



# **ANNUAL REVIEW 2022**

**GRAMEX - THE COLLECTIVE MANAGEMENT  
ORGANISATION FOR RECORDED MUSIC IN FINLAND  
MUSIC MAKES GOOD THINGS HAPPEN**

“It’s time for  
a new adventure.”

Chisu  
Gramexpress 4/2022



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# 2022 – A year of crises, records and the future

The beginning of the year was marked by a break from the pandemic, after which came Russia's war of aggression and then high inflation and rising interest rates. The future of economic activities was more uncertain and threatened than it had been for a long time.

In the light of the figures, however, Gramex had a good year. We set new records in the remuneration accrual, remunerations from abroad and efficiency. The amount we distributed to performers on phonograms and to producers of phonograms was the second largest in history. Gramex and Teosto's joint venture, GT Music Licences, set its own record in invoicing.

During the year, our eyes were firmly fixed on the future. We worked on several future-oriented development projects and launched new ones. Despite the turmoil in the world, we are optimistic about the future.

Surviving and succeeding in constant change requires continuous development. Development means learning by doing, experiencing and sharing the lessons learned. Learning is the adoption of useful patterns of thinking and doing, as well as the sharing of insights, either individually or collectively with partners. It is important to learn together. Without it, genuine sustainable develop-

ment will be difficult to achieve. Learning together is not only a factor for success, but it also increases well-being and enjoyment.

In an ever-evolving environment, we do better together than alone. The common understanding and will of musicians and producers is the basis for the success of Gramex, which benefits all of our rightsholders.

The cornerstone of our new strategy is the promotion of partnership. Building partnership and the trust that is essential to it starts from Gramex's own activities, on the basis of which cooperation between musicians and producers is promoted. Partnership with our sister organisations and other music rightsholders will boost the success of us all.

Partnering up with other sectors will also contribute more effectively to the bigger picture. Without partnerships, we cannot take sufficient account of our customers using music in their business. We must also foster partnership and the trust that is inherent in it with the decision-makers in society who ultimately determine the conditions for our operations.

Let's be each other's best partners.

ILMO LAEVUO  
Managing Director

**“The cornerstone of our new strategy is building partnerships.”**

**“Let's be each other's best partners.”**

# The year 2022 in figures

**62,230**

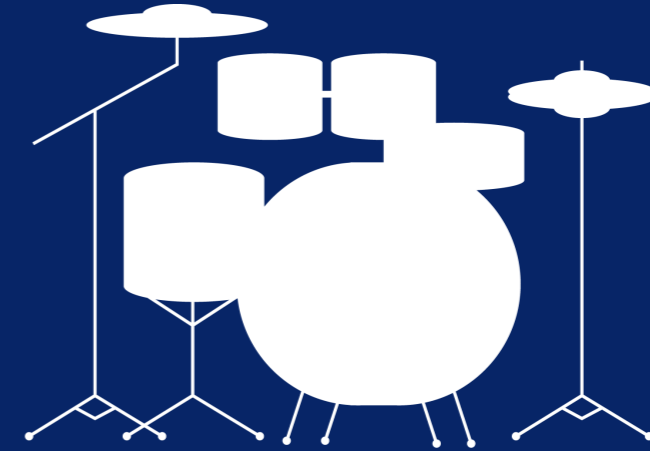
membership agreements with performers and producers

**32,885**

customers using music

**5.6 million**

received and processed radio airplays



**13.2 %**

total cost of operations



**~ EUR 26.4 million**

collected copyright royalties for the use of phonograms, EUR 2.63 million more than in the previous year



**40,531**

performers and producers received remunerations

**more than 10,000**

rightsholders received remunerations from abroad

**16,900**

MyGramex portal users at the end of the year

**165,000**

mailed Gramexpress magazines

**In total, EUR 21 million was paid out in remuneration**

**EUR 1.9 million**

was an all-time high in remunerations received from abroad



Remunerations for performers EUR 9.3 million



Remunerations for producers EUR 11.7 million

Erin performed at the traditional winter season opening of Gramex and its affiliated organisations, which kicks off the Christmas season in the entire Helsinki region.



# Gramex's year in brief

**Gramex's remunerations were higher and the effective cost percentage lower than ever before.**

**Gramex at your service.** Gramex serves as a link between performers and producers of music and users of phonogram music. Gramex wants to facilitate the use of music and develop the opportunities for music professionals to earn with music.

**More than 95,000 membership agreements.** At the end of the year, Gramex had 62,230 membership agreements with musicians, producers and conductors (rights-holders). In addition, Gramex had 32,885 music-using businesses as customers.

**Largest remuneration accrual in history.** Gramex remunerations are collected for the use of phonogram music in media, at events and as background music, among others. In 2022, remunerations amounted to EUR 26.4 million, which was higher than ever before. The highest remunerations were accrued from the background music sector (9.6 million), radio and television use (7.8 million), internet and network use (4.6 million) and remuneration from abroad (1.9 million).

