



**MUSICAL COPYRIGHT
SOCIETY NIGERIA
(LTD/GTE)**



2024

**ANNUAL GENERAL MEETING/
ANNUAL REPORTS FOR THE
YEAR ENDED 31ST DECEMBER, 2023**

...connecting creativity with prosperity

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ORGANIZATION PROFILE AND RECENT HISTORY



The Musical Copyright Society Nigeria Ltd/Gte (MCSN) is an association of authors, composers and publishers of musical works and sound recordings, having interests in a vast repertoire of intellectual works and representing a good number of authors, composers, publishers, performers and producers of music worldwide within the territory of the Federal Republic of Nigeria.

MCSN is a company incorporated as limited by guarantee having no share capital -and non-profit making. MCSN is major Nigerian organisation in the sphere of Intellectual Property rights with particular reference to Copyright in musical works and sound recordings under the statutory approval and licence of the Nigerian Copyright Commission (NCC) as provided under the Copyright Act 2022.

MCSN has very close and cordial working relationship with many similar organisations across the world through the signing of reciprocal representation agreements with sister organisations in various countries of the world, which legally and contractually transfer their copyright interests within the territory of the Federal Republic of Nigeria to it.

With the provision of Section 88 of the **Copyright Act 2022**, MCSN is now vested with the responsibility of collectively administering the copyright in musical works and sound recordings on behalf of every author, composer, publisher, performer, producer and any one with interest in musical works and sound recordings exploited within the territory of the Federal Republic of Nigeria.

Over the years, MCSN has built a formidable capacity with which it is able to defend and enforce the huge rights and protect the massive repertoire, which it has acquired right from its formation and the ones statutorily vested in it. MCSN is perhaps the only single organisation in Nigeria that has instituted not less than 50 copyright infringement cases from which it has received not less than 20 favourable court decisions and some are being amicably resolved out-of-court, while some other ones are subsisting in various courts.

MCSN has set legal precedents on which any matter dealing with copyright are being decided in Nigerian courts. Some of these precedents were contained in the judgements of the Supreme Court in the **Adeokin & Anor vs MCSN** and **MCSN vs. Compact Discs Technologies Limited & Ors** appeals in July and December 2018

ORGANIZATION PROFILE AND RECENT HISTORY



respectively and the Court of Appeal judgment in **Multichoice Nigeria Limited vs. MCSN**, decided in 2020.

MCSN recorded further milestones in 2020 in spite of the breakout of the pandemic Covid – 19 and its attendant lockdowns and protocols. First, in March 2020, the Federal High Court, Lagos gave judgment in **Suit No. FHC/L/CS/274/2010** between **Musical Copyright Society Nigeria (Ltd/Gte) vs. Copyright Society of Nigeria (Ltd/Gte) & Ors** in which the court ordered the name of COSON to be struck off the register of companies in Nigeria. The judgment subsists till date.

MCSN is gradually expanding the coast of negotiating and licensing copyright in musical works and sound recordings, collecting and distributing royalties therefrom to its members and affiliates.

CORPORATE INFORMATION

DIRECTORS: *Adeniyi Adegeye Sunday (King Sunny Ade) - President*
Orits Williki - Chairman
Mayo Ayilaran - Director General / CEO
Princess Mojisola Fayemi - Balogun
Pastor Winston Kola Olulana
Dr. Victor Okhai
Actor Segun Alile
Ope Banwo
Dr. Kenny Ogungbe
Dr. Tee Mac O. Iseli OFR
D. A. Awosika SAN
Sunny Neji
Matthew Ohio
Asha Fapohunda
Myke Pam Mbala
Matthew Ojo (NCC Representative)

SECRETARY: *Adewale Adesokan SAN (Adesokan & Co)*

BANKERS: *Union Bank Nigeria Plc.*
First Bank of Nigeria Plc.
Eco Bank Plc
United Bank for Africa Plc
Zenith Bank Plc

REGISTERED OFFICE: *6, Olaribiro Street,*
Off Allen Avenue, Ikeja, Lagos

AUDITORS: *Messrs. Abikoye Olumide & Co*
(Chartered Accountants)

BOARD OF DIRECTORS



King Sunny Ade



Orits Williki



Mayo Ayilaran



Princess Mojisola Fayemi



**Pastor Winston
Kola Olulana**



Dr. Victor Okhai



Prince Segun Alile



Dr. Ope Banwo



Dr. Kenny Ogungbe



**Dr. Tee Mac Omatshola
Iseli (MFR)**



**D. A. Awosika SAN
(Legal Services/Regulatory)**



Asha Gangali



Matthew Ohio



Sunny Neji



Myke Pam Mbala



Matthew Ojo-NCC



**Adewale Adesokan SAN
(Company Secretary)**

NOTICE OF MEMBERS ANNUAL GENERAL MEETING 2024

NOTICE IS HEREBY GIVEN THAT the 2024 Annual General Meeting of the Members of the Musical Copyright Society Nigeria Limited by Guarantee, MCSN, whose names appear on the register of the Society as at 31st December 2023, shall hold on **Thursday, 12th December 2024** at 11.00 a.m. before noon at the **Banquet Hall, Lagos Airport Hotel, Obafemi Awolowo Way, Ikeja, Lagos**, for the following purposes:

1. To receive and consider the Chairman's Report of events and developments as at 31st December 2023.
2. To receive and approve the Directors' Report for the year ended 31st December 2023.
3. To receive and approve the Financial Report for the year ended 31st December 2023 and the Auditors' Report thereon.
4. To approve distributions for the year ended 31st December 2023 in accordance with the distribution rules in force.
5. To conduct any other business that can be conducted in an Annual General Meeting of Members.

By the Order of the General Council (Board) of the Society



Adewale Adesokan, SAN
Company Secretary

Dated in Lagos this 18th November 2024

PROXY FORM

MUSICAL COPYRIGHT SOCIETY NIGERIA (LTD/GTE) RC64047

2024 ANNUAL GENERAL MEETING to be held at Banquet Hall, Lagos Airport Hotel, Obafemi Awolowo Way, Obafemi Awolowo Way, Ikeja, Lagos, on Thursday, 12th December, 2024 at 11:00am

I/We being a member/members of MCSN hereby appoint* or failing him, Mr. Mayo Ayilaran, or failing him, Mr Orits Williki, as my/our proxy to attend and vote for me/us and on my/our behalf at the annual General Meeting of the company to be held on December 12 and at any adjournment thereof.

Dated this.....day of

Signature of Member.....

