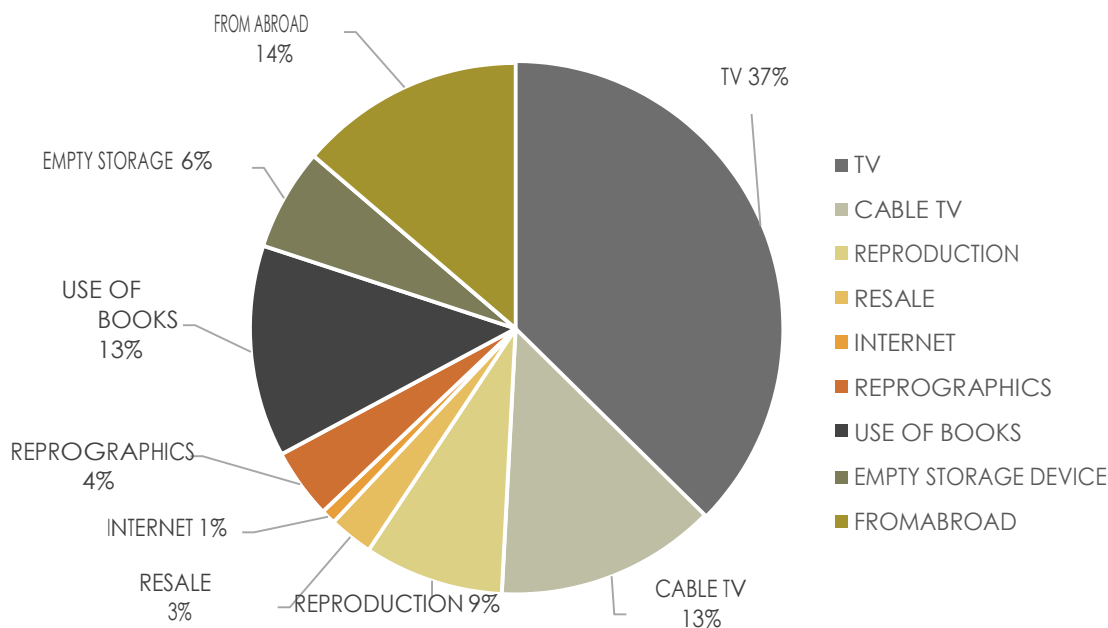
**Problem:** The law on compensation for authors for personal reproduction discriminating the authors of visual arts (TL).

### Comparison of royalty collection in 2016 and 2017

	2016	2017	Change
TV	55,686	64,210	+15 %
Cable TV	29,448	23,105	-21 %
Reproduction	11,897	14,605	+23 %
Resale	4,117	4,623	+12 %
Empty storage device	9,189	10,670	+16 %
Reprographics	7,348	7,295	-0,7 %
Use of books	21,511	22,144	+18 %
Multimedia (CD, DVD)	1,535	0	-100 %
Internet	1,511	1,530	+1 %
<b>Total:</b>	<b>142,242</b>	<b>148,182</b>	<b>+4 %</b>
From abroad	105,752	23,597	-78 %
To abroad	12,969	4,853	-64 %

\* This compensatory remuneration is collected and distributed to the authors of visual arts in the division of use of books and reprographic reproduction.

## Collection of the royalties for authors of Visual Art in Lithuania in 2017 by methods of use



### ARTIST STASYS EIDRIGEVIČIUS

LATGA Association uniting Lithuanian authors of different areas recently received an unexpected copyright gift - artist Stasys Eidrigėvičius having visited the headquarters of the Association painted a snappy drawing on the wall. "This is my modest gift to LATGA Association on the occasion of the centenary of the restoration of Lithuanian Independence, which represents me around the world," says one of the most famous contemporary Lithuanian artists, whose works extremely recognizable and loved, and therefore, his works are often used illegally and are plagiarized.

Lithuanian National Culture and Art Prize winner Stasys Eidrigėvičius has lived in the capital of Poland Warsaw since the 1980, but he visits his homeland on various occasions at least a few times every year.

He is a frequent guest at the headquarters of the LATGA Association in Vilnius. A well-known artist drops in to consult Gabrielė Naprušienė, the head of the Department of Visual Arts, on various copyright issues. S. Eidrigėvičius has been a member of the LATGA Association since 2002, whose specialists and lawyers hurry to provide assistance whenever somebody needs it.

"I find out about plagiarism from buyers of works of art who are turning to me to make sure that this work is really my work. Sometimes I myself discover plagiarism or illegal use of works when searching the web. Then I turn to the Association LATGA, which represents my copyright based on worldwide cooperation agreements with foreign societies," says one of the most famous Lithuanian artists.

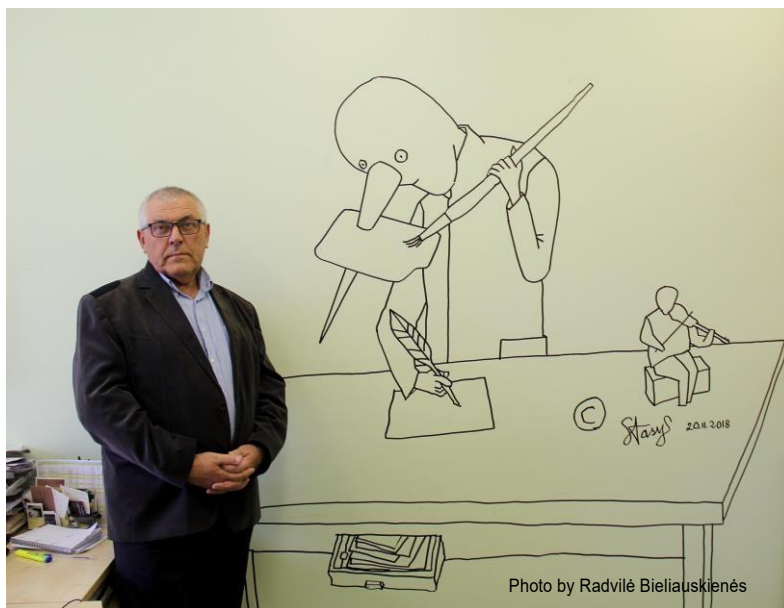


Photo by Radvilė Bieliauskienė

## REPORT OF SUBDIVISION OF VISUAL ARTS FOR 2017 (in euros)

### Revenue from royalties received: 128,095

Publication (on the Internet)	1,530
Resale of works	4,623
Broadcasting	64,210
Retransmission	23,105
Reproduction	14,605
Reproduction (TL)	20,022

