

ANNUAL REPORT 2024



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MUSIC, THE ARTFORM.

The Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc. continues to play a vital role in protecting the rights of music creators across the region. As a collective management organisation (CMO), ECCO represents writers and publishers of music, **licensing the use of copyright-protected works for public performance, broadcast, online streaming, and mechanical reproduction.**

Through reciprocal agreements with CMOs worldwide, ECCO ensures that members receive fair compensation for the use of their music.

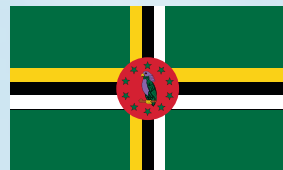
KEY HIGHLIGHTS

01. REGIONAL REPRESENTATION

ECCO operates across six Eastern Caribbean territories— **Antigua & Barbuda, the Commonwealth of Dominica, Grenada, St. Kitts & Nevis, St. Lucia, and St. Vincent & the Grenadines.**



ANTIGUA & BARBUDA



COMMONWEALTH OF DOMINICA



GRENADA



ST. KITTS & NEVIS



ST. LUCIA



ST. VINCENT & THE GRENADINES

02. GLOBAL REACH

ECCO licenses and collects royalties internationally through agreements with other CMOs, ensuring worldwide coverage for its members.

03. EXPANSION OF RIGHTS MANAGEMENT

Beyond performance and mechanical rights, ECCO is preparing to manage related rights for producers and performers of sound recordings.

04. LICENSING AND COMPLIANCE

ECCO actively licenses music users, collects fees, and enforces copyright laws to ensure creators receive fair compensation.

05. ROYALTY DISTRIBUTION

As a non-profit, ECCO allocates collected revenue to its members after covering operational costs, using data from radio logs and major events.

As a non-profit, ECCO ensures transparency and efficiency, while prioritizing timely royalty payments to rightsholders. Moving forward, we remain committed to strengthening **copyright administration, expanding licensing, and advocating for creators' rights.**





EMPOWERING CREATORS.

A MESSAGE FROM ECCO CHAIRMAN **BRUNO LEONCE**



LET US REFLECT

Dear members and fellow creators,

I am pleased to present our 2024 Annual Report, reflecting on ECCO’s achievements over the past year and looking forward to the future with optimism and confidence.

In reflection, I am filled with immense gratitude for what our community brings to the world. The **passion** and **creativity** that you, as music creators, exhibit through your art connect us to universal realities and celebrate our shared humanity. It is this spirit that drives ECCO to support you in every possible way, enabling you to create music that makes our sub-region and the world a place of cultural excellence.

The year in review, we faced the profound loss of our former Chairman of the Board, David Jordan. The Members, Board of Directors, Management, and staff of ECCO extend our sincerest condolences to his family and loved ones.

We are deeply appreciative of his invaluable contributions to the creative industry, and his legacy will continue to inspire us as we move forward.

As we reflect on the past year, I am humbled to share that 2024 has been a significant and transformative year for ECCO. We had the privilege of welcoming new Board members from Dominica and Grenada, filling essential vacancies that have strengthened our governance and ensured we have the full complement of directors in accordance with our bylaws. Throughout the year, the Board convened eight (8) regular meetings and four (4) special committee meetings, underscoring our commitment to transparency and effective decision-making.

In addition to our regular meetings, we engaged in numerous stakeholder consultations, both in-person and virtually, across our territories. These interactions have fostered meaningful dialogue and collaboration within our scope of representation of our members. I am proud to report that we have finalized our annual audited financial statements, and reports for 2024 in a timely manner, ensuring that all board minutes are up to date in preparation for this Annual General Meeting.

I am deeply grateful for the dedication and hard work of everyone involved in these efforts as we continue to advance ECCO’s mission and vision. Thank you for your strong commitment to our collective goals.

With the dedicated leadership of our CEO and a committed team, we are witnessing a positive upward trajectory in our collections, reflecting the success of our management strategies. While there is still much work ahead, I am confident that our strategic initiatives will lead to meaningful achievements. To this end, we have developed a comprehensive three-year strategic plan designed to help us fully realize our mandate in the face of global challenges.

I am also encouraged by the continued growth of our membership, which demonstrates the trust and confidence you place in us to manage your affairs effectively. Together, we are building a strong foundation for the future, and I am truly grateful for your support as we strive to achieve our shared objectives. Thank you for being an essential part of the ECCO family. We remain dedicated to advocating for our members rights and interests.

ECCO took significant steps in addressing governance, royalty distribution and transparency over the year in review. We partnered with many stakeholders reinforcing our commitment to supporting you, our members.

Management are actively working to ensure our distributions are current. Payouts for the periods of 2023 and 2024 periods are scheduled for June and December 2025 respectively. I encourage all members to keep their work records updated to facilitate accurate and timely distributions.

As a non-profit organization, it is crucial to encourage the selection of dedicated and capable Directors who can effectively manage the affairs of our membership. Challenges with annual registration and filings in various territories are often exacerbated by delays in fulfilling fiduciary responsibilities.

We are currently involved in litigation with a promoter in the Dominica, and we remain confident in achieving a favourable resolution. Our primary focus is to enhance licensing and revenue collection, which is essential for delivering equitable benefits to all our members and affiliates.