Name of Member.....

ADMISSION CARD

2024 ANNUAL GENERAL MEETING to be held at Banquet Hall, Lagos Airport Hotel, Obafemi Awolowo Way, Obafemi Awolowo Way, Ikeja, Lagos, on Thursday, 12th December, 2024 at 11:00am

Name of Member (in BLOCK LETTERS)

.....

Member's IPI No.....

IMPORTANT

1. Before posting the above form of proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the company or his proxy should produce this card to secure admission to the meeting.
2. A member of the company is entitled to attend and vote at the annual General Meeting of the company. He is also entitled to appoint a proxy to attend and vote instead of him, and in this case, the above card may be used to appoint a proxy.
3. In line with the current practice, the names of two (2) of the directors of the company have been entered on the form of proxy to ensure that someone will be at the meeting to act as your proxy. You may however wish to insert in the blank space on the form (marked"") the name of any person, whether a member of the company or not, who will attend the meeting and vote on your behalf instead of one (1) of the Directors named.
4. The above form of proxy, when completed, must be deposited at the office of the society, No 6, Olaribiro Street, Off Allen Avenue, Ikeja, Lagos, not less than forty-eight (48) hours before the time fixed for the meeting
5. It is a requirement of the law under the Stamp Duties Act, Cap. S8, Laws of the Federation of Nigeria, 2004, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear a stamp duty of fifty (50) kobo.
6. If the form of proxy is executed by a company, it should be sealed under its common seal or under the hand and seal of its attorney.

Signature of the person attending.....

PRESIDENT'S ADDRESS



LOOKING AHEAD: OUR YOUNG ONES SHOULD LOOK WITHIN

My dear colleagues, it is my pleasure to welcome you to our Annual General Meeting today in which we shall consider the progress made by our Society in the last one year.

From all indications, our Society is certainly on the path of growth but there is still a lot of grounds to cover, as would be laid bare by our Chairman and Director General.

The major focus and concern in my message today is to make a clarion call to our young ones in this business of music creation and protection for them to assess where they are coming from, where they are and where they are heading to in the future.

I know many of them are affiliated to the big societies in Europe and America, such as the Performing Right Society (PRS) in the United Kingdom; Society of Authors, Composers and Publishers (Editeurs) of Music (SACEM) of France; Broadcast Music Incorporated (BMI) and American Society of Composers, Authors and Publishers (ASCAP) both of the United States of America; etc., but what future do these foreign societies hold for our young ones as Nigerians?

What our young ones must understand is that these big societies were established hundreds of years ago and the people of those countries, especially their young ones, worked together to build the societies, all which have become national and international institutions. The same applies to the building of their countries at large. Our young creators in Nigeria must do the same for Nigeria and our Society.

I recall that I was a member of the PRS from the 1960s to the late 1980s, but immediately the Nigerian society was born, I withdrew my membership of PRS and joined our Society, MCSN. I left PRS when my career as composer, writer, performer, producer and record label owner was at its peak, to join MCSN. I am proud that we have succeeded in building MCSN to what it is today. What story would our young ones who are making waves across the world leave behind in our very dear industry and country?

Our young ones may find good economic reasons to join these big foreign societies and even leave the shores of Nigeria to reside in these countries, but what future does their actions hold for their local societies and country, Nigeria?

One important question that our young ones should consider is, which of them has been invited to and attended the members' general meetings of these foreign societies? Which

PRESIDENT'S ADDRESS CONT'D

of our young ones has been elected to sit on the boards of these societies? Now that there is a new reality across the world in which citizens of these advanced countries are clamouring to "take their countries back" from foreigners, what hope lies ahead of our young ones in these foreign societies and countries?

Another angle to this message is the fact that as we grow old and approaching retirement from the leadership of MCSN, to whom shall we hand over the mantle of the leadership of MCSN, when the young ones are not standing up to be counted in their own local institution? Our Chairman and Director General, and indeed a bulk of the Society's directors would not be available forever; where are the young ones to take over from them, when they are not even available to study and learn the processes and necessary skills?

I leave you with these few questions for your consideration, while wishing us all a happy deliberation at today's meeting.

Thank you.



Dr. Sunday Adeniyi Adegeye MFR
(*King Sunny Ade*)
President.

CHAIRMAN'S ADDRESS



CHAIRMAN'S ADDRESS TO THE MEMBERS' ANNUAL GENERAL MEETING OF THE MUSICAL COPYRIGHT SOCIETY OF NIGERIA, ON WEDNESDAY, 12TH DAY OF DECEMBER 2024.

My Dear Colleagues and Associates,

2023 was a challenging year in all spheres of the nation's life and our sector was not an exemption.

As you would recall, 2023 was an election year in which not many people and businesses were sure of the outcome of the general elections and ensuing litigations. Immediately after the swearing of the President, the announcement of the withdrawal of fuel subsidy led to high prices of goods and services, but our own type of service is such that it was practically impossible to increase our tariffs. This caused a great financial and operational strain on the Society. While the Society is still grappling with the effect of withdrawal of fuel subsidy, the merging of foreign exchange market and floating the Naira led to prices further sky-rocketing and the economy became highly volatile. The situation continued on this trend for the rest of 2023.

COMPANY'S REPORT

From the results presented by our Board of Directors, our Society is still on its path of steady growth when compared with the performances in 2022 in terms of normal collections outside legal/court awards. Our general costs rose by over 200% in 2023 when compared with that of 2022 due to the deliberate effort of expanding the operations of the Society to other regions of the country. It should be noted that most of the costs incurred for the purpose of expansion in the course of 2023 were funded by savings made by the management in previous years in order to maintain the established culture of distributions to members and in expectation of recouping of arrears of royalties owed to the Society by certain major users of musical works and sound recordings in the last three or more years.

IMPORTANT DEVELOPMENTS

In spite of the very difficult economic climate in the country and around the world the Society continues to surmount every challenge by growing the number of licences issued for the use of our works and sound recordings across various platforms, such as broadcast stations, hotel, restaurants and bars, concerts and event halls. Thus, the increase in income recorded in the course of the year was as a result of the increase in the number of licences issued rather than increase in our charges, which was practically not possible.

CHAIRMAN'S ADDRESS CONT'D

As at the end of 2023, we were not able to conclude discussions with Multichoice Nigeria Limited to resume payment from 2021 and it was becoming apparent that we may have to go back to court against the organisation if nothing positive comes out of the discussions with them by the end of the first quarter of 2024.