**Expense percentage fell.** The effective administrative expense percentage illustrating the efficiency of operations was lower than ever before (14.2%). Taking into account the 1% return on investment to be paid to rightsholders, the total cost of operations amounts to 13.2%.

**Remunerations amounted to EUR 21 million.** Remunerations collected in the early part of 2022, as enabled by the Apollo System, were distributed in December. Remunerations amounted to a total of EUR 21.0 million (21.1 million in 2021). Of this sum, EUR 9.3 million was paid to performer customers and EUR 11.7 million to producer customers. ▶

## Copyright revenues 2022 by sector

Background music	9,596,884 €
Retransmission	77,027 €
Radio and television use	7,848,108 €
Term of protection	87,461 €
Remuneration from abroad	1,866,353 €
Internet and data network	4,628,651 €
Private copying compensation	1,286,149 €
Audio fixations and audiovisual programmes	994,775 €
Music videos	36,887 €
Total	26,422,294 €

Gramexpress is one of the largest music magazines in Finland in terms of circulation

► **A pioneer in digitalisation.** In spite of the challenges posed by the COVID-19 period, Gramex was able to promote its development projects. For example, the deployment of RDx continued. The Apollo rights management system, developed by Gramex in collaboration with the Austrian company BiConcept, has already been purchased by several other organisations around the world.

**Strategy reform.** During the year, a comprehensive strategy reform was carried out, in which more than 1,200 members participated through a survey. The survey received positive feedback from members and produced useful information.

**Communication was improved.** During the year, communication activities took place in the form of four Gramexpress magazines and more active use of digital channels and social media. At the end of the year, the Gramex brand renewal was launched together with the personnel.

**For the music.** Supervision of interests focused on the implementation of the Copyright Directive, problems with performers' unemployment security, compensation for private copying and the preparation of the objectives for the government programme for the coming term. Gramex supervised interests partly together with its member organisations and partly through Luovat ry. ■

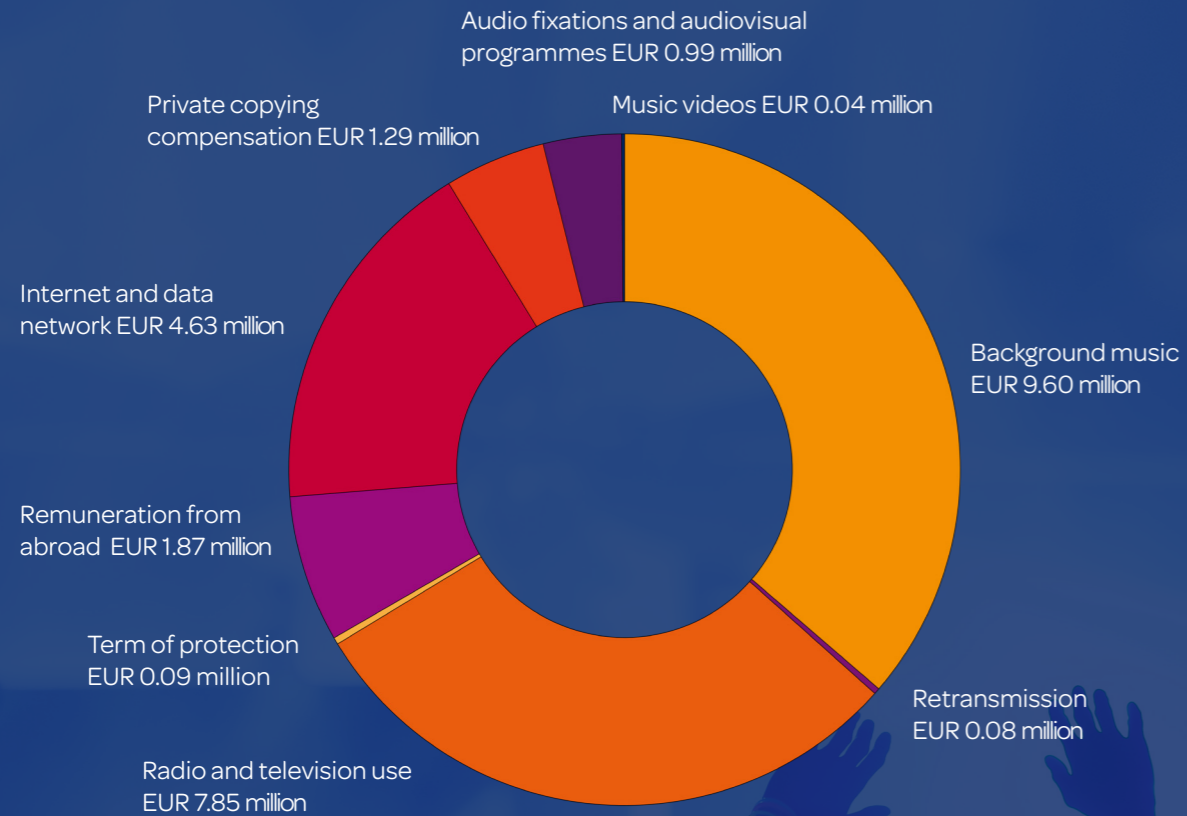


“Playing gives you so much energy.”