### Distributed royalty (after deduction of administration costs): 109,025

Publication (on the Internet)*	1,049
Resale of works**	4,646
Broadcasting and retransmission * (is summed up in distribution for TV and CTV)	70,795
Reproduction**	11,766
Reproduction (TL)***	15,389
Reprographics (from abroad)***	5,380

The royalties are divided and paid:

\*4 times a year

\*\*Every month

\*\*\*Once a year

### Royalties paid to Lithuanian authors: 107,387

Reproduction	10,446
Publication (on the Internet)	904
Resale of works	4,623
Retransmission, Broadcasting*	65,692
Reproduction (TL)	14,962
From abroad	10,760

\* There is no separate CTV distribution; CTV amount is added to TV distribution

### Royalties paid to foreign authors: 4,853

### Undistributed royalties to authors of Visual Arts: 22,891

Reproduction (TL)*	11,187
Broadcasting and retransmission*	7,278
Reproduction*	980
Resale of works*	1,315
Publication (on the Internet)*	664
Reserves of royalties**	1,467

\*Deadline for distribution in 2018

\*\* Redistributed according to the Rules on Distribution



## SUBDIVISION OF AUDIOVISUAL WORKS

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### REPRESENTATION

#### **Right holders in Lithuania**

As at 31 December 2017 452 members; 71 members were accepted over year, and three withdrew.

#### **Foreign right holders**

- CISAC societies:

In 2017, a reciprocal representation agreement was signed with the Russian organization for administering collective audio-visual works RUR. Based on 37 agreements with foreign partners, LATGA members are represented in 28 foreign countries, and the authors of these countries, as well as Hungarian and Swiss producers (producers) in Lithuania.

- USA film studios:

In 2017, the LATGA Association signed a contract with the company *Filmbank Distributors Limited* uniting the *Warner Bros. Entertainment*, *Sony Pictures Releasing*, and *NT Digital Partners*. Thus, LATGA was provided with the power to issue licences for the right to perform (to show) publically the repertoire of represented movies for showing at cinemas in various public places in Lithuania. The LATGA licence grants the right to show specific represented films in various events that are not held at cinemas.

In this way, popular Hollywood movies have become legally accessible for public performance in various events beyond theatres. This is a great service for movie users, who had previously had to seek the right holders themselves and negotiate licences directly

### COLLECTION AND DISTRIBUTION OF THE ROYALTIES

#### **Cable retransmission**

During the last three years, the collection in 2015 and 2017 remained stable (0.27 percent difference). The collection in 2016 distinguishes, when thanks to paid debt, it was higher by 24.04 percent.

Recipients of royalties collected by LATGA:

- Authors: Only those represented by LATGA and the authors not represented by other associations that have not transferred their exclusive right to retransmission to the maker (producer);
- Makers (producers): Only those represented by the LATGA Association.

#### **Reproduction for personal purposes**

For three years now, the authors represented by LATGA receive a large part of the total compensatory remuneration collected for the authors of audio-visual works for the reproduction of their works for personal purposes.

However, the amount received for the authors represented by LATGA for 2016 is lower than in 2015, as the total amount collected by responsible collecting society for audio-visual works fell by 17.68 percent. The Lithuanian Association of Related Rights AGATA is responsible for collecting compensatory remuneration by the order of the Minister of Culture. According to it, the collection of royalties fell due to the replacement of the rates provided for in the Law on Copyright and Related Rights of the Republic of Lithuania and the debts of importers of one of the largest storage devices.

By the order of the Minister of Culture, LATGA has been appointed a responsible association to distribute and pay compensatory remuneration to the authors of the represented audio-visual works.

LATGA provides its members makers (producers) with gratuitous services by carrying out the formalities on their behalf with the association responsible for the distribution of compensatory remuneration to producers, and paying out the compensation distributed by it.

In 2017, the maximum amount of remuneration paid to one right holder was EUR 24,509, the minimum - EUR 0.04.

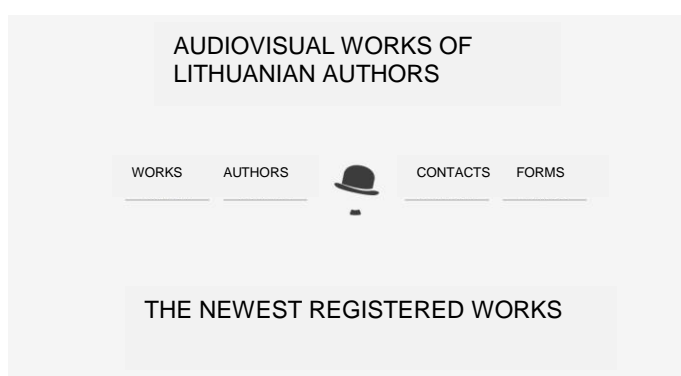
### **CISAC events**

As a true member of CISAC, LATGA participated in the meeting of the CISAC European Committee (the International Confederation of Societies of Authors and Composers) held in Moscow on 5 April 2017. A study on remuneration for authors of audio-visual works for making works publicly available on the Internet was presented at the Committee, and its results and the next steps were discussed as well. Particular attention was paid to the situation in Poland. A resolution to support the Polish Societies SFP-ZAPA's intention to enforce the law in order to provide authors with an irrevocable right to remuneration for making the works publicly accessible to authors on the Internet was adopted. It is noteworthy that Poland has made great use of the Directive on rental right and lending right that introduced an irrevocable right to remuneration and has applied it to copyright for many other audio-visual works. Lithuania has found itself in the study among those countries that have not established an irrevocable right to any other right, except for no longer relevant rent, not to mention the use on the Internet.

Concerns about the situation in Lithuania, when the legislation does not guarantee the authors adequate remuneration due to the prevailing "expiatory contracts" was expressed at the CISAC General Assembly in Lisbon held on June 8. Having participated there, the LATGA returned with the resolution of General Assembly, by which the supreme Lithuanian authorities are urged to modernize the law by providing for the authors an irrevocable right to receive remuneration for various uses of their works as the most effective measures to guarantee the correct remuneration to the author depending on commercial success of his work.

### **The project "Development of the creation of a website for administering the copyright"**

When developing and improving the project "Development of the creation of a website for administering the copyright" carried out in 2016, the Association LATGA extended the project by creating public access to the database of audio-visual works not only for professionals of audio-visual works, but also for lovers of audio-visual works. The new website - LAAV.LT - is like a virtual library of audio-visual works, where the website visitor can find out the exact details of an audio-visual work, flip through a photo gallery of audio-visual work, read news, view trailers of works. The purpose of the page LAAV.LT is to educate the public about copyright, to inform about newly released audio-visual works.