The Society has commenced the process of setting up of an Abuja Office for seamless operations. Appropriate office space has been acquired at 39 Lusaka Street, Wuse Zone 6, Abuja City Centre. It is planned that the office would go into full operations in the course of 2024. A regional office is equally being planned for Ibadan to come into full operations hopefully in 2024. Other states and regional offices shall continue to emerge as we go into the future.

We continue to strengthen our operations to other regions and states of the country, as we are appointing more effective consultants and agencies across the country to conduct our licensing operations in addition to opening branch offices. The effects of these agencies are being felt in places like Kaduna, Kano, Abia, Edo and Rivers States, but we shall however be reviewing our strategies for the agencies to give more attention to setting up branches and offices to be manned directly by the Society's employees.

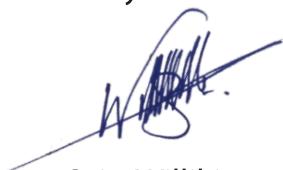
The prevailing economic situation in the country did not allow us to commence any construction activity on our landed property, but once the economy becomes a bit stable and reliable, we shall be moving to site to construct a befitting edifice for our Society.

CONCLUSION

Our Society continues to enjoy strong support and encouragement from the Nigerian Copyright Commission (NCC), particularly the Director General, Dr. John O. Asein and his team. We express our sincere gratitude to the Commission for its collaboration with our Society, particularly in the areas of enforcement, which effect would start to be felt across the country, very soon.

I will like to express my sincere gratitude and thanks to my fellow directors and the Society's management for their cooperation and support in the past year and I look forward to a more exciting work in the year ahead.

Thank you and God Bless.



Orits Williki
Chairman.

DIRECTOR GENERAL'S EXPLANATORY NOTES ON 2023 PERFORMANCE



Introduction and background information

The year 2023 being a year in which general elections into the office of the President of the Federal Republic of Nigeria, the National Assembly, Governors of most states and States Houses of Assemblies, did not give much room for most business organisations to advance and take far-reaching decisions and actions in their operations. Our Society, MCSN, was not exempted from the effect of the elections.

In the period leading to the elections, and events after the elections are period of anxious waiting for business organisations. There were palpable concerns as nobody was sure of which party would control the government and what policy direction the nation would face. These also dovetailed into decisions and fortunes of companies.

Soon after the announcement of President Bola Ahmed Tinubu as the winner of the presidential election, his announcement of total removal of fuel subsidy and floating of the Naira in the foreign exchange market, led to the economy becoming volatile.

Apart from the seemingly unpredictable political climate, the challenge to MCSN authority to licence the use of musical works and sound recordings was gaining grounds in the face of the attitude of PRS, vis-à-vis CISAC towards MCSN over the control of repertoire in Nigeria. Certain big and established societies in Europe and America were making forays into Nigeria with two broad aims of poaching popular Nigerian musicians to become direct members of their societies and propping up some Nigerians acting under the guise of certain associations or organisations to float another society. CISAC was apparently used to effectively frustrate MCSN.

MCSN was however able to withstand and outsmart these moves and actions of the foreign interests.

The New Copyright Act 2022 and its expected effects.

A major break occurred in May 2023, when the new Copyright Act 2022 was enacted and released to the public.

Certain provisions of the Act gave MCSN the required break to surmount the challenge of its control of the entire repertoire of musical works and sound recordings in the country. Being a new law, MCSN has to be very cautious in taking any action that may jeopardize its standing, but having come to the realisation of its effective control of the repertoire, through extended licensing provision contained in the new Act, it started taking decisive steps to enforce the rights vested in it statutorily by the approval and licence granted to it by the Nigerian Copyright Commission (NCC) under the Act.

Operational Performance in 2023

In spite of the uncertain situation that pervaded most part of 2023, particularly from January to October 2023, the Society was able record appreciable progress in its activities as follows.

1. Licensing income grew appreciably from N59,340,000.00 in 2022 to N198,827,000.00 in 2023. This represents a growth of 236%
2. Operating costs grew from N101,513,135.00 in 2022 to N166,344,000 in 2023 representing 63.9% increase, due largely to inflation caused by the withdrawal of fuel subsidy and floating of the Naira in the foreign exchange market.

3. When royalty collection income is set against expenditure incurred in the course of normal operations, the Society records a surplus of N32,483,000.00 as against a deficit of N42,099,604.00 in 2022, which is an increase of 177% over 2022 figures.

4. There are certain strategic expenditures in the areas of expansion and stabilisation of MCSN's operations, such as opening branch offices in Abuja and strengthening agency operations in other regions in the sum of N150,000,000.00. These strategic expenditures though financed from the Society's reserves were captured in the financial report for the year ended 31 December 2023.

5. While most businesses, which are surviving, were able to swim against the national inflationary tide by increasing the prices of the goods and services which they offer to the public, MCSN was not able to do such, due to the fact that the appreciation of copyright and intellectual property as essential product/service is still at a very low level in the country. The increase in the collection realised was due generally to increase in the number of licences issued by our licensing team in the course of the year.

6. It should also be noted that many of our major licensees, particularly Multichoice Nigeria Limited (owners of DSTv and GOtv in Nigeria) have fallen into arrears in their obligations in Billions of Naira since 2021. We assure you that MCSN is on these defaulters and will certainly recoup these arrears for the benefit of members and affiliates.

Capital and Developmental Projects

7. The Society embarked upon certain capital projects particularly in the areas of development and acquisition of new technologies, expansion and business development, which are generally financed from the reserve funds.

8. Apart from the opening of a full-fledged branch office in Abuja, the Society did not expand its operations beyond the agency arrangements in place in Edo/Delta States, Kaduna, Kano, Abia and Rivers States. The agencies are still grappling with the same challenges being faced at the Society's Head Office. As a matter of fact, some groups of users of musical works and sound recordings took out legal actions against the Society and its agencies in the following matters:

- i. Chronicles Hotels vs. MCSN & Ors at the Federal High Court, Asaba, Delta State.
- ii. Proprietors of Kano Hotels Association vs. MCSN, Federal High Court, Kano.