“Our primary focus is to enhance licensing and revenue collection”

As a member of ACCS, we are collaborating with our colleagues to pursue shared benefits and are actively exploring new licensing opportunities with these platforms - **YouTube** and **TikTok**, with the aim of increasing opportunities for account monetisation of members within our region.

At ECCO, we are steadfast in our commitment to enhancing our internal operations to foster greater accountability, efficiency, and transparency, solidifying our position as a premier Copyright Management Organization in the region and the world.

However, we face significant challenges that must be addressed to improve the landscape for copyright management in our territories. The lack of legislative harmonization of copyright acts across ECCO's jurisdictions hampers our effectiveness.

Additionally, insufficient support from some regional governments and Intellectual Property Offices (IPOs) complicates our advocacy efforts. Non-compliance by broadcasters and major users with copyright regulations further undermines our mission, as does the prevailing lack of understanding and respect for our members' rights. It is imperative that we change this narrative to create a more equitable environment for all creators.

I would like to express my heartfelt gratitude to all who have supported ECCO's mission. Your commitment to creating exceptional music and managing your affairs with diligence is truly invaluable. Thank you for being an essential part of the ECCO family. Together, we will continue to elevate our community and make a lasting impact, ensuring that ECCO remains a strong advocate for protecting music rights.

Thank You.

A YEAR OF GROWTH & INOVATION.

A MESSAGE FROM ECCO CEO
MARTIN A. JAMES, MBA



It is my honour to present this year's annual report, reflecting on a period of **meaningful growth, strategic progress**, and **renewed energy** at ECCO. I'm Martin James, CEO of ECCO, and I'm proud to lead a team committed to protecting and advancing the rights of our members across the region. Your support as rights holders, partners, and advocates has been essential. This report reflects the impact of your trust and our shared efforts.

FINANCIAL MILESTONE

In 2024, ECCO achieved a significant financial milestone, recording total income of **\$1.86 million** and expenditures of **\$827,635**, resulting in a net comprehensive income of **\$856,116**. This marks a year of continued growth in financial stewardship and operational effectiveness. With the introduction of our new rights management platform, WIPO Connect, we successfully distributed **\$411,227.40** for the periods **2021** and **2022** with **\$149,016.96** allocated to ECCO members and **\$262,210.44** to affiliate societies.

These numbers represent more than financial transfers; they reflect the **creativity, time**, and **effort** of the rights holders we serve. We know there's more to be done. This is why we are on track to issue royalty payments for 2023 in June 2025, and for 2024 by December 2025.

**“We are on track to issue
royalty payments for 2023
in June 2025, and for 2024
by December 2025”**

In our ongoing effort to strengthen how we monitor music usage, ECCO partnered with UK-based company Vollou on a pilot project to digitally track music performed at live events — the same technology used at the 2024 Olympics. These innovations help us gather better data to improve accuracy in royalty distribution. We also signed new reciprocal agreements with CMOs in South Africa and Turkey, extending our members' rights protection and earnings potential internationally.

Our values: **integrity, collaboration**, and **innovation**, continued to guide everything we did this year.

We focused on reconnecting with members and users across the OECS music community, reinforcing our commitment to transparency and accountability. It is worth noting that ECCO remains in full compliance with regional and international standards, reflecting our dedication to professional excellence.

As part of our commitment to improving service, we've been reassessing how we license and distribute royalties. To support this evolution, we're reviewing a consultant's report to guide changes to our bylaws and tariff structures. At the same time, we continue to address the issues of outstanding receivables among broadcasters. While some have responded to our outreach, others remain noncompliant. As a result, we've engaged our legal team to move these matters forward in the interest of our members.

To better serve rights holders in all the ECCO territories, we remain committed to advocating for harmonised copyright legislation across the OECS, our public relations efforts are being revitalised, and we're deepening engagement with government agencies responsible for the creative industries.

We encourage all members to remain actively involved in the organization by registering works, submitting setlists, and participating in ECCO’s governance. These actions are essential to ensuring accurate royalty payments and strengthening our licensing framework.

Looking ahead, we’re excited to develop and implement new ways to represent and spotlight our members like partnering with a marketing agency to launch the first-ever OECS Music Awards in early 2026. It will be an opportunity to celebrate the incredible talent and music that define our region.

The work ahead requires all of us — members, partners, and the wider creative community — to remain engaged, informed, and unified. Let’s continue building a future where Caribbean creativity is respected, protected, and fairly compensated. Thank you for walking this journey with us. ECCO remains steadfast in protecting your rights, growing your reach, and ensuring your music continues to deliver value and impact.

ECCO — Protecting Music Rights.

BOARD OF DIRECTORS

AUTHORS. COMPOSERS. PUBLISHERS.