## REPORT OF SUBDIVISION OF AUDIOVISUAL WORKS FOR 2017 (in euros)

### Revenue from royalties received: 673,695

Cable retransmission	132,853
Reproduction for private purposes (TL)	540,842

### Distributed royalty (after deduction of administration costs): 267,402

Cable retransmission*	83,960
Reproduction for private purposes (TL)*	183,443

\* Once a year (for the previous year)

### Royalties paid to authors: 274,049

Cable retransmission*	82,998
Reproduction for private purposes (TL)*	191,051

### Undistributed royalty to authors of audio-visual works: 771,778

<b>Reproduction (TL)</b>	<b>446,804</b>
Compensatory remuneration received in 2017 *	312,110
Compensatory remuneration received in 2016 **	134,694
<b>Cable retransmission</b>	<b>277,646</b>
Royalty received in 2017*	128,575
Royalty received in 2016**	38,910
Royalty received in 2016***	52,426
Royalty received in 2015**	7,400
Royalty received in 2015***	50,335
<b>Reserves of royalties****</b>	<b>47,328</b>

\* Deadline for distribution in 2018

\*\* Will be paid upon identification of the right holders

\*\*\* A deferment of allocation agreed with foreign societies during the implementation of the CISAC Mandatory rules

\*\*\*\* Redistributed according to the Rules on Distribution

### Non-distributable amount of royalties to authors of audio-visual works: 76,966

Remuneration for cable retransmission in 2014	22,106
Compensatory remuneration of 2014 for reproduction for personal use (TL)	54,860

## SUBDIVISION OF REPROGRAPHIC REPRODUCTION AND USAGE OF WORKS

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### Number of authors

In 2017, the compensatory remuneration for the use of books in libraries for the year 2016 was distributed to 1250 book authors, 450 translators, 121 illustrators and 36 book artists. In 2016, 484 new authors were registered.

In 2017, the compensatory remuneration for reproduction of works by means of reprography for the year 2016 was allocated to 1283 authors of fiction and scientific literature, 306 Lithuanian illustrators of books and artists (reproduction), 34 foreign artists (reproduction), 2 associations of book publishers, 1 association of periodicals, 1 union of journalists and 1 independent publisher.

### Foreign authors

388 foreign authors, of which 19 represent the Irish Copyright Licensing Agency and 369 - the British Collective Administrative Society (ALCS) - participated in distribution.

### The number of declarations on paid copying services provided and reports on the number of reprographic equipment sold

Declarations: 104

Sales reports: 20

### Comparison of collection of compensatory remuneration

	2015	2016	Change
Use of books in libraries	228,480	247,565	+8%
Reproduction of works by means of reprography	52,657	53,958	+3%

## REPORT OF SUBDIVISION OF REPROGRAPHIC REPRODUCTION AND USAGE OF WORKS FOR 2017 (in euros)

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### Revenue received from compensatory remuneration: 304,694

Compensatory remuneration for the use of books in libraries	247,565
Compensatory remuneration for the reproduction of works for personal use by means of reprography	57,129

### Distributed compensatory remuneration after deduction of administrative costs: 235,610

Remuneration for the use of books in libraries *	222,839
Remuneration for the reproduction of works for private purposes by means of reprography *	12,771

The royalties are divided and paid:

\* Once a year

### Compensatory remuneration paid to Lithuanian authors: 235,624

Remuneration for the use of books in libraries	217,891
Remuneration for the reproduction of works for private purposes by means of reprography	17,733

### Compensatory remuneration paid to foreign authors: 3,656

Remuneration for the use of books in libraries	3,531
Remuneration for the reproduction of works for private purposes by means of reprography	125

### Unpaid compensatory remuneration for the use of books in libraries and reprography: 3,435

Remuneration for the use of books in libraries	2,683
Remuneration for the reproduction of works for private purposes by means of reprography	752

### Undistributed compensatory remuneration

Remuneration for the reproduction of works for private purposes by means of reprography*	35,016
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\* Deadline for distribution in 2018



## JUDICIAL DIVISION

### General information about cases

66 civil actions				30 cases were handed over to the police	
Based on contracts:		Without contracts:		Cases of administrative offences:	Size of fine:
52		14		16	~ EUR 268
Amount of actions:	Awarded:	Amount of actions:	Awarded:		
EUR 71,930	EUR 63,389	EUR 113,244	EUR 40,995		

In 2017, 60 creditor claims in insolvency proceedings against the companies-debtors were filled. Last year, there were 70 such cases. Most of the bankrupt enterprises, like last year, remain catering establishments - cafes, restaurants, bars that use background music.

### Review of important cases

Under the Paragraph 1 of the Article 78 of the Law on Copyright and Related Rights, the entity of copyrights, related rights and *sui generis* rights are entitled to apply to a court for an injunction against the intermediary to provide the service via electronic communication networks to third parties, who use these services in violation of copyright, related rights or *sui generis* rights. In accordance with the said provision of the Law on Copyright and Related Rights, in April 2016, the LATGA Association brought the action against the Internet connection service providers: AB "TEO LT", UAB "OMNITEL", UAB "Bitė Lietuva", AB "Lietuvos radijo ir televizijos centras", UAB "Cgates", UAB "INIT LT", UAB "BALTIKUM TV", UAB "SPLIUS", UAB "Penkių kontinentų komunikacijų centras", and UAB "TELE2" regarding the abolition of the access to the website **linkomanija.net**. By the ruling of 20 November 2017, the court satisfied the action, but obliged the LATGA Association to reimburse the expenses incurred by Internet service providers, which would arise from the technical actions related to eliminating access to the website. Currently, appeals have been filed in the case.

On 20 April 2017, the Association LATGA together with the Association of Related Rights AGATA sued the Estonian company "**Viasat**" regarding the compensation for the unlawful use of copyright and related rights objects and the obligation to stop the unlawful actions. The respondent in this case is the largest digital satellite operator in the Baltic region, broadcasting and retransmitting television programs. The proceedings have not been finished yet.

On 12 October 2017, the court adopted a final ruling in the case of **UAB "Mediashop"**, in which the action was brought by the LATGA Association at the beginning of 2016 regarding the refusal of the defendant to pay statutory compensatory royalties to authors for the reproduction of works by means reprography. By the ruling of the Court of Appeal, the ruling of the court of first instance was left in force, which obliged UAB "Mediashop" to pay royalties for the sale of copying equipment.