Legal & Litigation

9. a. Due to the prevailing situation in 2023, the Society only filed two cases in 2023 in addition to pending ones. The two new cases are:

- i. MCSN vs. Transcorp Hilton Hotels Plc
- ii. MCSN vs. Group 8 Limited (owners of Sound City)

b. Pending cases from previous years and the ones initiated in 2023 are most at trial stages, particularly the following among others.:

- i. MCSN vs. Pyramid Regal Service Limited (Owners of the George Hotel)
- ii. MCSN vs. Union Bank Plc.
- iii. MCSN vs. Silverbird Communication & Ors. Amicable settlement is being explored and the Honourable Minister of Information and National Orientation is intervening.
- iv. MCSN vs. Transcorp Hotels Plc
- v. MCSN vs. NTA-Startimes
- vi. Eat N' Go Limited vs. MCSN

10. Our discussions and negotiations with Multichoice Nigeria Limited which has been throwing up

different obstacles to prevent MCSN from getting its due royalties from the company in the course of year, is getting more frustrating. MCSN may have to return to the court to force its due from Multichoice Nigeria, like before.

Expansion and Operational Spread

11. Based on the apparent perception by relevant authorities and institutions, particularly, certain of our sister societies in Europe and Africa, certain members of the National Assembly, CISAC, among others, to the effect that MCSN is not effectively covering the territory of Nigeria in its operations, particularly in licensing and collection, the Society has embarked upon expansion projects as follows:

- i. Setting up the Abuja Office at which the rent for initial 2 years was paid, while renovation and furnishing were on course.
- ii. We hope to set up a regional office in Ibadan and improve the agencies in Edo, Delta, Kano, Rivers, Abia, Plateau states in the course of 2024.

12. We have come to the stark reality that MCSN cannot remain only in Lagos or Abuja and hope to effectively and efficiently cover the entire territory of the Federal Republic of Nigeria having a staff of less than 100 personnel in a country of about 230 million people. This challenge must be frontally confronted in 2024 and subsequent years.

Relationship with sister societies and government agencies

13. MCSN continues to maintain good relationship with many sister societies across the world, while looking forward to amicably resolve issues with PRS. The Copyright Act 2022 also placed the MCSN in pre-eminent position to collectively administer copyright in musical works and sound recordings as expected of the Federal Republic of Nigeria under the relevant International Conventions and Treaties to which the country has accented. The national interests of Nigeria, our members and affiliates shall remain paramount in our engagements and relationship with our colleagues across the globe.

14. MCSN's relationship with government agencies, particularly the NCC, remains very cordial, vis-à-vis other relevant government agencies including the National Assembly. The Society equally maintains good working relationship with other bodies and entities within and beyond the industry.

Conclusion.

From the report over the last three or four years, it is very clear that the Society continues on the path of growth. Though the growth may be modest, but it is sure that it is steady. This is most certainly a good sign for a long-lasting and stable organisation.

Secondly, things may appear slow, small and painful, however, all these would most certainly become insignificant when the windfall of all the efforts invested begins to occur.

This commentary will not be complete if I fail to thank all our members who remain resolute in their support and encouragement by regularly visiting the office or calling to ask after the welfare and well-being of the staff, management and board members; the board for standing united, supporting and directing the management on the right path and my colleagues in what is now known as the "MCSN Team" for the demonstrated unity of purpose, dedication and loyalty.

I thank you for your kind attention and consideration.



Mayowa Ayilaran
Director General/Chief Executive.

DIRECTOR'S REPORT

The directors have the pleasure of presenting the financial statements of the society for the year ended 31st December, 2023.

1. **PRINCIPAL ACTIVITIES**

The society administered during the year under review, the copyright in musical works and sound recordings assigned and licensed to it by its members and other assignors and licensors, and operates as a collective management organisation for that purpose as approved and licensed by the Nigerian Copyright Commission.

2. **RESULTS**

The summary of the Society's operational performance for the year ended 31st December, 2023 is as presented below:

	31 / 12 /2023	31 / 12 /2022
	N	N
	'000	'000
Licensing / Royalty Income	<u>198,827</u>	<u>59,340</u>
Net Distributable Surplus / (Deficit)	(117,517)	(42,100)
ADD:		
Distributable Income / (Deficit) b/f	<u>779,136</u>	<u>1,061,930</u>
	661,619	1,019,830
LESS:		
Adjustment	13,500	(581)
Non-Distributable Income		
Distributions during the year	<u>(64,894)</u>	<u>(240,113)</u>
Distributable Income / (Deficit) c/f	<u>610,225</u>	<u>779,136</u>

3. **LEGAL FORM**

Musical Copyright Society Nigeria Ltd/Gte was incorporated by the Corporate Affairs Commission (CAC) as a company limited by Guarantee.

4. DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act 2023, the International Financial Reporting Standards. They are to ensure that:

- ✓ *Internal control procedures are in place which, as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities.*
- ✓ *Proper accounting records are maintained*
- ✓ *Applicable accounting standards are followed*
- ✓ *Suitable accounting policies are adopted and consistently applied*
- ✓ *Judgments and estimates made are reasonable and prudent, and*
- ✓ *The going concern basis is used, unless it is inappropriate to presume that the company will continue in business.*

5. EMPLOYMENT AND EMPLOYEES

5.1. Employment of disabled persons

The recruitment policy of the company does not discriminate against disabled persons. Considerations are giving to applications made by such people with adequate attention however, given to their abilities.

5.2. Training and Development

Furthermore, the company's strength and success lie in her human resources. Hence, great emphasis is placed on ensuring that our employees at all levels in the organization are well trained and developed to enhance performance.

5.3. Welfare of Employees

Incentives' scheme designed to meet the circumstances of each employee are implemented wherever appropriate. Furthermore, high premium is placed on the health, safety and welfare of the employees.

6. EVENTS AFTER BALANCE SHEET

There was no post Balance sheet event which could have material effect on the state of the company's financial affairs for the year ended 31st December 2023

7. AUDITORS

The Auditors, Messrs, Abikoye Olumide & Co will continue in office in accordance with section 401 (2) of the Companies and Allied Matters Act, 2020

BY ORDER OF THE BOARD



**SECRETARY
LAGOS, NIGERIA**



AUDITORS' REPORT

TO THE MEMBERS OF MUSICAL COPYRIGHT SOCIETY NIGERIA LIMITED / GTE

We have audited the financial statements of Musical Copyright Society Nigeria Limited / Gte ("the society") which comprise the statements of financial position as at 31st December, 2023, the income statement, statement of changes in members fund, cash flow statement for the year ended 31st December, 2023 and the statement of accounting policies set out in the financial statements.

Respective Responsibility of Directors and Auditors

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act 2023, as amended and the International Financial Reporting Standards. Furthermore, the directors are responsible for such internal control as are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Our responsibility is to, based on our audit, form an independent opinion on the statements and report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards. An audit includes, examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, and are consistently applied and adequately disclosed.