BRUNO LEONCE
ST. LUCIA
Chairman, Author



BUFFALO ODLUM
ST. LUCIA
Vice-Chair, Author



ANDERSON REYNOLDS
ST. LUCIA
Composer



MELISSA MOSES
ST. LUCIA
Author



KENDELL EUGENE
ST. LUCIA
Author



EUSTACE CRISPIN D'AUVERGNE
ST. LUCIA
Author



**ENTERTAINMENT SOUNDS
PRODUCTION LTD.**
ST. LUCIA
Publisher



CARIBIA MUSIC PUBLISHING
ST. LUCIA
Publisher



FINBER ANDREWS
GRENADA
Author



LANCELOT CHAPMAN
ST. VINCENT & THE GRENADINES
Secretary, Author



LADIMER GUMBS
ST. KITTS & NEVIS
Author



VAUGHAN SKERRITT
ANTIGUA & BARBUDA
Author



DARYL BOBB
COMMONWEALTH OF DOMINICA
Composer

OPERATIONS

MEET OUR DEDICATED TEAM



MARTIN A. JAMES
CHIEF
EXECUTIVE OFFICER



KEEN COTTER
OPERATIONS
MANAGER



GILLIAN MC. DONALD
ACCOUNTS &
DISTRIBUTION OFFICER



GERMINE SEALY
LICENSING
SUPPORT OFFICER



RENELLE LEWIS
ACCOUNTS CLERK &
DATA ENTRY OFFICER



SADIA HAMSON
ADMINISTRATIVE
ASSISTANT

The dedication and hard work of ECCO's staff have been instrumental in advancing our mission throughout 2024. Their commitment to excellence has **strengthened our operations, improved member services**, and **reinforced our role in protecting the rights of music creators**.

Through **collaboration, innovation, and efficiency**, our team has navigated challenges and seized new opportunities, ensuring that ECCO remains a strong and resilient organisation. As we look ahead, we remain focused on continuous improvement and delivering even greater value to our members and stakeholders.

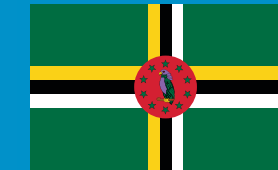
MEET OUR COMMITTED AGENTS



EMANUEL MANDE
ST. LUCIA



GRACE RICHARDSON
ST. KITTS & NEVIS



MC. CARTHY MARIE
COMMONWEALTH
OF DOMINICA



ELLSWORTH HACKSHAW
ST. VINCENT
& THE GRENADINES



BERNARD DE NULLY
ANTIGUA & BARBUDA

ECCO's licensing agents play a crucial role in ensuring the protection of music creators' rights across various territories. Tasked with **licensing music users, collecting licensing fees**, and **enforcing compliance**, they are on the frontline of ECCO's mission to safeguard intellectual property and generate fair compensation for creators.

Their commitment and vigilance help maintain a structured and transparent licensing system, ensuring that businesses and event organizers operate within legal frameworks while supporting the sustainability of the music industry.

OUR AFFILIATES



AFFILIATION & GLOBAL REACH



ECCO partners with key international and regional bodies to strengthen its operations and advocacy. With agreements with CMOs worldwide, these organisations license and collect royalties for ECCO's members across global and regional markets, while ECCO does the same for their members in the Eastern Caribbean. These partnerships enhance ECCO's ability to protect and support music creators locally and internationally. The two parent societies which guides ECCO's policies and operations are the **International Confederation of Societies of Authors and Composers (CISAC)**, and the **Association of Caribbean Copyright Societies (ACCS)**.

CISAC represents over **220 member societies** across more than **110 countries**, serving over 5 million creators in various repertoires, including music, audiovisual, theater, visual arts, and literature. This affiliation enables ECCO to collaborate internationally, ensuring that its members receive fair remuneration for the use of their works worldwide.

ACCS functions as a centralized negotiation and licensing system for its members and engages in lobbying and advocacy activities. Through this partnership, ECCO enhances its capacity to manage and protect the rights of music creators within the Caribbean.



MEMBERSHIP

NEW MEMBERS OVERVIEW

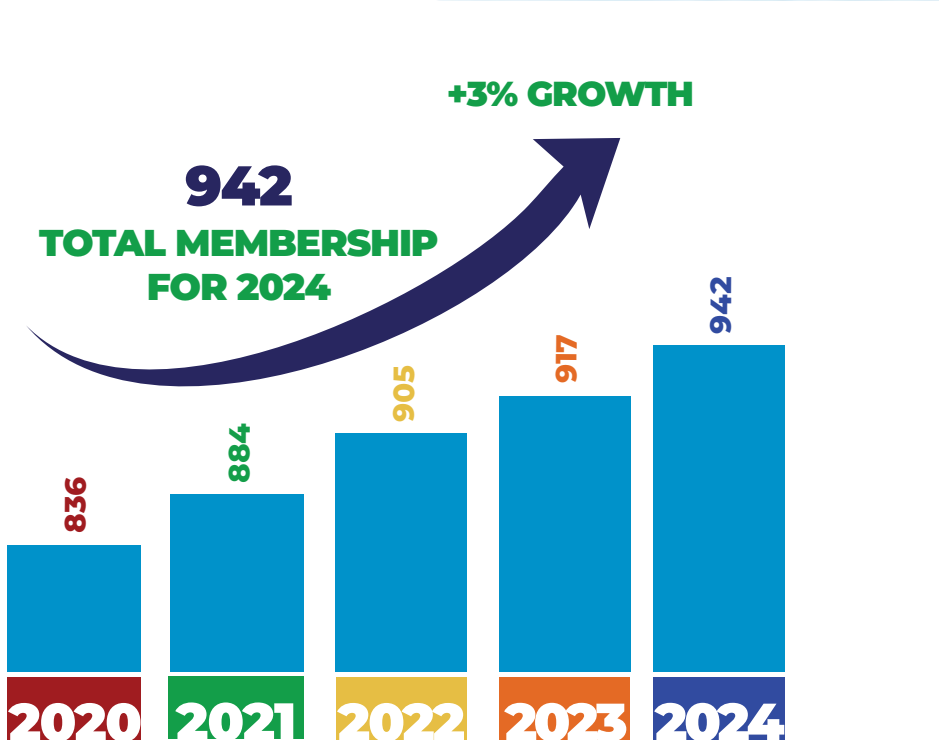
In **2024**, our organisation welcomed **30 new songwriters** from various Caribbean countries, including **eleven (11)** from **St. Kitts and Nevis**, **fourteen (14)** from **St. Lucia**, and **five (5)** from **St. Vincent and the Grenadines**. Notably, among these **30 new songwriters**, **five (5)** were **female**, while **twenty-five (25)** were **male**.