In 2017, a pre-trial investigation relating to the contents of the films distributed by one of the biggest illegal film distributors on the Internet - website **www.filmai.in** - continued. The website makes publicly available audio-visual works on the Internet, and enables to view or to download them. For the opportunity to do so, users have to pay the corresponding amounts, what indicates a clear commercial activity.

On 9 February 2017, the panel of judges of the Court of Cassation examining the case of UAB "Norfos mažmena" applied to the Constitutional Court of the Republic of Lithuania with a request asking to resolve

whether the legal regulation established in Paragraph 3 of Article 86 of the Law on Copyright and Related Rights of the Republic of Lithuania is not in conflict with the Constitution of the Republic of Lithuania. The court asked to assess whether the law provides for the possibility for the court when dealing with the remuneration for illegal use of works to adopt a decision to recover from the user twice the remuneration that would be payable under the granted licence is not in conflict with the constitutional principles of justice and the rule of law as per Paragraph 1 of Article 29, Paragraph 1 of Article 109 of the Constitution of the Republic of Lithuania. In its ruling of 1 December 2017, the Constitutional Court indicated that the legal norm established in the said article of the Law on Copyright and Related Rights of the Republic of Lithuania is not in conflict with the Constitution of the Republic of Lithuania. As a result, by its ruling of 23 February 2018, the Supreme Court of Lithuania left the ruling of the Vilnius Regional Court of 5 May 2016 unchanged, in which the action of the LATGA Association was satisfied in full.

### **Consultations**

Like every year, we prepared and reviewed all the contracts of the LATGA Association: purchasing of services, as well as provision of services, non-standard licensing, support, financing, lending, cooperation, lease, representation, project implementation contracts, etc. In addition, we prepared and provided comments on the publishing agreements signed between the authors and the publishers (music or literary works). We also provided consultations and clarifications to right holders and users of works on various issues in relation to intellectual property law.

### **Review of international events**

The collective copyright management associations operating in the EU Member States, as well as the LATGA, in 2017, had to reconcile their internal documents with **Directive 2014/26/EU** of the European Parliament and of the Council of 26 February 2014 on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online use in the internal market (hereinafter - the **Directive of Collective Management**). These provisions were transferred into the Law on Copyright and Related Rights of the Republic of Lithuania at the end of 2016/at the beginning of 2017. We can be glad that the transfer of the Directive into national law in Lithuania was smooth and timely, as well as of the fact that LATGA implemented all mandatory changes in its activities. **GESAC** has organized several consultations with copyright associations on the correct implementation of the requirements of the Directive in internal documents. LATGA representatives also participated in these consultations.

The transfer of the abovementioned directive was not successful in all countries. On 7 December 2017, the European Commission applied to the European Court of Justice that Bulgaria, Luxembourg, Romania and Spain failed to transfer the **Directive 2014/26/EU** into national law on time. The Commission proposes to impose fines on these Member States (Bulgaria: - EUR 19,121.60 per day, Luxembourg: EUR 12,920.00 per day, Romania: EUR 42,377.60 per day, and Spain EUR -123,928.64 per day). The process is not over yet, so it is difficult to predict whether such fines will be imposed.

In 2017, by official address, **CISAC** applied to the Lithuanian state institutions and expressed its concern about inappropriate management of copyright in Lithuania, and called for active actions to improve the situation. In particular, it calls to establish a fair provision on the compensatory remunerations for reproduction of works for personal purposes to all authors, which would properly implement the provisions of **Directive 2001/29/EC** of the European Parliament and of the Council on the harmonisation of certain aspects of copyright and related rights in the information society. The corresponding draft law prepared on LATGA's initiative several years ago was again presented to the Ministry of Culture of the Republic of Lithuania, which the latter undertook to present to the Seimas of the Republic of Lithuania in autumn session of 2017. At the same time, amendments to the law, supplementing the list of reprographic reproduction equipment from which compensatory remuneration should be paid, were prepared. These amendments received a great support from **IFRRO** and should have been presented to the Seimas in the autumn session as well. Both LATGA and the international community deeply regret that the necessary amendments did not go beyond the offices of the Ministry of Culture at the promised time.

In 2017, intensive discussions were held between the international copyright associations GESAC, CISAC, IFFRO and the European Union institutions on proper balance of the rights and obligations between the authors and the users in the text of the future **Directive on the copyright in the digital market**. This future directive has already been named as the biggest revolution in the field of copyright over the last 25 years. The main objective of the future directive is to regulate properly the copyright on the Internet. CISAC, IFFRO and, in particular, GESAC have been pursuing intense lobbying activities throughout the year in order to achieve the goal and establish the responsibility of the Internet access provider to licence the use of works and provide proper remuneration to authors. It should be noted that opponents of copyright protection systems are major Internet platforms such as Google, YouTube or Facebook, which are also intensively engaged in lobbying activities for maintaining the current *status quo*.

At the same time, a new Regulation on the regulation of broadcasting and retransmission rights was also being prepared at the European Commission in 2017. The purpose of this forthcoming Regulation is to update the **Directive 93/83/EEC** of 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission, i.e. to adapt this 25-year-old Directive to regulate broadcasting/retransmission rights in the digital environment.

## FINANCIAL DIVISION

### INCOME AND COSTS OF THE LATGA ASSOCIATION (in euros)

DURING 01/01/2017 to 31/12/2017

#### INCOME

<b>Deduction for the recovery of management costs</b>	1,195,458
<b>Other income</b>	
Interest due for late payments	19,283
Return of stamp duty and other costs	10,555
Other income (return of funds, covered services, etc.)	4,686
<b>Other income in total</b>	34
	524
<b>Income in total</b>	1,229,982

#### COSTS

<b>Costs for salaries and other related costs</b>	1,070,764
Salaries for employees	796,226
Accumulation for leaves	1,367
Contributions to social security and the Guarantee Fund	248,375
For the work of the meetings of the Council of LATGA Association	24,796
<b>Communication costs</b>	30,873
Telecommunications and Internet	7,212
Post	2,911
Press subscriptions	921
Business trips	19,829
<b>Costs for the servicing of the building and other property</b>	96,834
Premises insurance and maintenance	20,940
Premises rent	1,713
Depreciation of long-term assets	30,957
Office equipment services	7,392
Transport services	17,252
Office and economy measures	18,580
<b>Service costs</b>	65,663
Legal services	21,198
Audit services	2,500
Translations, seminars and representations	6,085
LATGA share in funding of projects under the KM program	25,614
Other	10,266
<b>Costs of other fees</b>	49,708
Membership fees (CISAC, GESAC, EVA), catalogue of IPI authors	16,502
Data reporting (Register Centre, Creditinfo)	4,596
Court stamp fees and bailiff fees	11,842
Real estate, environmental pollution taxes	6,794
Bank services	9,974