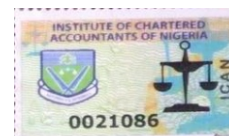
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statement and assessed whether the company's books have been properly kept.

Opinion

In our opinion, financial statements present fairly, in all material respects, the financial position of Musical Copyright Society Ltd/Gte as at 31st December, 2023, and the financial performance and cash flows for the year ended 31st December, 2023 in accordance with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act 2023 and the International Financial Reporting Standards.

Abikoye Olumide

J. O. Abikoye
(FRC//ICAN/00000019256)
For: Abikoye Olumide & Co
(Chartered Accountants)
Lagos, Nigeria



DATED: 30th October 2024

MUSICAL COPYRIGHT SOCIETY NIGERIA LIMITED / GTE
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2023

ASSETS EMPLOYED	NOTES			12/31/2022
		₦	₦	₦
NON CURRENT ASSETS				
Property, Plant & Equipment	4		<u>281,375,367</u>	<u>278,567,220</u>
TOTAL NON-CURRENT ASSET			<u>281,375,367</u>	<u>278,567,220</u>
CURRENT ASSETS	5		<u>621,304,631</u>	<u>748,775,812</u>
TOTAL ASSETS			<u>902,679,998</u>	<u>1,027,343,032</u>
MEMBERS FUND AND LIABILITIES				
ACCUMULATED FUND	6	199,202,951		141,038,457
RETAINED SURPLUS / (DEFICIT)	7	<u>610,225,368</u>	<u>809,428,319</u>	<u>779,136,803</u>
ATTRIBUTABLE TO MEMBERS			<u>809,428,319</u>	<u>920,175,260</u>
NON-CURRENT LIABILITY	8	0		0
CURRENT LIABILITIES	9	<u>93,251,679</u>		<u>107,167,772</u>
TOTAL LIABILITIES			<u>93,251,679</u>	<u>107,167,772</u>
TOTAL MEMBERS FUND AND LIABILITIES			<u>902,679,998</u>	<u>1,027,343,032</u>





)
) **DIRECTORS**

The accompanying notes form an integral part of these Accounts

MUSICAL COPYRIGHT SOCIETY NIGERIA LIMITED / GTE
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2023

	<i>NOTE</i>	<i>₦</i>	<i>31/12/2022</i> <i>₦</i>
<i>LICENSING / ROYALTY INCOME</i>	<i>11</i>	<i>198,827,384</i>	<i>59,413,532</i>
LESS:			
<i>ADMINISTRATIVE AND OTHER OVERHEAD</i>	<i>13</i>	<u><i>(316,344,241)</i></u>	<u><i>(101,513,135)</i></u>
<i>SURPLUS / (DEFICIT) FOR THE YEAR</i>		<i>(117,516,857)</i>	<i>(42,099,603)</i>
<i>PROVISION FOR TAX</i>		<u><i>0</i></u>	<u><i>0</i></u>
<i>DISTRIBUTABLE SURPLUS / (DEFICIT)</i>		<i>(117,516,857)</i>	<i>(42,099,603)</i>
APPROPRIATION:			
<i>DISTRIBUTABLE SURPLUS / (DEFICIT) B/F</i>		<u><i>779,136,804</i></u>	<u><i>1,061,930,158</i></u>
<i>BALANCE AVAILABLE FOR DISTRIBUTION</i>		<i>661,619,947</i>	<i>1,019,830,555</i>
<i>ADJUSTMENTS DURING THE YEAR</i>		<i>13,500,000</i>	<i>(580,554)</i>
<i>DISTRIBUTIONS DURING THE YEAR</i>	<i>12</i>	<u><i>(64,894,577)</i></u>	<u><i>(240,113,197)</i></u>
<i>NET DISTRIBUTABLE SURPLUS / (DEFICIT) C/F</i>		<u><u><i>610,225,370</i></u></u>	<u><u><i>779,136,804</i></u></u>

The accompanying notes form an integral part of these Accounts

MUSICAL COPYRIGHT SOCIETY NIGERIA LIMITED / GTE

STATEMENT OF CHANGES IN MEMBERS' FUND

FOR THE YEAR ENDED 31ST DECEMBER 2023

	<i>Members fund ₦</i>	<i>Retained Earning ₦</i>	<i>TOTAL ₦</i>
<i>BALANCE AS AT 1ST JANUARY 2022</i>	<i>39,033,381</i>	<i>1,084,861,710</i>	<i>1,123,895,091</i>
ADD:			-
<i>RESERVE & NET DISTIBUTABLE SURPLUS / (DEFICIT) FOR THE YEAR</i>	-	<i>(42,099,604)</i>	<i>(42,099,604)</i>
<i>OTHER COMPREHENSIVE INCOME</i>	-	<i>78,642,970</i>	<i>78,642,970</i>
<i>PRIOR YEAR ADJUSTMENT</i>	<u><i>0</i></u>	<u><i>(240,113,197)</i></u>	<u><i>(240,113,197)</i></u>
<i>BALANCE AS AT 31ST DECEMBER 2022</i>	<u><i>39,033,381</i></u>	<u><i>881,291,879</i></u>	<u><i>920,325,260</i></u>
<i>BALANCE AS AT 1ST JANUARY 2023</i>	<i>39,033,381</i>	<i>881,291,879</i>	<i>920,325,260</i>
ADD:			
<i>NET INCOME FOR THE YEAR</i>		<i>(117,516,857)</i>	<i>(117,516,857)</i>
<i>ADJUSTMENT / OTHER COMPREHENSIVE INCOME</i>		<i>71,664,494</i>	<i>71,664,494</i>
<i>DISTRIBUTION</i>	<u><i>0</i></u>	<u><i>(64,894,577)</i></u>	<u><i>(64,894,577)</i></u>
<i>BALANCE AS AT 31ST BECEMBER 2023</i>	<u><i>39,033,381</i></u>	<u><i>770,544,939</i></u>	<u><i>809,578,320</i></u>