MEMBERSHIP GROWTH

This growth aligns with the previous year’s membership expansion, when **20 songwriters** joined in **2023**. With the addition of **30 creative music professionals** in **2024**, we continue to strengthen our commitment to providing valuable networking opportunities, professional development, and efficient rights administration.

Throughout **2024**, ECCO received **four (4) resignation** requests, a decline from the **seven (7)** recorded in 2023. While some level of membership turnover is expected, we remain dedicated to analyzing feedback from departing members and continuously improving our services. It is important to highlight that many of our core members continue to highly value ECCO for its essential role in **royalty collection**, **legal protections**, and **professional development**.

MEMBERSHIP TRENDS



From **2020** to **2024**, ECCO experienced a steady membership growth, increasing from **836 members** in **2020** to **942** in **2024**. In **2021**, membership rose by **48**, reaching **884**. The trend continued in **2022** with **21 new songwriter members**, offset by **three (3) resignations**, bringing the total to **905**. In **2023**, ECCO welcomed **twenty (20) new songwriters** and **one (1) publisher member**, while **seven (7) members resigned**, resulting in a **net gain** of **twelve (12)** and a **total membership** of **917**. By **2024**, the membership further increased to **942**, with only **four (4) resignations**, marking a **high net growth** of **twenty-five (25) members**.

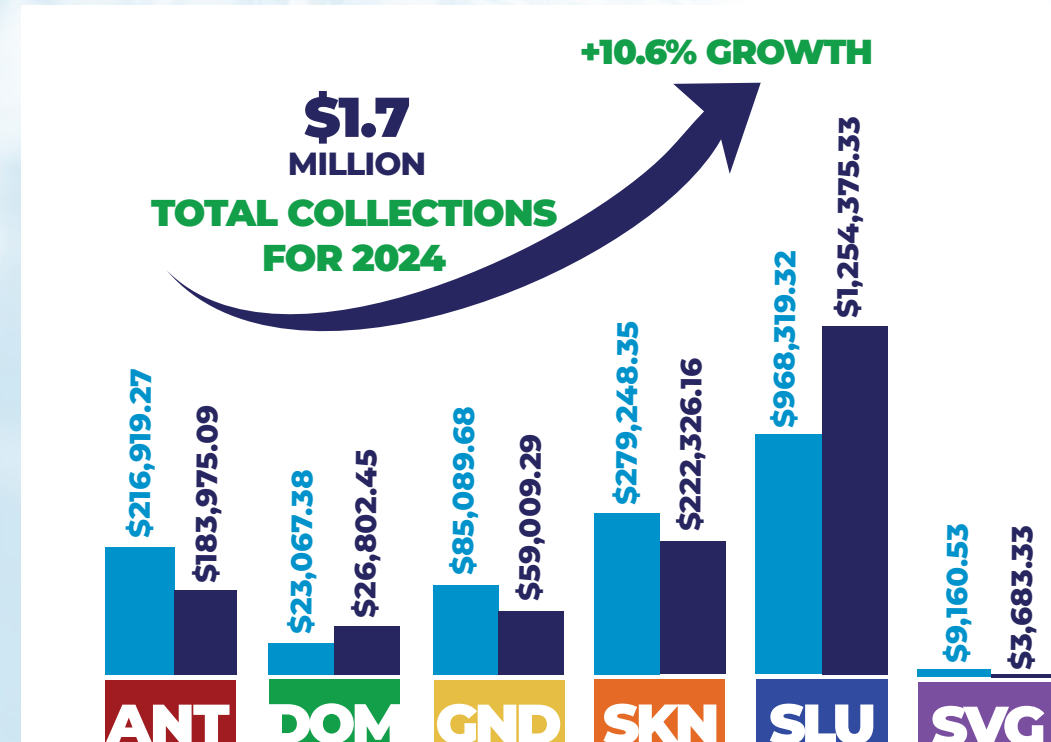
This consistent upward trajectory reflects ECCO’s ongoing commitment to attracting and retaining members while enhancing its support for music professionals through networking, royalty collection, and legal protections.



