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Chartered Accountants
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INDEPENDENT AUDITORS' REPORT

To the Members of
Jamaica Association of Composers, Authors & Publishers Limited
(A company limited by guarantee, without share capital)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jamaica Association of Composers, Authors & Publishers Limited (the company) set out on pages 4 to 23, which comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive income, changes in reserve and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the requirements of the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS for SMEs and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Partners: S. M. McFarlane, J. Hibbert, D. Hobson, B. Vanriel, K. Heron
Associate Partner: D. Brown
Offices in Montego Bay, Mandeville and Ocho Rios
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INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Jamaica Association of Composers, Authors & Publishers Limited
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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

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

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INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Jamaica Association of Composers, Authors & Publishers Limited
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Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

BDO

Chartered Accountants

15 December 2025

JAMAICA ASSOCIATION OF COMPOSERS, AUTHORS & PUBLISHERS LIMITED

(A company limited by guarantee, without share capital)

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2024

	Note	2024 $	2023 $
INCOME:			
Administrative fees	5	74,063,263	62,014,872
Other operating income	6	15,974,754	19,760,607
TOTAL INCOME		90,038,017	81,775,479
EXPENSES:			
Administrative and general expenses		(88,509,898)	(80,347,457)
Depreciation and amortisation		(1,528,119)	(1,428,022)
TOTAL EXPENSES	7	(90,038,017)	(81,775,479)
SURPLUS BEFORE TAXATION		-	-
Taxation	9	-	-
SURPLUS FOR THE YEAR, BEING TOTAL COMPREHENSIVE INCOME		-	-

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JAMAICA ASSOCIATION OF COMPOSERS, AUTHORS & PUBLISHERS LIMITED

(A company limited by guarantee, without share capital)

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2024

	Note	2024 $	2023 $
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	10	15,383,695	16,356,036
Intangibles	11	362,187	614,654
Investment securities	12	15,000,000	47,000,000
		30,745,882	63,970,690
CURRENT ASSETS:			
Investment securities	12	45,536,573	14,507,916
Receivables	13	28,626,163	21,139,567
Cash and cash equivalents	14	331,395,099	264,507,167
		405,557,835	300,154,650
		436,303,717	364,125,340
RESERVE AND LIABILITIES			
RESERVE:			
Members' reserve fund	15	11,896,462	11,125,370
NON-CURRENT LIABILITY:			
Deferred income	16	12,037,921	11,027,432
CURRENT LIABILITIES:			
Distributions due to members	17	406,034,924	334,823,425
Payables	18	6,334,410	7,149,113
		412,369,334	341,972,538
		436,303,717	364,125,340

Approved for issue by the Board of Directors on 5 December 2025 and signed on its behalf by:

Stephen Stewart - Director

Paula Surtees - Director

JAMAICA ASSOCIATION OF COMPOSERS, AUTHORS & PUBLISHERS LIMITED

(A company limited by guarantee, without share capital)

STATEMENT OF CHANGES IN RESERVE

31 DECEMBER 2024

	Members' Reserve Fund $
BALANCE AT 1 JANUARY 2023	10,783,531
TRANSACTIONS WITH MEMBERS RECORDED DIRECTLY IN RESERVE	
Members' fees	120,000
Distributions made to members	(249,000)
ADDITIONAL ALLOCATIONS TO MEMBERS' FUND	470,839
BALANCE AT 31 DECEMBER 2023	11,125,370
TRANSACTIONS WITH MEMBERS RECORDED DIRECTLY IN RESERVE	
Members' fees	127,500
Distributions made to members	(100,000)
ADDITIONAL ALLOCATIONS TO MEMBERS' FUND	743,592
BALANCE AT 31 DECEMBER 2024	11,896,462

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JAMAICA ASSOCIATION OF COMPOSERS, AUTHORS & PUBLISHERS LIMITED

(A company limited by guarantee, without share capital)