The accompanying notes form an integral part of these Accounts

MUSICAL COPYRIGHT SOCIETY NIGERIA LIMITED / GTE
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST DECEMBER 2023

	31/12/2022			
	N	N	N	N
Cash flow from Operating Activities				
Net Profit / (Loss) for the Year		(117,516,857)		(42,099,604)
Adjustment for items not involving cash movement:				
Depreciation		<u>19,889,581</u>		<u>3,128,255</u>
Operating Revenue before Working Capital		(97,627,277)		(38,971,348)
(Increase)/decrease in other current Assets	142,309,264		295,286,446	
(Increase)/decrease in Trade / Sundry Creditors	<u>(13,916,093)</u>	<u>128,393,172</u>	<u>3,548,596</u>	<u>298,835,043</u>
Funds generated from operations		30,765,895		259,863,694
Cash from other sources:				
Members Fund / Non Distributable income		<u>58,164,494</u>	77,259,259	<u>77,259,259</u>
Net Cash from Operating Activities		88,930,388		337,122,954
Cash from Investing Activities:				
Distributed Royalty / Loss on Investment		(51,394,577)	(238,729,487)	
Fixed Assets		<u>(22,697,728)</u>	<u>(278,522,075)</u>	<u>(517,251,562)</u>
		14,838,084		(180,128,608)
Cash / Bank Balances at the beginning of the year		<u>18,077,384</u>		<u>198,205,992</u>
Cash / Bank Balances at the end of the year		<u><u>32,915,468</u></u>		<u><u>18,077,384</u></u>

The accompanying notes form an integral part of these Accounts

NOTES TO THE ACCOUNTS

NOTES TO THE ACCOUNTS

1. Corporate Information

The society was incorporated in Nigeria as a society limited by guarantee in 1984. Its registered office address is at 6, Olaribiro Street, Off Allen Avenue, Ikeja, Lagos State.

The society administered, during the year under review, the performing and mechanical rights (copyright) in musical and related audiovisual works as owners and assignee.

2. Basis of preparation.

Statement of compliance with IFRSs

These financial statements have been prepared in accordance with, and comply with, international Financial Reporting Standards (IFRS) and International Reporting Interpretations Committee (IFRIC) interpretations issued and effective at the time of preparing these financial statements.

3. Significant Accounting Policies

The principal accounting policies employed in the preparation of these accounts are as follows:

A) Basis of measurement

The financial statements have been prepared under the historical cost basis except for Property, Plant and Equipment which are measured at fair values.

Adopted Accounting policies have been applied consistently to all period presented in the financial statements.

B) Functional and Presentation Currency

The financial statements are presented in the Nigeria Naira (₦), which is the country's functional currency in which the society operates.

C) Royalty Income

Revenue from royalty and other activities represents cash received during the year.

D) Foreign Currency Transactions

Transactions in foreign currencies are recorded in Naira at the exchange rate ruling at the date of transactions.

E) Property, plant and equipment

Items of property, plant, and equipment are stated at fair value less depreciation.

Depreciation is computed using the straight-line method based on the estimated useful lives of the items of property, plant, and equipment, taking into account the estimated residual value.

The estimated useful lives of property, plant and equipment are:

<i>Motor Vehicle</i>	<i>20%</i>
<i>Office Equipment</i>	<i>10%</i>
<i>Furniture & Fittings</i>	<i>20%</i>
<i>Land & Building</i>	<i>0%</i>
<i>Plant & Generator</i>	<i>10%</i>

F) Trade receivables

Trade receivables are carried at original invoice amount less any allowance for doubtful debts. Allowances are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions.

G) Trade payables: *Trade payables are held at invoice cost by suppliers / contractors.*

H) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balance with banks.

I) Fair Value exemption

The Society adopted the option of fair value exemption in the valuation of its Property, Plant and Equipment. Furthermore, items of assets, which had been fully depreciated in the account, but still in use, were reported at their fair value.

J) Related Party Transaction

There was no related party transaction during the year under review.

K) Company's indebtedness

Note 9, Sundry Creditors, include provisions for gratuity, Allowances and debt owe to employees.

L) Bank Transfers

During the year 2023, total sum of ₦163,700,000 (One Hundred and Sixty-three million Seven Hundred Thousand Naira only) was transferred to personal accounts. This was said to have been used to execute some official projects.

M) Contingent liabilities

The society had some court cases against it just as it had against third parties as at 31st December 2023. The outcomes, including likely liabilities and benefits, could not be determined as at the time of the audit.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2023

4. PROPERTY, PLANT & EQUIPMENT

	MOTOR VEHICLES	PLANT & GENERATOR	LAND	FURN. & FITTINGS	OFFICE EQUIPMENT	TOTAL
	₦	₦	₦	₦	₦	₦
COST:						
Balance b/f	78,660,000	2,250,000	189,000,000	4,339,000	15,667,075	289,916,075
Addition during the year	<u>0</u>	<u>0</u>	<u>5,467,000</u>	<u>0</u>	<u>17,230,728</u>	<u>22,697,728</u>
	<u>78,660,000</u>	<u>2,250,000</u>	<u>194,467,000</u>	<u>4,339,000</u>	<u>32,897,803</u>	<u>312,613,803</u>
DEPRECIATION:						
Balance b/f	4,070,889	2,249,000	0	2,377,800	2,651,166	11,348,855
Charged for the year	<u>15,732,000</u>	<u>0</u>	<u>0</u>	<u>867,800</u>	<u>3,289,781</u>	<u>19,889,581</u>
	<u>19,802,889</u>	<u>2,249,000</u>	<u>0</u>	<u>3,245,600</u>	<u>5,940,947</u>	<u>31,238,436</u>
Depreciation Rates	20	10	0	20	10	
NET BOOK VALUE						
As at 31/12/2023	<u>58,857,111</u>	<u>1,000</u>	<u>194,467,000</u>	<u>1,093,400</u>	<u>26,956,856</u>	<u>281,375,367</u>
As at 31/12/2022	<u>74,589,111</u>	<u>1,000</u>	<u>189,000,000</u>	<u>1,961,200</u>	<u>13,015,909</u>	<u>278,567,220</u>
5. CURRENT ASSETS						
Cash & Bank balances						31/12/2022
Trade / Sundry Debtors					₦	₦
Investment					32,915,466	18,077,383
					33,932,225	19,405,983
					<u>554,456,940</u>	<u>711,292,446</u>
					<u>621,304,631</u>	<u>748,775,812</u>

**NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31ST DECEMBER 2023**

31/12/2022

NOTES

6. ACCUMULATED FUND

	N	N
Balance b/f	141,038,457	61,814,934
Investment Value & Prior year adjustments	-	1,964,264
Non-Distributable income (NOTE 10)	<u>58,164,494</u>	<u>77,259,259</u>
	<u><u>199,202,951</u></u>	<u><u>141,038,457</u></u>