<b>Reserve for doubtful debts</b>	<b>14,392</b>
<b>Costs in total</b>	<b>1,328,234</b>
<b>Result in 2017</b>	<b>- 98,252</b>
<b>Unused expenditure of previous periods</b>	<b>137,933</b>
<b>Unused expenditure in total</b>	<b>39,681</b>

Number of employees:

As at 1 January 2017 39

As at 31 December 2017 38

Average monthly salary:

Gross 1 746

Net 1 327

### LATGA OPERATING EXPENSES RELATED TO ADMINISTERED RIGHTS IN 2017

Broadcasting	387,540
Retransmission	127,272
Public performance	560,241
Publication	8,536
Reproduction	199,318
Resale of art works	2,635
Use of books	42,692
<b>Total</b>	<b>1,328,234</b>

The administering costs of LATGA are accounted for without excluding direct and indirect administering costs and without separating the expenditure by administered areas. Such a method is determined by the specifics of the work of the LATGA administration - the versatility and multiplicity of the functions of administration specialists and the overlapping of administration in different areas.

### COLLECTION OF ROYALTIES BY ADMINISTERED RIGHTS IN 2017

#### **Based on invoices issued**

Broadcasting	1,831,174
Retransmission	569,694
Public performance	2,837,766
Publication	40,098
Reproduction	842,902
Resale of art works	4,575
Use of books	247,565
<b>Total</b>	<b>6,373,774</b>

#### **Based on income received**

Broadcasting	1,805,601
Retransmission	577,621
Public performance	2,774,424
Publication	40,112
Reproduction	1,163,033
Resale of art works	4,623
Use of books	247,565
<b>Total</b>	<b>6,612,979</b>



COLLECTION OF ROYALTIES AND DEDUCTIONS FOR RECOVERY OF MANAGEMENT  
COSTS IN 2017

(According to the issued invoices)

	Royalty	Deductions for administration	Percentage of deductions
Broadcasting	1,812,331	383,195	20.93
Retransmission	569,694	119,636	21
Public performance	2,837,766	563,998	19.87
Publication	40,098	8,405	20.96
Reproduction	842,902	105,069	12.47
Resale of art works	4,575	915	20
Use of books	247,565	24,726	10
Total royalties collected in Lithuania	6,373,774	1,205,944	18.92
Royalties received from abroad	161,062	7,072	4.38
Total	6,534,836	1,213,016	18.56

The accounting of royalties and the deductions for the recovery of the management costs are made according to the VAT invoices issued during the calendar year. Royalties are distributed only after the receipt of the funds.

## ROYALTIES PAID TO FOREIGN ASSOCIATIONS IN 2017

### For the use of musical works

AEPI / Greece	646
ABRAMUS / Brazil	469
ACUM / Israel	2,075
AKKA/LAA / Latvia	22,671
AMRA/ USA	4,001
APRA / Australia	20,410
ARMAUTHOR / Armenia	122
ARTISJUS / Hungary	486
ASCAP/ USA	226,834
BMI / USA	231,794
BUMA / Netherlands	14,326
CASH / Hong Kong	291
EAU / Estonia	3,157
GEMA / Germany	60,494
GCA/ Georgia	160
HDS / Croatia	394
IMRO/ Ireland	4,638
JASRAC / Japan	2,242
KODA/ Denmark	60,140
KOMCA / Korea	213
MCSC/ China	105
MESAM/ Turkey	3,362
MUSICAUTOR / Bulgaria	176
NCIP / Belarus	214
PRS / United Kingdom	267,731
RAO / Russia	90,240
SABAM/ Belgium	6,794
SACEM / France	72,506
SACM / Mexico	830
SADAIC / Argentina	2,076
SAMRO / S. Africa	563
SAZAS / Slovenia	290
SESAC / USA	19,666
SGAE / Spain	19,657
SIAE / Italy	50,277
SOCAN / Canada	28,941
SOKOJ/ Serbia	403
SOZA / Slovakia	209
SPA / Portugal	612
STEF/ Iceland	642
STIM / Sweden	762,453
SUISA / Switzerland	6,648
TEOSTO / Finland	8,981
TONO / Norway	9,094
UACRR / Ukraine	1,122
UBC / Brazil	1,591
UCMR/Romania	807
ZAIKS / Poland	16,273
<b>TOTAL</b>	<b>2,027,826</b>

### For the use of drama works

ACUM / Israel	1,562
AKKA/LAA / Latvia	737
EAU / Estonia	1,444
GEMA / Germany	20
NCIP / Belarus	442
Nordic Drama Corner	1,098
RAO / Russia	8,423
SACD / France	16,678
SIAE / Italy	1,889
UACRR / Ukraine	24
ZAIKS / Poland	15,779
Contracts: Henschel Schauspiel	3,250
Anna Wierzchowska	500
<b>TOTAL</b>	<b>51,846</b>

### For the use of visual art works

ADAGP / France	1,115
AKKA/LAA / Latvia	967
ARS / USA	388
BILDKUNST / Germany	457
BILDRECHT / Austria	167
DACS / United Kingdom	639
EAU / Estonia	180
RAO / Russia	859
SIAE / Italy	57
ZAIKS / Poland	24
<b>TOTAL</b>	<b>4,853</b>

### For the use audio-visual works

AKKA/LAA / Latvia	16,895
ALCS / United Kingdom	3,856
AUPOCINEMA/ Ukraine	652
BILDKUNST / Germany	317
DAMA / Spain	1,145
DGA / USA	21,648
DIRECTORS UK / United Kingdom	9,215
SACD / France	3,860
SFP-ZAPA / Poland	638
SGAE / Spain	820
SIAE / Italy	1,107
WGA / USA	19,754
WORT / Germany	140
<b>TOTAL</b>	<b>80,047</b>