LICENSING

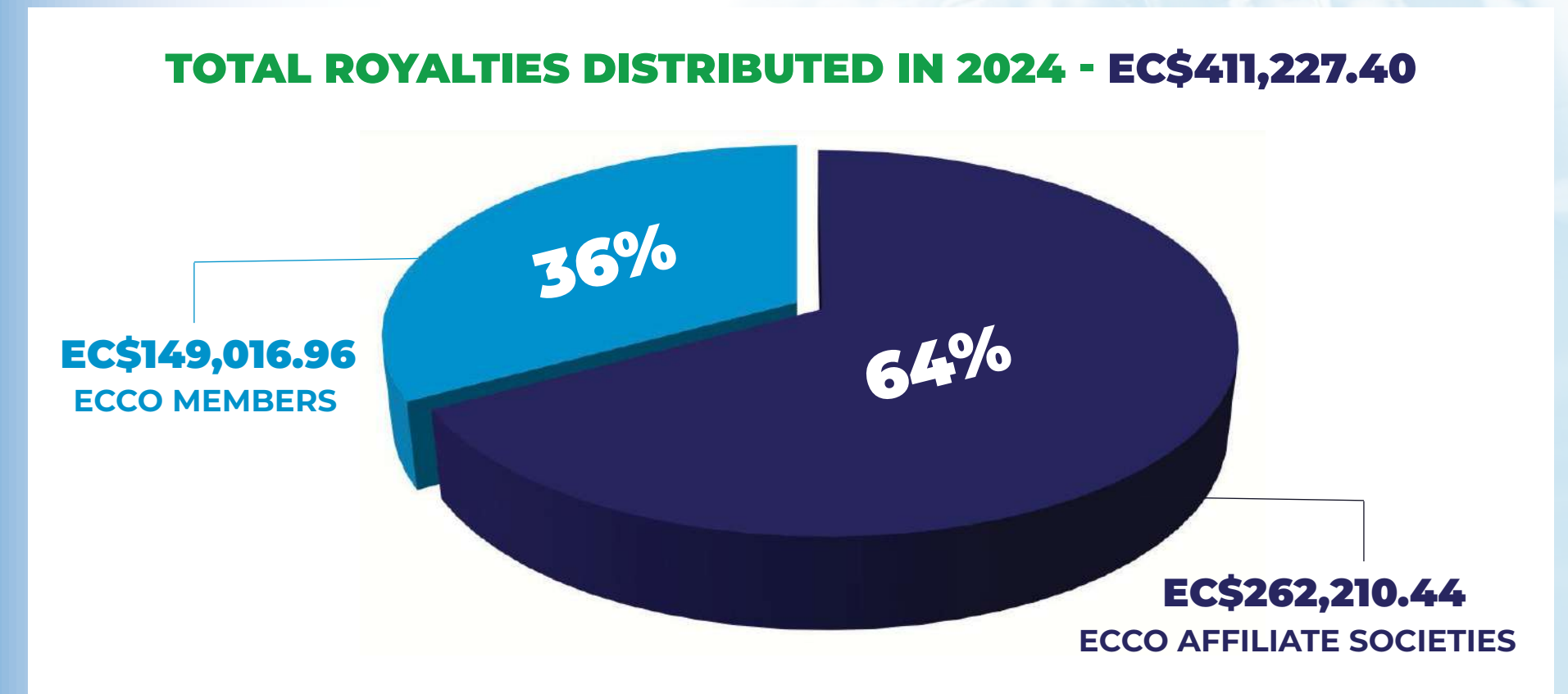
In **2024**, ECCO continued its efforts to expand music licensing and ensure compliance across the Eastern Caribbean. While some territories showed positive growth, others experienced declines compared to **2023**. **St. Lucia (SLU)** saw the most significant increase, rising from **\$968,319.32** in **2023** to **\$1,254,375.33** in **2024**, reflecting a **29.5% growth**. **Dominica (DOM)** also recorded an increase, moving from **\$23,067.38** to **\$26,802.45** reflecting a **16.2% growth**. **Antigua and Barbuda (ANT)**, **Grenada (GND)**, **St. Kitts and Nevis (SKN)**, and **St. Vincent and the Grenadines (SVG)** saw declines, with **SVG** experiencing the steepest drop of **59.8%**, from **\$9,160.53** in **2023** to **\$3,683.33** in **2024**.

Overall, total collections varied across territories, emphasizing the need for strategic efforts to improve licensing and revenue collection in underperforming markets. ECCO remains committed to strengthening its licensing framework and supporting music creators across the region.



DISTRIBUTION

In **2024**, ECCO conducted **two (2)** royalty distributions: one in **March 2024** for the **2021 period** and another in **December 2024** for the **2022 period**. A total of **EC\$411,227.40** was allocated to ECCO members and affiliate rights holders. Of this amount, **36%** was distributed among **266 ECCO members** across the OECS, recognizing and rewarding their creative contributions. The remaining **64%** was allocated to **ECCO's affiliate societies**, reflecting the organisations commitment to international collaboration and the collective support of music creators.



EASTERN CARIBBEAN COLLECTIVE ORGANISATION FOR MUSIC RIGHTS (ECCO) INC.

Financial Statements

December 31, 2024

(expressed in Eastern Caribbean dollars)

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

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April 28, 2025

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Independent Auditor's Report

**To the Members of
Eastern Caribbean Collective Organisation for
Music Rights (ECCO) Inc.**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.** (the Company) which comprise the statement of financial position as of December 31, 2024 and the statements of comprehensive income and expenditure, changes in equity and cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of **Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.** as of December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS for SMEs Accounting Standard issued by the International Accounting Standards Board (IASB).