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	Note	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Surplus for the year		-	-
Adjustments for:			
Interest income	6	(5,753,632)	(7,574,751)
Depreciation and amortisation	7	1,528,119	1,428,022
Unrealized foreign exchange (gain)/loss		(646,415)	214,142
		(4,871,928)	(5,932,587)
Changes in operating assets and liabilities:			
Accounts receivable		(7,548,754)	2,494,216
Accounts payable		(814,703)	1,589,318
Distribution due to members		71,211,499	85,768,993
Deferred income		1,010,489	(5,194,659)
Net cash provided by operating activities		58,986,603	78,725,281
CASH FLOWS FROM INVESTING ACTIVITIES:			
Securities purchased under resale agreement		(13,536,573)	-
Securities encashed under resale agreement		14,507,916	17,569,260
Interest received		6,559,382	8,276,633
Acquisition of property, plant and equipment	10	(303,311)	(1,246,311)
Acquisition of intangible asset	11	-	(328,135)
Net cash provided by/(used in) investing activities		7,227,414	24,271,447
CASH FLOWS FROM FINANCING ACTIVITIES:			
Members' fees		127,500	120,000
Distribution made to members		(100,000)	(249,000)
Net cash provided by/(used in) financing activities		27,500	(129,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS		66,241,517	102,867,728
Exchange gain/(loss) on foreign cash balances		646,415	(214,142)
Cash and cash equivalents at beginning of year		264,507,167	161,853,581
CASH AND CASH EQUIVALENTS AT END OF YEAR	14	331,395,099	264,507,167

JAMAICA ASSOCIATION OF COMPOSERS, AUTHORS & PUBLISHERS LIMITED

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SCHEDULE OF LICENSE AND PERMIT COLLECTIONS

YEAR ENDED 31 DECEMBER 2024

	2024 $	2023 $
LICENSES AND PERMITS:		
General collection	126,543,743	79,806,605
Broadcasting	26,172,030	45,897,666
Permits	111,836,107	103,399,293
	264,551,880	229,103,564

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JAMAICA ASSOCIATION OF COMPOSERS, AUTHORS & PUBLISHERS LIMITED

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DETAILED SCHEDULE OF TOTAL EXPENSES

YEAR ENDED 31 DECEMBER 2024

	2024 $	2023 $
Salaries and related costs	48,666,446	42,795,141
Directors' fees	2,008,955	1,935,357
Other expenses	2,228,202	1,368,718
Subscriptions, licenses and registration	5,753,893	5,275,592
Meetings, accommodation and conferences	3,456,334	2,448,519
Legal and other professional fees	8,838,119	8,254,885
Electricity	1,708,116	1,826,436
Repairs and maintenance	478,354	892,015
Printing, postage, stationery and office	1,007,544	649,808
Commission	585,881	558,500
Auditors' remuneration	2,150,000	1,925,000
Staff welfare	346,312	268,163
Telephone	402,097	422,482
Advertising	2,157,988	1,541,785
Bank charges	2,440,223	1,931,248
Travel and courier charges	569,249	444,886
Cleaning and sanitation	480,592	433,057
Insurance	952,200	878,600
Security	204,597	174,150
Asset and property tax (including penalties and interest)	24,549	23,300
Water	179,082	151,964
Website and internet charges	2,151,765	4,618,539
Foreign exchange loss	88,874	-
Charitable donations	1,630,526	859,353
Bad debt expense	-	669,959
Depreciation	1,528,119	1,428,022
	90,038,017	81,775,479

JAMAICA ASSOCIATION OF COMPOSERS, AUTHORS & PUBLISHERS LIMITED

(A company limited by guarantee, without share capital)

DETAILED SCHEDULE OF TOTAL EXPENSES (CONT'D)

YEAR ENDED 31 DECEMBER 2024

	2024 $	2023 $
TOTAL EXPENSES LESS OTHER INCOME AS A PERCENTAGE OF ROYALTY COLLECTION:		
Total Expenses (note 7)	90,038,017	81,775,479
Less other income (note 6)	(15,974,754)	(19,760,607)
	74,063,263	62,014,872
Add:		
Contra broadcasting advertisement	(500,175)	(138,293)
Foreign exchange (losses)/gains	(88,874)	2,161,958
	(589,049)	2,023,665
Total expenses, less other income and withholding tax (A)	73,474,214	64,038,537
Royalties collected (B) (page 24)	264,551,880	229,103,564
(A) as a percentage of (B)	27.77%	27.95%