22-Pistepirkko  
Gramexpress  
3/2022



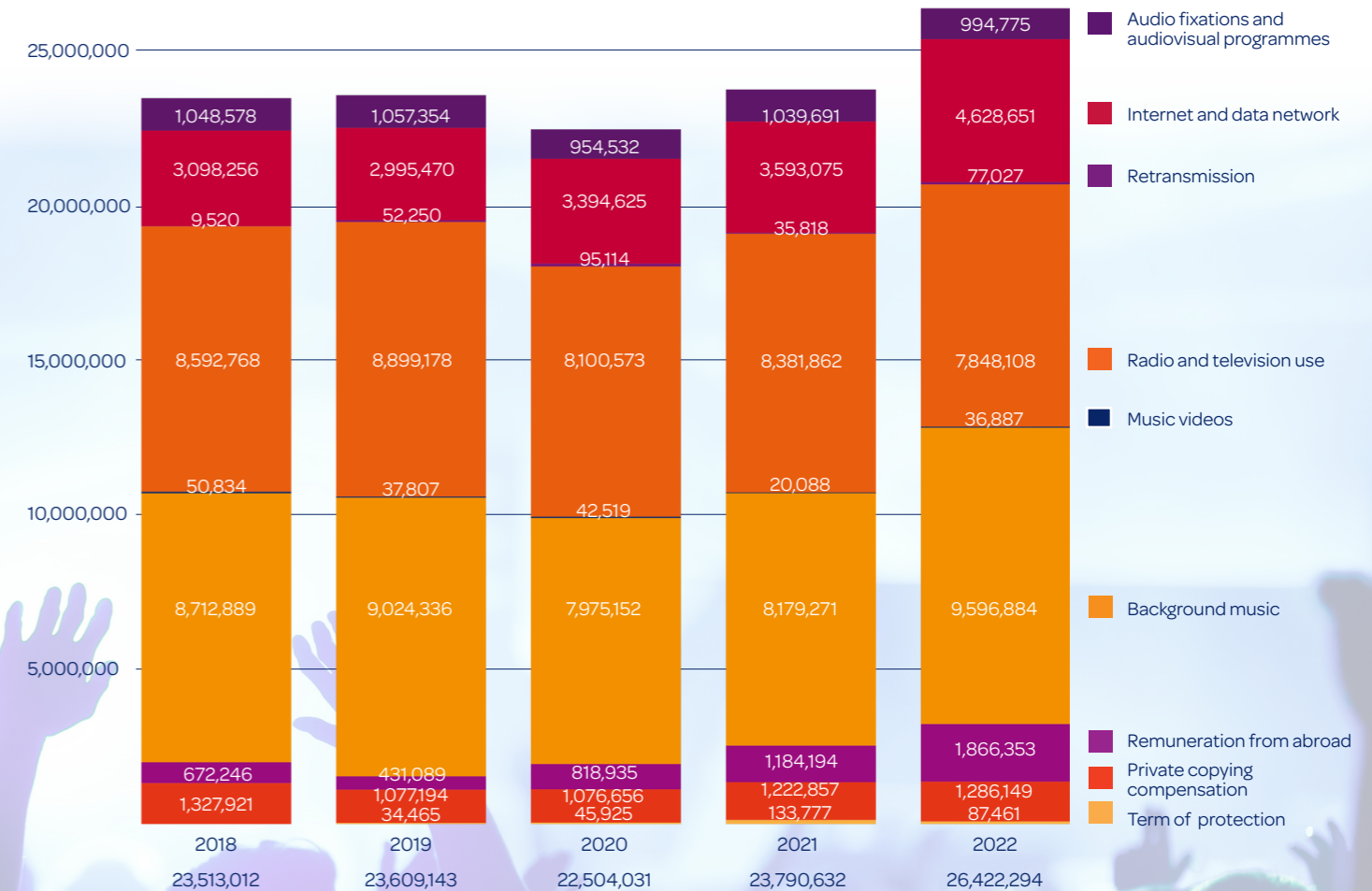
# Rights revenues in 2022



The highest remunerations were accrued from the background music sector (9.60 million), radio and television use (7.85 million), internet and network use (4.63 million), remuneration from abroad (1.87million) and private copying compensation (1.29 million).