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Eastern Caribbean, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 and fair presentation of the financial statements in accordance with IFRS for SMEs Accounting Standard as issued by the IASB, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 judgment and maintain professional skepticism 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 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.

**Chartered Accountants**

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Statement of Financial Position
As of December 31, 2024

(expressed in Eastern Caribbean dollars)

	2024 \$	2023 \$
Assets		
Current assets		
Cash (Note 4)	4,204,237	3,526,941
Trade and other receivables (Note 6)	1,340,793	1,434,726
Due from related party (Note 7)	5,012	5,012
	<u>5,550,042</u>	<u>4,966,679</u>
Property and equipment (Note 8)	<u>383,936</u>	<u>363,571</u>
Total assets	<u>5,933,978</u>	<u>5,330,250</u>
Liabilities		
Current liabilities		
Borrowings (Note 9)	—	—
Accruals and other payables (Note 10)	143,828	375,057
Provision for legal award	5,000	5,000
Deferred revenue	261,536	164,066
Due to rights owners (Note 11)	4,782,612	4,105,777
Total liabilities	<u>5,192,976</u>	<u>4,649,900</u>
Equity		
Reserve fund	<u>741,002</u>	<u>680,350</u>
Total liabilities and equity	<u>5,933,978</u>	<u>5,330,250</u>

Approved by the Board of Directors on... 15th April..., 2025


Director


Director

The accompanying notes are an integral part of these financial statements.

(3)

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Statement of Comprehensive Income and Expenditure For the year ended December 31, 2024

(expressed in Eastern Caribbean dollars)

	2024 \$	2023 \$
Income		
Royalties (Note 12)	1,679,551	2,004,458
Registration fees	4,200	4,065
	1,683,751	2,008,523
Administrative and general expenses (Note 13)	(486,693)	(388,879)
Staff costs (Note 14)	(296,435)	(226,957)
Legal and professional fees	(59,092)	(46,933)
Other income (Note 15)	14,585	390
Surplus before finance cost	856,116	1,346,144
Finance cost (Note 9)	—	(3,515)
Net comprehensive income	856,116	1,342,629
Attributable to:		
Net distributable comprehensive income	837,331	1,338,174
Other income not included in distributable reserves	18,785	4,455
Net comprehensive income	856,116	1,342,629

The accompanying notes are an integral part of these financial statements.

(4)

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Statement of Changes in Equity

For the year ended December 31, 2024

(expressed in Eastern Caribbean dollars)

	2024 \$	2023 \$
Distributable reserve		
Net distributable comprehensive income for the year	<u>837,331</u>	<u>1,338,174</u>
Appropriations to reserve fund –		
5% of net distributable comprehensive income	(41,867)	(66,909)
Distributable income to rights owners (Note 11)	<u>(795,464)</u>	<u>(1,271,265)</u>
At end of year	<u>–</u>	<u>–</u>
Reserve fund		
At beginning of year	680,350	608,986
Appropriation from distributable reserve -		
5% of net distributable comprehensive income	41,867	66,909
Other income not included in distributable comprehensive income	<u>18,785</u>	<u>4,455</u>
At end of year	<u>741,002</u>	<u>680,350</u>
Equity, end of year	<u>741,002</u>	<u>680,350</u>

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Statement of Cash Flows

For the year ended December 31, 2024

(expressed in Eastern Caribbean dollars)

	2024 \$	2023 \$
Cash flows from operating activities		
Net income for the year	856,116	1,342,629
Adjustments for:		
Depreciation and amortization (Notes 8 and 13)	17,591	16,095
Bad debts expense	35,954	—
Interest expense (Note 9)	—	3,515
Operating profit before working capital changes	909,661	1,362,239
Decrease/(increase) in receivables and prepayments	57,979	(401,718)
(Decrease)/increase in accruals and other payables	(231,229)	125,764
Increase/(decrease) in deferred revenue	97,470	(190,073)
Net cash provided by operating activities	833,881	896,212
Cash flows from investing activities		
Purchase of property and equipment (Note 8)	(37,956)	(6,824)
Net cash used in investing activities	(37,596)	(6,824)
Cash flows from financing activities		
Distributions to rights owners	(118,629)	(15,363)
Interest paid	—	(3,515)
Repayment of borrowings	—	(33,830)
Net cash used in financing activities	(118,629)	(52,708)
Net increase in cash	677,296	836,680
Cash, beginning of year	3,526,941	2,690,261
Cash, end of year (Note 4)	4,204,237	3,526,941

The accompanying notes are an integral part of these financial statements.

(6)

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

1 General information

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc. (“formerly The Hewanorra Musical Society (HMS) Incorporated”) (the Company) was incorporated in January 2001 under the Companies Act 1996, as a non-profit company without share capital. The Company is the successor to the Hewanorra Musical Society which was established as a Partnership in June 1999. That Partnership was dissolved in January 2001 and the net assets were transferred to the Company. All rights and privileges of the members of the Partnership were also assigned to the Company.

The Company is registered as a collective society under the Copyright (Amendment) Act of 2000 and is subject to the conditions of that legislation. The principal business activity of the Company is the exercise and enforcement, on behalf of rights owners and affiliates, of all rights and remedies under the law relating to copyright and intellectual property.