### For the reprographic reproduction and use of works

ALCS / United Kingdom	2,892
ICLA /Ireland	764
<b>TOTAL</b>	<b>3,656</b>

## ROYALTIES RECEIVED FROM ABROAD IN 2017

### For the use of musical works

Foreign association	Royalty received	Deductions of collective management † (5%)	Royalty for payment
AKKA/LAA / Latvia	9,931	498	9,433
AKM / Austria	1,213	61	1,152
APRA / Australia	282	14	268
ARMAUTHOR/ Armenia	87	4	83
ARTISJUS / Hungary	143	7	136
ASCAP / USA	2,573	129	2,444
BMI / USA	92	5	87
BUMA / Netherlands	859	43	816
EAU / Estonia	2,621	131	2,490
GEMA / Germany	17,157	859	16,298
HDS/ Croatia	79	4	75
IMRO/ Ireland	328	16	312
JASRAC / Japan	3,872	194	3,678
KODA / Denmark	1,280	64	1,216
NCB / Denmark	18,655	0	18,655
Network of Music Partners/Denmark	1,068	0	1,068
OSA / Czech Republic	1,135	57	1,078
PRS / United Kingdom	7,355	368	6,987
RAO / Russia	1,418	72	1,346
SABAM/ Belgium	2,912	146	2,766
SACEM / France	2,211	111	2,100
SAZAS / Slovenia	732	37	695
SGAE / Spain	306	15	291
SIAE / Italy	3,216	161	3,055
SUISA / Switzerland	1,419	71	1,348
SOCAN / Canada	228	11	217
SOKOJ/ Serbia	86	4	82
SOZA/ Slovakia	54	3	51
STIM / Sweden	3,093	155	2,938
TEOSTO / Finland	1,209	60	1,149
TONO / Norway	796	40	756
ZAIKS / Poland	780	39	741
<b>TOTAL</b>	<b>87,190</b>	<b>3,379</b>	<b>83,811</b>

### For the use of drama works

Foreign association	Royalty received	Deductions of collective management † (5%)	Royalty for payment
ARMAUTHOR/ Armenia	149	8	141
EAU / Estonia	2,204	110	2,094
RAO / Russia	19,041	952	18,089
SACD/ France	12,185	609	11,576

ZAIKS / Poland	10,843	542	10,301
<b>TOTAL</b>	<b>44,422</b>	<b>2,221</b>	<b>42,201</b>

#### For the use of visual art works

Foreign association	Royalty received	Deductions of collective management † (5%)	Royalty for payment
ADAGP/ France	18,193	910	17,283
AKKA/LAA / Latvia	63	3	60
BILD-KUNST / Germany	1,873	94	1,779
BILDRECHT/ Austria	306	15	291
BILDUPPHOVSRATT/ Sweden	200	10	190
BONO / Norway	863	43	820
DACS / United Kingdom	365	18	347
EAU / Estonia	1,574	79	1,495
PICTORIGHT / Netherlands	139	7	132
SIAE / Italy	21	1	20
<b>TOTAL</b>	<b>23,597</b>	<b>1,180</b>	<b>22,417</b>

#### For the use audio-visual works

Foreign association	Royalty received	Deductions of collective management † (5%)	Royalty for payment
AKKA/LAA / Latvia	326	16	310
BILD-KUNST / Germany	802	40	762
EAU / Estonia	2,526	126	2,400
SACD/ France	395	20	375
ZAPA / Poland	1,804	90	1,714
<b>TOTAL</b>	<b>5,853</b>	<b>292</b>	<b>5,561</b>

**ASSOCIATION LATGA**  
(The name of the entity)

**10061038. J.BASANAVICIAUS STR. 4B. VILNIUS**  
(Code, address)

(Approved)

**BALANCE SHEET as at 31 DECEMBER 2017**

28 February 2018  
(Date)

(In euros)

Article No.	Article	Notes No.	Reporting period	Previous reporting period
<b>A.</b>	<b>FIXED ASSETS</b>		<b>479,991</b>	<b>512,924</b>
1.	INTANGIBLE ASSETS	1	2,170	1,803
1.	Patents, licences			
2.	Software		2,170	1,803
3.	Other intangible assets			
II.	MATERIALIUS TURTAS	2	477,821	511,121
1.	TANGIBLE ASSETS			
2.	Land		462,093	48,1263
3.	Buildings and structures			
4.	Machinery and plant		1	1
5.	Vehicles		15,727	29,857
6.	Construction in progress			
7.	Other tangible assets			
III.	FINANCIAL ASSETS		-	-
1.	Other financial assets			
2.	Other fixed assets			
<b>B.</b>	<b>CURRENT ASSETS</b>		<b>5,206,125</b>	<b>5,313,037</b>
I.	STOCKS, PREPAYMENTS AND CONTRACTS IN PROGRESS		13,476	22,616
1.	Stocks		410	931
2.	Prepayments		13,066	21,685
3.	Contracts in progress			
II.	AMOUNTS RECEIVABLE WITHIN ONE YEAR		825,504	1,160,473
1.	Trade debtors	4	820,995	1,153,295
2.	Other accounts receivable		4,509	7,178
III.	OTHER CURRENT ASSETS		-	-
1.	Short-term investments			
2.	Term deposits			
3.	Other current assets			
IV.	CASH AND CASH EQUIVALENTS		4,367,145	4,129,948
	<b>TOTAL ASSETS</b>		<b>5,686,116</b>	<b>5,825,961</b>

Article No.	EQUITY AND LIABILITIES	Notes No.	Reporting period	Previous reporting period
<b>C.</b>	<b>EQUITY</b>		<b>39,681</b>	<b>137,933</b>
I.	CAPITAL			
II.	REVALUATION RESERVE			
III.	OTHER RESERVES			
IV.	ACTIVITY RESULT		39,681	137,933
1.	The result of activities of the reporting year		(98,252)	54,051
2.	The result of activities of the previous year		137,933	83,882
<b>D.</b>	<b>FINANCING</b>		<b>137,717</b>	<b>188,277</b>
1.	Grants			
2.	Target contributions	6	122,110	98,539
2.1.	Funding amounts from the state budget			
2.2.	Other target contributions		122,110	98,539
3.	Membership fees		364	1,413
4.	Other funding		15,243	88,325
<b>E.</b>	<b>AMOUNTS PAYABLE AND OTHER LIABILITIES</b>		<b>5,508,718</b>	<b>5,499,751</b>
I.	LONG-TERM LIABILITIES		-	-
1.	Financial debts			
2.	Other long-term liabilities			
II.	SHORT-TERM LIABILITIES		5,508,718	5,499,751
1.	Share of long-term debts of the current year			
2.	Financial debts			
3.	Trade creditors		12,863	38,797
4.	Prepayments received		10,469	17,831
5.	Labour relations related liabilities		54,687	54,202
6.	OTHER SHORT-TERM LIABILITIES	7	5,430,699	5,388,921
	<b>TOTAL EQUITY, FINANCING AND LIABILITIES</b>		<b>5,686,116</b>	<b>5,825,961</b>