# Gramex's remunerations collected 2018-2022

EUR



# Gramex tested music monitoring in restaurants

## Gramex's test for monitoring background music yielded results.

More than EUR 8 million of Gramex's annual remunerations come from background music. Background music accounts for about a third of Gramex's remunerations.

"Remunerations accrue when companies that use phonogram music in their business, such as restaurants, shops and institutions, pay for a background music licence for the public performance of music in their premises," says Development Coordinator Anne Kujanpää.

Gramex distributes the remunerations to the rightsholders of recorded music, that is, the performers on the phonograms and the phonogram producers. To do this, one needs to know whose music is being played.

"Since the companies paying remunerations for public performance differ from each other and there are thousands of them all over Finland, the use of phonogram music is also diverse," Kujanpää says. "However, Gramex doesn't require these entrepreneurs to submit track-specific reports of use."

## Whose music is playing

So, how does one know to whom the remunerations are due?

"In the past, we utilised reports from radio stations and background music operators, for example. In this way, we can identify the majority of the phonogram music played in restaurants, shops and different premises."

"Now, however, there is technology available for music monitoring that can be used to identify phonogram-based background music." This is called monitoring. "Monitoring means that a monitoring device installed in, say, a restaurant's sound system can be used to create reports of use of the phonogram music played in the restaurant's premises over a certain period of time."

The technology and idea are not new to Gramex. "Gramex has been using monitoring technology for years in the distribution of remunerations related to online storage services. For this purpose, we have monitored TV channels that are available over the air in Finland."

## Test started in 2021

At the end of 2021, Gramex initiated a test to find out how monitoring could further improve the accuracy of distribution. Different restaurants around Finland were involved in the test.

"In the test, we used music monitoring technology developed by the Dutch company DJ Monitor," Kujanpää says. "The test

revealed some challenges, mainly related to the technology itself, its suitability or unsuitability, the quality and suitability of the monitoring data for Gramex, the cost of monitoring and the resources required for monitoring."

"Technology and data processing, in particular, carry a price tag, and the related issue of cost-effectiveness is relevant," Kujanpää says. "Carrying out monitoring in every single restaurant simply isn't economically sensible."

"Therefore, at this stage, it's much wiser to use monitoring to find out more about the general profiles of the use of phonograms in the world of restaurants than to try to monitor detailed, restaurant-specific usage data."

## Interesting results

Preliminary studies already show that the phonogram music used in restaurants differs from the phonogram music played by radio stations.

"Monitoring is becoming more common in restaurant environments around the world, and it's also part of the future here in Finland. Learning new ways and utilising technologies is part of the development in which we want to be involved, adopting the best practices into our operations in a timely manner."

"Next year, in 2023, Gramex will monitor restaurants more extensively all over Finland and will start using the results of the monitoring data in the distribution of remunerations from background music," Kujanpää says. ■



"In this way, we can identify the majority of the phonogram music played in restaurants, shops and premises," Anne Kujanpää says.



“Creating a phonogram always starts from scratch. You are given the timetable and the money and told to create a whole from them.”

Esa Nieminen  
Gramexpress 1/2022



# On the way to becoming one of the best music licensing services

**At the end of 2023, the Board of Directors of Gramex, together with the personnel, renewed the strategy for the next three-year period.**

The ambitious objective of the completely renewed strategy is to be one of the best music licensing services in the world. Achieving this objective requires insightful and responsible partnership with performers, producers and users of phonogram music, both in Finland and internationally.

## **We are living in uncertain times**

A comprehensive analysis of changes in the operating environment was carried out for the work. The views of clients and stakeholders were collected through a client and stakeholder survey.

“The world around us is becoming increasingly digitalised, and music is finding new platforms that transcend national borders. The processes of selling music and distributing copyright remunerations are changing. The competition is getting tougher – both for the best talent and for a place on the market. Clear and common priorities with our clients help us focus on the essential,” says Sari Aalto-Setälä, Communications Director at Gramex, who was responsible for facilitating the strategy process.

## **Clear focus areas**

Gramex’s mission is to promote a society in which recorded music produces well-being, sufficient income and added value for everyone – performers, producers and music users – and thereby ultimately for society as a whole.

The five focus areas for the coming strategy period are quick, accurate and highest-quality distribution internationally; flexible partnership with music user customers; innovative application of data and digital solutions; committed, prosperous and competent personnel; and responsible and expert exercise of societal influence.

## **For the music**

However, the future is impossible to predict. Gramex’s new values, best partner and insightful expertise, help it navigate through rapid changes in the operating environment.