7. SURPLUS / (DEFICIT) ACCOUNT

Surplus / (Deficit) b/f	779,136,803	1,061,930,158
Prior Year Adjustment	13,500,000	(580,554)
Surplus / (Deficit) for the Year	(117,516,857)	(42,099,604)
Distribution during the year	<u>(64,894,577)</u>	<u>(240,113,197)</u>
Distributable surplus c/f	<u><u>610,225,368</u></u>	<u><u>779,136,803</u></u>

**8. NON CURRENT LIABILITIES
(DIRECTORS ACCOUNT)**

Balance b/f	0	0
Addition / (Withdrawal) during the year	<u>0</u>	<u>0</u>
	<u><u>0</u></u>	<u><u>0</u></u>

9. CURRENT LIABILITIES

Trade Creditors		0
Prior Year Adjustment	0	0
Sundry Creditors	<u>93,251,679</u>	<u>107,167,772</u>
	<u><u>93,251,679</u></u>	<u><u>107,167,772</u></u>

10. NON - DISTRIBUTABLE / OTHER INCOME

Foreign Exchange difference	-	(1,386,437)
Admin., Set up fee & Mics. Income	0	1,388,250
Investment Income	58,164,494	86,341,607
Provision for tax on investment income	<u>0</u>	<u>(9,084,161)</u>
	<u><u>58,164,494</u></u>	<u><u>77,259,259</u></u>

11. LICENSING / ROYALTY INCOME

A) LOCAL

Mechanical	55,957,841	7,783,193
Performing Right	<u>113,611,372</u>	<u>44,486,960</u>
	169,569,213	52,270,153

B) FOREIGN

	<u>29,258,171</u>	<u>7,143,379</u>
	<u><u>198,827,384</u></u>	<u><u>59,413,532</u></u>

12. DISTRIBUTIONS DURING THE YEAR

Local	64,894,576	40,503,804
Foreign	<u>0</u>	199,609,393
	<u><u>64,894,577</u></u>	<u><u>240,113,197</u></u>

**NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31ST DECEMBER 2023**

	N	31/12/2022 N
13. OPERATING EXPENSES		
<i>Salaries & Wages</i>	38,738,099	36,397,209
<i>Transport & Traveling (Local & Foreign)</i>	7,669,823	3,776,495
<i>Audit & Professional Fees</i>	400,000	400,000
<i>Repair & Maintenance</i>	10,354,104	5,491,288
<i>Stamps & Postages</i>	2,845,750	949,450
<i>Printing & Stationeries</i>	3,946,260	597,700
<i>Entertainment & PR</i>	1,997,200	8,703,317
<i>Vehicle & Plant Running Expenses</i>	2,507,100	1,199,400
<i>Commission on Licensing</i>	2,292,040	2,705,647
<i>Bank Charges</i>	460,378	730,330
<i>Licencing & Monitoring Expenses</i>	1,441,537	1,427,620
<i>Power & Electricity</i>	5,998,000	2,780,900
<i>Business Promotion & Publicity</i>	163,892,562	12,859,082
<i>Registration & Provision for Subscription</i>	498,690	407,765
<i>Medical & Staff Welfare</i>	564,980	699,490
<i>Legal & Professional Fees</i>	29,794,161	1,000,000
<i>Meetings, Conferences & Other Allowances</i>	7,687,325	4,948,000
<i>Consultancy & Professional Services</i>	1,550,000	0
<i>General Expenses</i>	129,950	333,536
<i>Rent & Rates</i>	3,020,833	2,000,000
<i>Gift & Donation</i>	450,000	3,666,700
<i>Information & Communication Technology</i>	1,537,260	848,666
<i>Enforcement expenses</i>	8,448,358	2,715,000
<i>Special Compensation & Awards</i>	0	1,200,000
<i>Cultural & Social Funds</i>	0	1,050,000
<i>Filing, Processing & Court Expenses</i>	221,500	1,476,735
<i>Newspapers & Periodical</i>	8,750	20,550
<i>Depreciation</i>	<u>19,889,581</u>	<u>3,128,255</u>
	<u>316,344,241</u>	<u>101,513,135</u>

DISTRIBUTION RULES

Introduction to MCSN's Distribution Principle:

Just like any other ordinary business organisation, MCSN pays royalties (dividends) to its members and rights holders at least once in a year. This is what is called distributions. This may occur as frequently as distributable incomes are available and may be categorised as specific and general distributions, depending on the source and volume of available income vis-a-vis details or data of exploitation of works resulting in the income to be distributed. The distribution principles relates to royalties paid for the exploitation of music and sound recordings of MCSN members and affiliates in performing and mechanical rights.

This policy document explains how MCSN works out the royalties and schedule when they'll be paid. It's not just about the technologies and methods we use, but also the principles we use for guidance.

Fairness, accuracy, cost effectiveness and transparency are all very important for our members and affiliates. However, sometimes these principles are at odds. This policy document sets out how we strike a balance.

MCSN pays royalties to members and rights holders in a separate set of distributions throughout the year called specific distribution. These are for mechanical rights and specific exploitation, which are detailed separately as specific distribution.

This document cannot cover every aspect of the distribution process. Members should contact our membership department by email at info@mcsnnigeria.org or info.mcsnnigeria@gmail.com for more information.

General Distribution Principle/Rules:

1. Our general distribution principle is found in the MCSN Memo & Articles of Association, specifically Article 46 - 48 of the MEMAT which we refer to as 'Allocation of Moneys'.
2. The guiding principles for allocation of monies are that the costs of collection vis-à-vis that of distribution are fully charged against what has been collected with a view to driving down the costs as the Society advances to optimum level in its operations. This is so because the Society does not receive any grant or subvention for its operations. It relies solely on collection income realized from the exploitation of its repertoire.
3. Secondly, the distribution policy or principle of the Society is also guided by the regulatory limit of 30% which the Society could charge for its administration costs under the CMO Regulations of 2007.
4. The rules and principles are equally based on the understanding that a fledging society such as MCSN, which is just emerging from serious challenges and encumbrances which lasted for nearly ten years or more could not immediately operate at a level which its costs would equal or less than 30% of collection income. The following rules are however put in place to guide the Society into attaining the required level in good time depending on the type of distribution and volume of income involved:

DISTRIBUTION RULES

- a. Every collection is subject to 30% deduction for administration costs.
- b. 10% is further deducted for social fund.
- c. 60% goes into distribution fund.
- d. Any amount expended for administration purposes above the allocated 30% is treated as loan from either the social fund or distribution fund or both.
- e. Such borrowings are rolled over till when the administration costs break even to start refunding the funds as appropriate for disbursement or as may be determined by the Board, subject to the approval of the Annual or Extra-Ordinary General Meeting of members.
- f. Where the cost of carrying out a distribution is higher than the amount available for distribution, the amount is rolled over to when it would be profitably higher than the cost of distribution. However, those affected by such distribution shall duly be notified with the amount due to them but which is being held on account by the Society.