LATGA Director  
(Title of the head of entity administration)

(signature)  
(Signature)

Jonas Liniauskas  
(Name, surname)

LATGA Chief Accountant  
(Title of the chief accountant (accountant) or  
of other person responsible for accounting)

(signature)  
(signature)

Irena Gerasimovič  
(name, surname)

**ASSOCIATION LATGA**  
(The name of the entity)

**10061038. J.BASANAVICIAUS STR. 4B. VILNIUS**  
(Code, address)

(Approved)

BALANCE SHEET as at 31 DECEMBER 2017

28 February 2018  
(Date)

(In euros)

Article No.	Articles	Notes No.	Reporting period	Previous reporting period
<b>I.</b>	<b>INCOME</b>		<b>1,324,111</b>	<b>1,460,714</b>
1.	Income from services rendered, goods sold		1,195,458	1,278,212
2.	Income from financing		94,129	119,110
2.1.	Income from the use of financing amounts from the			
2.2.	Other financing income		94,129	119,110
3.	Other income		34,524	63,392
<b>II.</b>	<b>EXPENDITURE</b>		<b>1,422,363</b>	<b>1,403,854</b>
1.	Cost of services rendered, goods sold			
2.	Other expenditure			
3.	Operating expenses		1,422,363	1,403,854
3.1.	Sales			
3.2.	Maintenance of employees		1,048,986	1,021,248
3.3.	Depreciation (amortization)		30,957	30,922
3.4.	Maintenance of premises		22,652	19,842
3.5.	Communication		10,123	9,516
3.6.	Maintenance of vehicles		16,975	23,683
3.7.	Impairment of assets		14,392	11,497
3.8.	Other activities		278,278	287,146
3.9.	Charity, support provided			
3.10.	Due to the correction of errors in previous periods			
<b>III.</b>	<b>OPERATING RESULT BEFORE TAXATION</b>		<b>(98,252)</b>	<b>56,860</b>
<b>IV.</b>	<b>INCOME TAX</b>	10		
<b>V.</b>	<b>NET OPERATING RESULT</b>		<b>(98,252)</b>	<b>54,051</b>

LATGA Director  
(Title of the head of entity administration)

(signature)  
(Signature)

Jonas Liniauskas  
(Name, surname)

LATGA Chief Accountant  
(Title of the chief accountant (accountant) or  
of other person responsible for accounting)

(signature)  
(signature)

Irena Gerasimovič  
(name, surname)



## USE OF FUNDS OF SOCIAL AND CULTURAL FUND IN 2017

<b>Remainder of unused funds as at 01/01/2017</b>	<b>56,998</b>
Received funds	117,768
Deductions for administration of funds	5,889
Applications received	56
Funded projects	41

### Used funds:

<b>Lithuanian Composers' Union</b>	<b>19,900</b>
• Publishing and presentation of Galina Savinienė Compact Disc	3,000
• Artists' Residence DAR	6,500
• Festival "Jaunamuzika 2017"	6,500
• Presentation of Lithuanian music at the Vilnius Book Fair	2,000
• Opening of the Composers' House	1,900
<b>Lithuanian Music Information Centre</b>	<b>9,500</b>
• Triathlon of Lithuanian music publishing	5,000
• Presentation of Lithuanian music in the international network platform "Classical: NEXT"	4,500
<b>To Eurovision winners - members of the "Fusedmarc" group</b>	<b>7,080</b>
<b>Annual Music Awards</b>	<b>6,000</b>
• Annual Music Awards M.A.M.A 2016	1,000
• Films of Lithuanian centenary for commemoration of music artists	5,000
<b>VŠĮ "Ars&amp;Sonus"</b>	<b>5,000</b>
• Production and distribution of the "Tempus in Aeternitate" Mystery	3,000
• Cycles of contemporary sacred music. Music for the 300th anniversary of the crowning of the Trakai Mother of God	2,000
<b>Foundation of Composers' Union</b>	<b>3,500</b>
• Dissemination of the works by national competition "Mano nata" winners in Lithuanian cities and musical exercises for Lithuanian schoolchildren	3,500
<b>VŠĮ "ArsFesta"</b>	<b>3,400</b>
• Songs of Kęstutis Lušas newly	3,400
<b>VŠĮ "Stop!Idea"</b>	<b>3,000</b>
• Creation and presentation of the musical solo program of Aistė Lasytė	3,000
<b>Association of Kaunas Artists</b>	<b>3,000</b>
• Library of Poetry Spring Laureates	3,000
<b>VŠĮ "Scenos ir estetikos mokykla"</b>	<b>2,800</b>
• "Baltijos sutartinė 17"	2,800
<b>Lithuanian Writers' Union</b>	<b>2,800</b>
• Presentation of the literary magazine "Apra" to Georgian readers	2,800
<b>VŠĮ "Kino aljansas"</b>	<b>2,500</b>
• Creation, recording, performance of original soundtrack of Marius Salinas for a silent film	2,500
<b>VŠĮ "Metų projektai"</b>	<b>1,350</b>
• release of the vinyl record of "Antikiniai Kašpirovskio dantys" group	1,350
<b>VŠĮ "Dainuojanti lapė"</b>	<b>1,000</b>
• Release and presentation concert of new album of Erica Jennings	1,000
<b>VŠĮ "Miesto pulsas"</b>	<b>680</b>

• Release of acoustic album of "Omerta Goes Live"	680	
<u>VŠĮ "Bardai LT"</u>	<u>570</u>	
• Release of compact disk of Gediminas Storpirštis	570	
<u>Jurgis Juozapaitis</u>	<u>2,500</u>	
• 75th anniversary concert-portrait of Jurgis Juozapaitis	2,500	
<u>Mindaugas Budnikas</u>	<u>2,500</u>	
• Release and presentation concert of the "Mano juodoji sesuo" group album		
<u>"Svetimi"</u>	<u>2,500</u>	
<u>Paulius Stalionis</u>	<u>2,000</u>	
• A storybook for children "Pasakos, kurių niekas nepasakos"	2,000	
<u>Tadas Čiūdaras</u>	<u>1,600</u>	
• Release of the album "Love in progress" by Tadas Čiūdaras and Vytautas		
<u>Franukevičius</u>	<u>1 600</u>	
<u>Vytautas Leistrumas</u>	<u>1,350</u>	
• Release and presentation of the vinyl record "RBX"	1,350	
<u>Algirdas Klova</u>	<u>1,350</u>	
• Author's CD "Kamerinė muzika II"	1,350	
<u>Kazimeras Likša</u>	<u>1,045</u>	
• Acoustic album of the best songs with a string quartet	1,045	
<u>Kamilė Kielaitė-Sienkėvič</u>	<u>700</u>	
• Release of the vinyl record "Hopes" of the group "MaNNazz"	700	
<u>Saulius Jegelevičius</u>	<u>630</u>	
• Release of debut album "Write Down Your Dream" by Saulius Jegelevičius	630	
<u>Marija Akelan</u>	<u>600</u>	
• Music album of Mary Akelan's author songs	600	
<u>Giedrius Nakas</u>	<u>500</u>	
• Creation, performance and recording of Giedrius Nakas's author jazz music program	500	500
<u>Elena Neniškytė</u>	<u>400</u>	
• Filming and presenting a video clip of the work "Love" by a group "Shishi"	400	
Total	87,255	
<b>Balance of unused funds as at 31/12/2017</b>	<b>81,622</b>	