“Even though Gramex is an innovative user of data and technology, the most important thing is music. Gramex’s operations are based on strong values: when we build success from music in a responsible manner, we bring more joy and well-being to the world. We work for music and we exist for music,” Aalto-Setälä says. ▶

Gramex’s new strategy

Read the summary of strategy on Gramex’s website:  
[www.gramex.fi/en](http://www.gramex.fi/en)



# WE WANT TO BE ONE OF THE BEST MUSIC LICENSING SERVICES IN THE WORLD.

We promote a society in which recorded music produces well-being, sufficient income and added value for performers, producers and music users.

## WAYS TO WIN

Changes are made to laws and rights.

Music markets change.

Global instability increases.

Our distribution is quick, accurate and of the highest quality internationally.

We adopt data and digital solutions quickly and apply them innovatively.

We are a flexible partner that promotes the use of music in different situations and makes it easier.

We are the best workplace for experts, where people feel good and enjoy their work.

As an expert and a responsible opinion leader in society, our positive impact is bigger than our size.

Technological development brings new competitors.

Competition for resources intensifies.

## OUR VALUES

We want to be **the best partner** and **an insightful expert**.



# For the music in Parliament and ministries

**Gramex actively promoted the interests of the music industry in matters such as COVID-19, the Copyright Directive and unemployment security.**

During the previous parliamentary term, COVID-19 financial support, the closing of the value gap, the implementation of the Copyright Directive, unemployment security for performers and compensation for private copying were on the table for decision-makers.

Copyright organisation Gramex promoted the interests of the music industry in two different coalitions: COVID-19-related supervision of interests was carried out under the leadership of Music Finland and unemployment security and copyright issues were promoted through Luovan työn tekijät ja yrittäjät.

## **COVID-19 restrictions and financial support**

The COVID-19 restrictions caused great losses to the performance arts. Although supervision of interests was carried out diligently in the coalition led by Music Finland, the decisions of the authorities and the Government received harsh criticism from the field.

The situation sparked spontaneous demonstrations in which the culture scene expressed its dissatisfaction with the COVID-19 restrictions and policy.

## **Unemployment security improved**

In November 2022, the Government made a significant correction to the unemployment security for performers receiving copyright

royalties.

For a very long time, the problem with performers' unemployment security had been that even retrospective copyright royalties from previous years reduced the unemployment allowance in exactly the same way as wages earned during unemployment. While royalties did not increase the unemployment allowance, they could cut it off altogether.

They were, therefore, an exception, treated differently from other types of income.

"Luovatyön tekijäryhmän kampaniasta johtuen useat kansanedustajat ja parlamenttitoimikunnat vaativat tilanteen korjattua," says Lauri Kaira, Advocacy Director at Gramex, who led the petition delegation.

The Government corrected the issue in its employment package on 11 February 2022. From the beginning of 2023, copyright royalties have no longer reduced the unemployment allowance of unemployed performers.

## **Compensation for private copying stabilised**

Another significant change was also achieved. In its session on spending limits on 5 April 2022, the Government decided to stabilise compensation for private copying at EUR 11 million for the period 2023–2026.

Compensation for private copying (formerly 'private copying levy') is based on an EU directive. It is a monetary compensation guar-



**Due to COVID-19 and the Copyright Directive, culture was a high priority in Parliament during the previous parliamentary term.**



▶ anteed by law to authors of creative work for the right of every citizen to copy works for their own use.

Previously, the levy was collected in the price of copying equipment as a so-called cassette duty. When copying shifted to multifunction devices such as mobile phones, the Government transferred the levy to be paid from the state budget in 2015.

The compensation is now even more important as digitalisation has increased the harm caused by copying. In the past, the sales product was a physical record, and the content of the record could be made into a scratchy copy on a cassette tape.

Today, consumers are legally allowed to clone the very product that can be purchased or streamed from services such as Spotify and iTunes. The permission to clone sales products causes market disruption. According to Taloustutkimus, the handicap in 2017 was approximately 32–47 million euros a year.

### Threat of fine for Finland

The implementation of the Copyright Directive to close the value gap was a permanent theme during the previous parliamentary term.

The EU Directive stipulates that platform services such as YouTube are themselves responsible for the content that is published on them. In the past, they have been able to avoid liabilities and charges by hiding behind their users' backs.

In Finland, the preparation of legislation took a path that conflicted with the Directive. When the ministry's draft proposal was rejected out of hand during circulation for comment, the direction of the preparation was adjusted.

As the preparation had to be started from scratch in some respects, the implementation of the Directive exceeded the EU's deadlines and brought a threat of fines to Finland.

The Government's proposal was submitted to Parliament on 13 April 2022 and was supplemented at the request of the Constitutional Law Committee in December 2022.

In its report of 16 February 2023, the Education and Culture Committee proposed that the proposal is approved with slight corrections. The package was approved unanimously by Parliament, with the exception of a vote on paragraph 25 h on the retransmission of television programmes.