3. The Society's Memorandum and Articles of Association places the directive responsibility of distribution on the MCSN's Board (General Council) as follows:

i. Article 46 - 48 holds the MCSN Board of Directors responsible for determining the specific methods used to allocate and distribute MCSN revenue as royalties. The MCSN Board delegates this responsibility to the Distribution Committee, a sub-committee of the MCSN Board subject to the General Accounting Policies and Standards in force as approved by the Board. This committee decides how to distribute the income we collect to our members and members of affiliated societies, subject to sources and volume of the income available for distribution.

ii. The committee's intent and purpose is to achieve a fair, accurate, transparent and cost-effective distribution.

iii. The Board aims for all aspects of distribution rules and processes to be transparent and easily understood. Cost allocations should be clear, without any unknown or hidden cross-subsidies.

iv. MCSN generally needs and relies on the usage data (program returns) to identify the licensed music and sound recordings being used and the rights-holders to pay. In some cases the people using music (known as 'licensees') are unable to provide complete usage data or supply it in a format we can process. We can use a variety of data collection methods in these situations.

v. MCSN recognizes that some methods, like music recognition technology companies and electronic fingerprinting techniques, can be very accurate yet also very expensive. It might be costly in terms of collecting or processing the data. This is why we consider principles like cost effectiveness as well as accuracy.

vi. In some situations achieving 100% data accuracy for each individual performance might cost more than the revenue being collected - meaning there would be nothing left for royalties. Instead, we can use cost effective methods of data collection and analysis to provide statistically representative information about music use.

DISTRIBUTION RULES

vii. MCSN's Distribution Committee ensures a balance between our principles to provide the greatest value for all our members and rights-holders. Royalties for members of affiliated societies are calculated on precisely the same basis as those for MCSN members.

Distribution Principle Review and decision-making processes:

1. The MCSN Board is responsible for formulating and implementing specific distribution principle.
2. The Board is required to:
 - a) ensure this policy is fair, accurate, transparent and cost effective;
 - b) put in place a system to ensure that data supporting royalty allocation is, and continues to be, based on statistically reliable sources. These sources must fairly represent the performing right usage of musical works and sound recordings in the Nigeria.
3. MCSN distribution principles are subject to regular review. MCSN management works closely with the Distribution Committee so that principles in need of review are subject to thorough and timely examination to meet an ever changing and current International Standard.
4. Many factors could lead to a review and in relation to priority, including:
 - a) a change in licence terms, which affects how royalties would be distributed under a certain principle/Rule
 - b) a change in data availability, processing or cost, which affects how royalties would be distributed on a certain section
 - c) member dissatisfaction with current principle/Rule
 - d) a new way that licensed music is being used
 - e) a change of legislation
 - f) value of distributions governed by the principle/Rule
 - g) the potential benefit of a review, such as increased accuracy or cost efficiency
 - h) potential risks of not reviewing current policy, such as the absence of a distribution principle/Rule for a new revenue stream
5. During a review, MCSN management works closely with the Distribution Committee to determine a means of distribution that is considered as fair, accurate, cost effective, clear and straightforward as possible.
6. MCSN management undertakes extensive analysis to understand the potential impacts of any proposed principle change on member and rights-holder earnings.
7. Consult with rights-holders if they are likely to be materially affected by any change in the rule or implementation.



DISTRIBUTION RULES

MCSN'S COLLECTIONS AND FUND ALLOCATIONS

MCSN collects royalties from the following streams:

1. Public Performance Royalties

Licensing for the public performance of music and Sound Recordings in commercial spaces such as:

Hotels, clubs, lounges and restaurants
Event centers, halls, and arenas
Supermarkets, malls, and retail stores
Offices, salons, and gyms
Revenue from live performances and DJ sets.

2. Broadcasting and Communication to the Public

Licenses for the use of music and Sound Recordings on:

Radio and television broadcasts
Online streaming platforms
Cable and satellite services
Telecommunication services (e.g., caller tunes, IVR).

3. Online/Digital Royalties

Revenue from music and Sound Recordings usage on:

Online streaming platforms (e.g., Spotify, Apple Music, YouTube)
Social media platforms (e.g., Facebook, Instagram, TikTok).

4. Mechanical Royalties

Payments for the reproduction of music in physical or digital formats, such as:

CDs, vinyl, or DVDs
Digital downloads on platforms like iTunes or Bandcamp
Ringtones and other digital products.

5. Synchronization Royalties

Licensing music for use in synchronization with visual media, including:

Films/Movies, TV shows, and advertisements
Video games and other multimedia projects.

6. Foreign Royalties

Revenue collected through reciprocal agreements with international CMOs for music used in other countries.

These streams ensure a steady and diversified income, while maintaining legal compliance for music users.

ALLOCATION OF MCSN'S COLLECTIONS AFTER DEDUCTIONS OF COST & SOCIAL FUNDS:

Every income involving the use of sound recordings, particularly if from, users of sound recordings, is allocated as follows:

1. 66.6% to musical works: performing rights (66.6%) and mechanical rights (33.3%);
Composers, authors and publishers in accordance with individual work's split sheet.
2. 33.3% to Sound recordings: Producers (50%) and Performers (50%)

EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



EVENTS PHOTOGRAPHY



VISUALISATION (EXTERIOR)



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www.mcsnnigeria.org



Musical Copyright Society Nigeria

WHERE YOUR Music Finds Its

Voice and Value!

Your Music and Sound Recordings deserve to be heard, appreciated and rewarded. At MCSN, we empower Composers, Songwriters, Publishers, Right Owners, Performers and Producers (Label Owners) to make their mark in the Music Industry. With our dedicated support and comprehensive rights management, you'll never miss a dime in Royalty payment. Join MCSN today and let your Music and Sound Recordings true worth shine.



BENEFITS OF JOINING MCSN

- Regular Royalty Payments
- We are truly global in coverage
- We use cutting edge technology to monitor your repertoire.
- Team of experts to protect your interest
- We offer robust member support system.
- Protect you from being intimidated or blacklisted
- Comprehensive Legal Protection & Backing
- Your work is protected throughout your life time and 70 years after.
- It is free to Join MCSN