The registered office of the Company is located at Castries, Saint Lucia.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of the Eastern Caribbean Collective Organisation (ECCO) for Music Rights Inc. have been prepared in accordance with IFRS for SMEs Accounting Standard and under the historical cost convention.

The preparation of financial statements in conformity with IFRS for SMEs Accounting Standard requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

a) Statement of compliance

The financial statements of the company have been prepared in accordance with IFRS for SMEs Accounting Standard.

b) Cash

Cash include cash in hand, deposits at call with banks and restricted cash with bank.

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

2 Summary of significant accounting policies...continued

c) Trade Receivables

Receivables are carried at fair value and subsequently measured at amortised cost using effective interest method, less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the statement of comprehensive income and expenditure. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'administrative and operating expenses' in the statement of comprehensive income and expenditure.

d) Property and equipment

Land is stated at cost. All other property and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income and expenditure during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method to allocate their cost to their residual values over the estimated useful lives as follows:

Building	2%
Computers	20%
Office furniture	20%
Office equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount, if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within other income, in the statement of comprehensive income and expenditure.

e) Intangible assets

Website development costs are capitalised on the basis of the cost incurred to acquire and bring to use the website into use. These costs are amortized over their estimated useful life of 4 years. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 4 years.

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

2 Summary of significant accounting policies...continued

f) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

g) Financial instruments

Financial assets

Trade and other receivables and cash

These financial assets are recognised initially at the transaction price. Subsequently, they are measured at amortised cost using the effective interest method, less provision for impairment. Sales are made on normal credit terms and trade receivables do not bear interest.

Where there is objective evidence that the carrying amounts of receivables are not recoverable, an impairment loss is recognised in profit or loss.

Financial liabilities

The Company's financial liabilities include borrowings and trade and other payables. Financial liabilities are recognised initially at transaction price. After initial recognition they are measured at amortised cost using the effective interest method. Trade payables are on normal credit terms and do not bear interest.

h) Accruals and other payables

Accruals and other payables are recognised in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established. These are recognised initially at fair value and subsequently measured at amortised cost using effective interest. Accruals and other payables are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

i) Deferred revenue

Deferred revenue represents unamortised license fees received. Deferred revenue is amortised over the life of the license.

j) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income and expenditure over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

2 Summary of significant accounting policies...continued

k) Provisions

Provisions are recognised when obligation (legal or constructive) is incurred as a result of past events and when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an 'Interest expense' in the statement of comprehensive income and expenditure.

l) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale services in the ordinary course of the Company's activities.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- (a) Performing rights royalty income from Broadcasting and Special Events is recognised on an accrual basis, where the organisations involved have the proven capacity to pay the amounts invoiced by the Company.
- (b) Registration fees are recognised on an accrual basis upon submission of a completed registration form.
- (c) Interest income is recognised on a time proportion basis using the effective interest method.

m) Related party relationships and transactions

Related party relationships exist when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Transactions between related parties are accounted for at arms' length prices or on terms similar to those offered to non-related entities in an economically comparable market.

n) Borrowing costs

Borrowing costs are expensed as incurred.

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

2 Summary of significant accounting policies...continued

o) Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Eastern Caribbean dollars, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income and expenditure.

p) Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognised unless the realisation of the assets is virtually certain. They are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

q) Subsequent events

Post year-end events that provide additional information about the Company's position at the balance sheet date (adjusting events) are reflected in the Company's financial statements. Post year-end events that are not adjusting events are disclosed when material to the financial statements, if any.

r) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3 Critical judgements in applying the entity's accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Management does not consider that there are estimates and assumptions that will have a significant risk, causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

4 Cash

	2024 \$	2023 \$
Cash at bank and on hand	4,141,597	3,464,301
Restricted cash (Note 10)	62,640	62,640
	<u>4,204,237</u>	<u>3,526,941</u>

5 Investment securities

	2024 \$	2023 \$
Debt securities		
Unlisted investment securities	263,585	252,234
Less: provision for impairment of investment securities	(263,585)	(252,234)
	<u>—</u>	<u>—</u>

The weighted average effective interest rate on debt securities is 4.5% (2023 - 4.5%) per annum. This investment with CLICO International Life Insurance Limited matured on December 22, 2009. This investment has been fully provided for.

6 Trade and other receivables

	2024 \$	2023 \$
Trade receivables	1,821,913	1,883,338
Less: Provision for impairment of receivables	(515,449)	(479,495)
	<u>1,306,464</u>	<u>1,403,843</u>
Prepayments	34,329	30,883
	<u>1,340,793</u>	<u>1,434,726</u>

The fair value of receivables approximates the carrying values at December 31, 2024 and 2023, since these receivables are expected to be realised on a short-term basis.

The creation and release of provision for impaired receivables have been included in administrative expenses in the statement of comprehensive income (Note 14). Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash. In 2024, \$35,954 of receivables were provided for (2023 - \$Nil) and no receivables being provided for were recovered (2023 - \$nil were recovered).

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

7 Related party balances and transactions

	2024 \$	2023 \$
Due from related party		
Performing Right Society Ltd.	<u>5,012</u>	<u>5,012</u>

Balances with related parties are unsecured, non-interest bearing and due and demandable.