### The music industry began to develop its supervision of interests

In 2021, the music industry launched a project to strengthen the industry's common voice. The project involves coordination and communication, as well as the establishment and maintenance of a joint [www.musiikkiala.fi](http://www.musiikkiala.fi) information portal. ■

# Musiikkiala.fi highlights the importance of music

## Gramex and Teosto set up a new website on which the entire music industry can produce content.

Gramex and Teosto, together with other Finnish music industry organisations, launched the [musiikkiala.fi](http://musiikkiala.fi) website in autumn 2022. The website provides reliable and easy-to-read information on the impact of the entire music industry – economic, social and well-being-related effects.

"The music industry is worth nearly one billion euros per year. This is the result of the work of thousands of companies, organisations and institutions and tens of thousands of professionals. However, as music industry statistics and studies are produced by many different operators, it has been difficult to gain an overall picture of the importance of music. The new [musiikkiala.fi](http://musiikkiala.fi) website aims to bring a solution to this," says Noora Marttila, Communications Coordinator at Gramex.

### Information in a compact package

Musiikkiala.fi is primarily aimed at those making decisions that affect the operating conditions of the music industry and other domains of culture: MPs, ministers and government officials. In addition, the website provides the media with quick and easy access to key information concerning the music industry.

On the website, it is possible to search for or categorise content, for example, according to whether you are looking for informa-



and Instagram, through which it is possible to follow news articles updated on the site.

### Collaboration off to a great start

"People have found their way to the website, and it has also gained attention in competitions in the online services industry. For example, the site was recently shortlisted as a finalist for the Grand One Gala of digital services," Marttila says.

The joint effort of the whole industry originated from a collaboration between Gramex and Teosto. The content has been produced by Music Finland, the Finnish Musicians' Union, the Finnish Music Foundation, the Finnish Music Creators' Association, Musiikkituottajat – IFPI Finland, the Finnish Music Publishers Association, the Society of Finnish Composers, GT Music Licences Ltd and the Sibelius Academy of the University of the Arts Helsinki, among others. In addition, other available statistics and studies have been used on the site. Learn more at <http://www.musiikkiala.fi/> ■

### The selection as a finalist for the Grand One gala of digital services speaks volumes about the quality of the website.



"We've been systematic all the way. From the start, our goal has been to conquer the world, and now it seems to be well under way."

Blind Channel  
Gramexpress 2/2022

tion on topics such as the economy of the music industry, professionals, listening to music or international statistics. In addition, the site contains downloadable infographics that can be used directly in presentations or on social media. The site has its own social media channels on Facebook, Twitter

**FINANCIAL  
STATEMENTS  
1 JANUARY–  
31 DECEMBER 2022**

**PROFIT AND  
LOSS STATEMENT (EUR)**

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Other revenue	262,040.68	150,868.58
Total revenue	262,040.68	150,868.58
<b>Expenses</b>		
Personnel expenses	-1,777,397.86	-1,636,235.73
Depreciation	-135,999.07	-179,628.12
Other expenses	-2,112,074.16	-1,866,446.26
Total expenses	-4,025,471.09	-3,682,310.11
Administration expenses deduction	3,763,430.41	3,531,441.53
<b>Promotion activities</b>		
Transfer from investments and financing activities	-10,874.53	4,630.22
Statute-barred remuneration liabilities	3,767,591.74	5,426,633.37
Other expenses related to promotion activities	-3,599,140.53	-5,331,626.73
Total expenses for promotion activities	157,576.68	99,636.86
<b>Covered by promotion activities reserve</b>	<b>-157,576.68</b>	<b>-99,636.86</b>
<b>SURPLUS/DEFICIT</b>	<b>0.00</b>	<b>0.00</b>
<b>Investment and financing activities</b>		
Revenue/Expenses	-977,670.65	549,969.44
Transfer to remuneration payments	591,109.43	-331,881.97
Transfer to later conclusion	375,686.69	-213,457.25
Transfer to the promotion activities reserve	10,874.53	-4,630.22
	0.00	0.00
<b>SURPLUS (DEFICIT) FOR THE FINANCIAL PERIOD</b>	<b>0.00</b>	<b>0.00</b>