## USE OF FUNDS OF LATGA CREATIVE ACTIVITY FUND IN 2017

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### Projects of music authors and songwriters

Balance of unused funds as at 01/01/2017	7,844
Inflow of funds	42,804
Applications received	124
Funded projects	64

### Used funds

VŠĮ "Scenosirestetikos mokykla"	6,300
• "Kūrybos tiltai"	2,300
• "Anima"	4,000
VŠĮ "Rašytojų klubas"	6,000
• International Poetry Festival "Poezijos pavasaris"	6,000
VŠĮ "Lietuvos muzikos informacijos centras"	4,500
• Creativity and accessibility of Lithuanian music	4,500
Association of Kaunas Artists	2,500
• Premium of Association of Kaunas Artists	2,500
VŠĮ "Remigijaus akcija"	2,100
• Music Awards Celebration "ŠAMA 2018"	500
• Alternative Music Competition RUMSHK	1,600
Lithuanian Composers' Union	2,000
• The Best Music of the Year Awards of the Lithuanian Composers' Union	2,000
UAB "Promostar"	2,000
• Release of double vinyl record "Padavimai apie žmones" by Marijonas Mikutavičius	1,500
• Release of Manto CD "Laisvi drugeliai"	500
VŠĮ "Vilniaus reviu"	2,300
• Lithuanian Literature in English: Poetry and Essay	2,300
VŠĮ "Kompozitorių sąjungos fondas"	1,500
• IX national competition of musical works by students "Mano Nata" and musical works exercise for regional students	1,500
VŠĮ "Bardai LT"	1,000
• A collection of author songs by Andrius Kulikauskas. Release of compact disc	500
• "Bardai LT" 10th anniversary: an anthology of singing poetry/a collection of songs of bards. Compact and vinyl record publishing	500
Association LATGA promotional event	928
VŠĮ "Vinilostudija"	800
• Lithuanian pop and rock music archive. The fourth stage: Release of vinyl record of Stasys Povilaitis	800
VŠĮ "Kultūros leidinys Nemunas"	600
• Publications about professional music creation: "Lietuvos muzika – lokali ir globali"	600
Lithuanian Writers' Union	500
• One-Litas Premium	500
VŠĮ "Grįžtu namo"	500
• Anniversary album of Arvydas Vilčinskas best songs and presentation concert	500
Viliaus Gužauskis company "Homo liber"	500
• Publishing of poetry collection "Veiksma-žodinė" by Tautvida Patackienė	500

VŠĮ "Kuriame"	500	
• Recording, publishing of works of electronic contemporary music group "Osom", digital EP and presentation in Lithuania and abroad	500	
Mikalojus Novikas	800	
• Release of author's song collection	800	
Vytautas Germanavičius	800	
• Release and presentation of compact disc of Vytautas Germanavičius	800	
Robertas Semeniukas	500	
• Release of the new CD of the band "Žalvarinis" album "Einam tolyn" and in double vinyl record format	500	500
Richardas Banys	500	
• Release of the "Schwings Band" album "Lithuanian Artillery" in digital format	500	
Galina Savinienė	500	
• Song collection "Dainuoju Lietuvą"	500	
Remigijus Rančys	500	
• Release of digital music album "Remigijus Rančys – Velyvas"	500	
Gintas Kraptavičius	500	
• Release of the "Acousma Light" album in CD digipack format	500	
Marius Stavaris	500	
• Release of the vinyl record of the band "Darbo džiaugsmas"	500	
Total:	39,128	
<b>Balance of unused funds as at 31/12/2017</b>	<b>11,520</b>	

#### Projects of audio-visual art authors

Balance of unused funds as at 01/01/2017	31,879
Inflow of funds	21,895

#### Used funds

VŠĮ „Kino pavasaris“	6,000
• Republican educational film project for young authors – "Kino knyga"	3,000
• Student film competition - successful copyright protection for young creators	3,000
Union of Lithuanian Artists	5,000
• Cycle of documentary short films "Įkvėpti laisvės"	5,000
VŠĮ „Tautodailininkų sąjungos fondas“	3,076
• Documentary film "Lietuvos 100-metis joust raštuose. Audėjai Viliai"	3,076
Lithuanian Association of Film Operators	2,500
• "Ažuolas 2017"	2,500
UAB "Lietuvos kinas"	2,200
• „Senas šautuvas“. Short feature film	2,200
VŠĮ "Naratyvas"	2,000
• Long feature film "Advokatas" (preparatory works)	2,000
UAB "Era Film"	2,000
• TV documentary "Prezidentinis karo laivas"	2,000
Ieva Bunokaitė	1,500
• Animated film "Žvirbliopuota"	1,500
Lithuanian Association of Artists	1,500
• Award of the Lithuanian Association of Artists 2017	1,500
VŠĮ "Metų projektai"	1,000

• Musical video clip "Daug dienu" of the group "Antikvariniai Kašpirovskio dantys"	1,000
VŠĮ "Kino pasaka"	500
• International Women's Film Festival "ŠERŠĖLIAFAM 2017"	500
Total:	27,276
<b>Balance of unused funds as at 31/12/2017</b>	<b>26,498</b>

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#### Projects of visual art authors

Balance of unused funds as at 01/01/2017	842
Inflow of funds	960

#### Used funds

VŠĮ "Dailininkų sąjungos leidykla"	500
• Inspiration book "Dailininkė Dalia Kasčiūnaitė"	500
Total:	500

Balance of unused funds as at 31/12/2017	1,302
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#### Projects of drama authors

Balance of unused funds as at 01/01/2017	976
Inflow of funds	192
<b>Balance of unused funds as at 31/12/2017</b>	<b>1,168</b>