Key management compensation

Key management comprises senior management of the Company.

Compensation of key management personnel were as follows:

	2024 \$	2023 \$
Salaries and wages	153,212	115,087
Social security costs	5,704	4,554
Pension and medical benefits	<u>1,200</u>	<u>1,200</u>
	<u>160,116</u>	<u>120,841</u>

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

8 Property and equipment

	Land and Building \$	Computers \$	Office Furniture \$	Office Equipment \$	Total \$
At December 31, 2022					
Cost	475,462	43,581	18,707	71,999	609,749
Accumulated depreciation	(120,563)	(28,925)	(18,707)	(68,712)	(236,907)
Net book amount	354,899	14,656	—	3,287	372,842
Year ended December 31, 2023					
Opening net book amount	354,899	14,656	—	3,287	372,842
Additions	—	3,829	1,045	1,950	6,824
Depreciation charge (Note 14)	(8,661)	(5,275)	(299)	(1,860)	(16,095)
Closing net book amount	346,238	13,210	746	3,377	363,571
At December 31, 2023					
Cost	475,462	47,410	19,752	73,949	616,573
Accumulated depreciation	(129,224)	(34,200)	(19,006)	(70,572)	(253,002)
Net book amount	346,238	13,210	746	3,377	363,571
Year ended December 31, 2024					
Opening net book amount	346,238	13,210	746	3,377	363,571
Additions	—	22,760	14,446	750	37,596
Depreciation charge (Note 14)	(8,661)	(6,780)	(839)	(1,311)	(17,591)
Closing net book amount	337,577	29,190	14,353	2,816	383,936
At December 31, 2024					
Cost	475,462	70,170	34,198	3,377	363,571
Accumulated depreciation	(137,885)	(40,980)	(19,845)	(71,883)	(270,592)
Net book amount	337,577	29,190	14,353	2,816	383,936

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

9 Borrowings

	2024 \$	2023 \$
Current		
Bank borrowings	—	—
Non-current		
Bank borrowings	—	—
Total borrowings	—	—

Bank borrowing is secured by a hypothecary obligation over the land and building of the Company which was stamped to cover \$321,800, assignment of insurance policy of the building for \$538,500 and lien over the Company's current account for \$62,640. The borrowings were paid off in 2023.

Finance cost incurred in 2024 amounted to \$nil (2023 - \$3,515). The weighted average effective interest rate at the balance sheet date was nil in 2024 (2023 - 10%).

10 Accruals and other payables

	2024 \$	2023 \$
Accrued expenses	98,241	193,020
Accounts payable	28,587	48,193
VAT payable - net	(9,898)	75,892
Other payables	26,897	57,952
	143,828	375,057

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

11 Due to rights owners

	2024 \$	2023 \$
At beginning of year	4,105,777	2,849,875
Foreign distribution received for rights owners	52,400	24,750
Distributable income to rights owners	795,464	1,271,265
	4,953,641	4,145,890
Less: distribution to rights owners	(171,029)	(40,113)
At end of year	4,782,612	4,105,777

The Company's Article of Incorporation and By-laws stated that the Company may appropriate 5% of its net distributable income at the end of each financial year as a reserve fund.

12 Royalties

	2024 \$	2023 \$
General	772,097	1,175,790
Live events	721,441	663,230
Broadcasting	186,013	165,438
	1,679,551	2,004,458

The revenue is attributed to the member territories as follows:

	2024 \$	2023 \$
St. Lucia	1,017,909	1,287,664
St. Kitts	185,087	232,976
Antigua	234,211	229,130
Dominica	175,623	161,172
Grenada	58,611	85,306
St. Vincent and the Grenadines	8,110	8,210
	1,679,551	2,004,458

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

13 Administrative and general expenses

	2024 \$	2023 \$
Agents fees and commissions	116,440	73,712
Rent	58,500	—
Travel and entertainment	43,547	20,674
Bad debts expense	35,954	—
BMAT licensing system fee	33,059	33,843
Expenses for meetings	30,708	21,176
Utilities	23,497	23,153
Printing, postage and office supplies	19,574	21,205
Audit fees	18,604	18,000
Depreciation and amortization (Notes 8, 9)	17,591	16,095
Sponsorships and donations	15,438	5,700
Akisoft licensing	12,226	4,075
Bank charges	9,024	6,211
Taxes and Licenses	6,730	28,282
Dues and subscriptions	5,777	4,209
Director Fees	4,763	16,050
Promotion and advertising	4,179	3,514
Consultant Fees	4,075	6,500
Membership Fees	1,658	1,583
CISAC/SUISA Subscriptions	1,630	2,117
Security services	1,080	2,940
Office repairs and maintenance	170	5,209
ACCS subscriptions	—	55,289
Insurance	—	3,365
Other expenses	22,469	15,977
	450,739	388,879

14 Employee benefit expense

	2024 \$	2023 \$
Salaries and wages	272,018	205,056
Social security cost	12,247	10,489
Gratuity	9,600	6,400
Pension and medical	2,117	2,186
Other staff benefits	453	2,826
	296,435	226,957

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2024

15 Other income

	2024 \$	2023 \$
Miscellaneous income	14,585	390
	<u>14,585</u>	<u>390</u>



Protecting Music Rights

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