**BALANCE SHEET  
(EUR)**

	<b>31.12.22</b>	<b>31.12.21</b>
<b>ASSETS</b>		
<b>FIXED ASSETS</b>		
<b>Intangible assets</b>		
IT systems	126,015.80	145,576.85
Major improvements	0.00	0.00
<b>Intangible assets total</b>	<b>126,015.80</b>	<b>145,576.85</b>
<b>Tangible assets</b>		
Machinery and equipment	193,699.27	226,236.96
Other tangible assets	550.00	550.00
<b>Tangible assets total</b>	<b>194,249.27</b>	<b>226,786.96</b>
<b>Investments</b>		
Shares and similar rights of ownership	1,433,100.03	483,100.03
Investment portfolios	23,898,057.49	25,717,778.50
Reserves	102,668.22	109,017.81
<b>Total investments</b>	<b>25,433,825.74</b>	<b>26,309,896.34</b>
<b>TOTAL FIXED ASSETS</b>	<b>25,754,090.81</b>	<b>26,682,260.15</b>
<b>CURRENT ASSETS</b>		
<b>Long-term receivables</b>		
Loan receivables	0.00	950,000.00
Other receivables	79,126.00	79,126.00
<b>Total long-term receivables</b>	<b>79,126.00</b>	<b>1,029,126.00</b>
<b>Short-term receivables</b>		
Accounts receivable	1,705,149.23	1,609,646.77
Accrued income	1,890,244.61	1,657,097.66
<b>Total short-term receivables</b>	<b>3,595,393.84</b>	<b>3,266,744.43</b>
<b>Financial securities</b>		
Other securities	106,699.01	0.00
<b>Total financial securities</b>	<b>106,699.01</b>	<b>0.00</b>
<b>Cash in hand and at bank</b>		
<b>Total cash in hand and at bank</b>	<b>2,722,514.86</b>	<b>1,818,705.81</b>
<b>TOTAL CURRENT ASSETS</b>	<b>6,503,733.71</b>	<b>6,114,576.24</b>
<b>TOTAL ASSETS</b>	<b>32,257,824.52</b>	<b>32,796,836.39</b>

**EQUITY AND LIABILITIES**

**EQUITY**

**Promotion activities reserves**

Promotion activities reserves 525,102.04 367,525.36

**Total promotion activities reserves** 525,102.04 367,525.36

**TOTAL EQUITY** 525,102.04 367,525.36

**LIABILITIES**

**Short-term liabilities**

Remuneration liability (invoiced, investment income)

Remuneration liability in payment process 14,667,382.63 16,458,975.79

Accounts payable 15,342,444.69 14,129,153.07

Other liabilities 148,367.74 159,306.14

Accrued expenses and liabilities 780,015.04 758,045.87

794,512.38 923,830.16

**Total short-term liabilities** 31,732,722.48 32,429,311.03

**TOTAL LIABILITIES** 31,732,722.48 32,429,311.03

**TOTAL EQUITY AND LIABILITIES** 32,257,824.52 32,796,836.39

## NOTES ON THE FINANCIAL STATEMENTS

### Accounting principles:

The financial statements have been prepared in accordance with the provisions of the Government Decree (1753/2015) concerning small undertakings and micro-undertakings.

#### 1) Valuation of tangible and intangible assets

Fixed assets are capitalised on balance sheet at direct acquisition cost less planned depreciation. Planned depreciation for tangible assets has been calculated as reducing balance depreciation, and depreciation for intellectual property rights has been calculated as straight-line depreciation using the declining balance method. Planned depreciation is calculated in accordance with the legislation on taxation of income of business activity.

#### 2) Reserves

The promotion activities reserves are made up of statute-barred remuneration liabilities and the proportion of investment income that has been transferred to the reserves. The use of funds in reserves and their realised yield are allocated to the capital of the reserve. Transfers to reserves and the use of reserves are presented in the financial statements as a separate line item before the line item for surplus/deficit for the financial period.

#### 3) Remuneration liabilities

The accrued and paid remunerations have been entered directly as an increase or decrease in short-term liabilities.

### Notes to the profit and loss statement

#### Revenue and expenses in profit and loss statement and transfer of funds

	2022	2021
Total revenue	5,291,349.64	4,442,013.12
Total expenditure	-6,111,443.61	-3,792,406.82
Use of the promotion activities reserve	-157,576.68	-99,636.86
Transfers of investment income to remuneration payments, reserves and items to be decided at a later stage	977,670.65	-549,969.44
	0.00	0.00

#### Accrued remuneration EUR

Collected remuneration EUR	26,422,293.78	23,790,631.64
Transfer to remuneration liability	-26,422,293.78	-23,790,631.64
	0.00	0.00

#### 1. Personnel expenses

Wages and salaries	1,506,626.49	1,381,768.24
Pension expenses	236,433.72	222,805.81
Other social security expenses	34,337.65	31,661.68
<b>Total</b>	<b>1,777,397.86</b>	<b>1,636,235.73</b>

#### Average number of employees

Office	21	20
Total	21	20

#### 2. Material items in other expenses:

Voluntary personnel costs	107,477.99	82,387.57
Professional services and other outsourced services	1,138,332.30	1,052,051.06
Travel costs and car expenses	44,669.16	9,062.81
Communication activities	183,359.75	162,634.01
ICT expenses	201,206.85	175,880.97
Rents	302,745.55	256,683.65
Other expenses	134,282.56	127,746.19
<b>Total</b>	<b>2,112,074.16</b>	<b>1,866,446.26</b>

#### 3. Revenue and expenses related to special purpose activities

##### 3.1 Promotion activities

Other promotion activities total	157,576.68	99,636.86
Covered by promotion activities reserve	-157,576.68	-99,636.86
	0.00	0.00

#### 4. Investment and financing activities

	2022	2021
Income/expenses	343,944.14	515,023.21
Increase/decrease in value	-1,321,614.79	34,946.23
Transfer to remuneration payments	591,109.43	-331,881.97
Transfer to later conclusion	375,686.69	-213,457.25
Transfer to promotion activities reserve	10,874.53	-4,630.22
	0.00	0.00

#### Notes to the balance sheet

#### 5. Intangible and tangible assets

##### 5.1. Long-term IT expenses

Straight-line depreciation		
Opening balance 1 January	145,576.85	189,859.12
Increase	64,891.25	71,841.88
Depreciation 31 December	-84,452.30	-116,124.15
<b>Balance sheet value 31 December</b>	<b>126,015.80</b>	<b>145,576.85</b>

##### 5.2. Major improvements

Straight-line depreciation (5 years)		
Opening balance 1 January	0.00	5,451.22
Increase	0.00	0.00
Depreciation 31 December	0.00	-5,451.22
<b>Balance sheet value 31 December</b>	<b>0.00</b>	<b>0.00</b>

##### 5.3. Machinery and equipment

Reducing balance depreciation 25%		
Opening balance 1 January	226,236.96	86,226.11
Increase	32,028.74	215,423.16
Depreciation 31 December	-64,566.43	-75,412.31
<b>Balance sheet value 31 December</b>	<b>193,699.27</b>	<b>226,236.96</b>

##### 5.4. Other tangible assets

No depreciation		
Acquisition cost 1 January	550.00	550.00
Increase	0.00	0.00
Acquisition cost 31 December	<b>550.00</b>	<b>550.00</b>

##### 5.5 Depreciation for the financial period

Equipment	-64,566.43	-75,412.31
Adjustments for depreciation	13,019.66	17,359.56
Major improvements and long-term expenditure	-84,452.30	-121,575.37
	<b>-135,999.07</b>	<b>-179,628.12</b>

#### 6. Investments

##### 6.1. Investments in fixed assets

Shares in real estate companies	433,100.03	433,100.03
Shares in holdings	1,000,000.00	50,000.00

Equity funds	3,656,413.49	3,948,947.81
Bond funds	16,424,088.63	17,632,848.50
Alternatives	3,920,223.59	4,245,000.00
	<b>25,433,825.74</b>	<b>26,200,878.53</b>

#### 6.2. Short-term investments

Short-term investments	106,699.01	0.00
	<b>106,699.01</b>	<b>0.00</b>

#### 6.3. Total investment securities

Replacement cost	24,507,375.00	27,790,919.55
Book value	24,107,424.72	25,717,778.50
Difference	<b>399,950.28</b>	<b>2,073,141.05</b>

#### 6.4. Other holdings

GT Music Licences Ltd	Share of ownership in the company <b>50%</b>	Share of ownership in the company <b>50%</b>
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#### 7. Loan receivables

Partnership loan receivable	0.00	950,000.00
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#### 8. Material items in accrued income

Interest receivables	1,438.32	1,764.63
Administration expenses deduction	1,488,119.60	1,652,111.73
Other accrued income	400,686.69	3,221.30
	<b>1,890,244.61</b>	<b>1,657,097.66</b>

#### 9. Promotion activities reserves

Balance 1 January	367,525.36	267,888.51
Statute-barred remuneration liabilities	3,767,591.74	5,426,633.37
Transfer from investment return credit provisions	0.00	0.00
Transfer to distribution	-2,400,000.00	-3,500,000.00
Transfer from investment income	-10,874.53	4,630.22
Donations to music promotion activities	-1,000,000.00	-1,600,000.00
Other promotion activities	-199,140.53	-231,626.72
	<b>525,102.04</b>	<b>367,525.36</b>

#### 10. Material items in accrued charges and deferred credits

Holiday pay liabilities	224,095.78	187,589.00
Other accrued charges and deferred credits	570,416.60	736,241.16
	<b>794,512.38</b>	<b>923,830.16</b>

#### 11. Liabilities (Documentation pertaining to the notes to the financial statements 1)

Rent liabilities		
Payments to be made in the next period	349,207.56	349,207.56
To be paid later	1,484,132.13	1,833,339.69
<b>Total</b>	<b>1,833,339.69</b>	<b>2,182,547.25</b>



THE COLLECTIVE MANAGEMENT ORGANISATION FOR RECORDED MUSIC IN FINLAND  
BUSINESS ID: 0201196-9