# PICSEL Annual Transparency Report (ATR) for 2025

The purpose of this ATR is to provide information about the activities of PICSEL for the financial year ending 31 December 2025 in compliance with the Collective Management of Copyright (EU Directive) Regulations 2016 ("Regulations), transposed into UK law on 24th February 2016. The information in this report is drawn from the Annual Report and Financial Statements for PICSEL for the year ended 31 December 2025.

This ATR, the Annual Report and Financial Statements are published on PICSEL's website, www.picsel.org.uk. They are updated on an annual basis.

**About PICSEL**

PICSEL is a not-for-profit private company limited by guarantee (Reg. No. 9899186) and is a collective management organisation (CMO) run by and for its members, who are creative rights holders, and their representatives.

In accordance with the Regulations PICSEL recognises a rights holder as any person or entity other than a CMO that:

- Holds a copyright or related right, or
- Under an agreement for the exploitation of rights or by law is entitled to a share in the rights revenue.

PICSEL was created by rights holders for rights holders and is governed by a board of directors, the majority of whom are members and all of whom are elected by the members. Under the articles of association, the board is also permitted to appoint non-members as directors where appropriate, subject to ratification by members at the General Assembly. Currently, we have one independent director who is not a member.

As a not-for-profit organisation, PICSEL operates in the interests of all its members to ensure fair, equal and timely distribution of revenue.

**PICSEL Governance**

During 2025 the Board of Directors comprised:

John Balean - Topfoto (Chair)
Paul Brown – Individual Creator Member
Adele West - Bridgeman Images
Jonnie Leger - akg-images
Denise Swanson - Individual Creator Member
Florian Koempel - Independent Non-Executive Director
Matthew Bailey - Independent Non-Executive Director
Trevor Jennis McDermott - GAP Photos
Alan Capel - Independent Non-Executive Director
Paul Seheult - Eye Ubiquitous (CEO)

## Financial Report

- Overall, there was a 11.3% increase in cash receipts with a 11.3% increase in cash distributions.
- Rightsholder representation rose by 12.19%.
- Revenue continues to be above expectation with individual images being allocated over £7,500. Individual rights holders' allocations ranged from the minimum of £25 to over £20,000. These were all once again being above industry reports.

To comply with the transparency requirements of the Regulations regarding this ATR, and in particular clause 21 (4) (i) that financial information on the costs of rights management and other services be provided by the collective management organisation to rightsholders, we can confirm that the percentage of costs in relation to rights revenue for 2024 was 13.90%. Further, to comply with 21 (4)(i)(ii) (breakdown of costs attributable to the management of rights) the total cost was £124,587 or 81.38%. With regard to 21 (4)(i)(iii) (breakdown of costs attributable to services other than the management of rights) the total cost was £28,506 or 18.62%.

The Board note that there are some timing differences between some of the figures disclosed in the Annual Transparency Report and the statutory accounts. This is due to the accounting treatment of certain items on an accrual's basis rather than on a cash basis.

**Note on Distribution change**

From April 2023 payments CLA revenue distribution to VACMOs changed from a single annual payment to a monthly payment to be in line with distributions to the other members of CLA, namely ALCS and PLS.

These payments are based on the market share of the previous year. However, the market share changes every year as it is dependent on the claims made by the VACMOs. An adjustment is then made based on the new market share, which will then also be applied to the monthly payments going forward.

In the interests of transparency, the monies received throughout the CLA financial year of 1st April 2024 to 31st March 2025, relating to licence period of 1st January to 31st December 2024 and distributed in RightShare® 2025 were treated as advance payments as will all future payments.

**CLA Market Share**

PICSEL's market share for CLA and PLS distributions is calculated by an independent auditor appointed by the CLA.

Our market share increased to 14.7596% from 13.8622%. PICSEL's share of the total CLA distribution remained fairly static at 14.57% from 14.24% in 2024. This was due mainly to continued success with matched data allocations.

PICSEL members continue to embrace the data driven model for revenue distribution, and it has proved a greater success for PICSEL members than expected.

- PICSEL members' claims represent 25% of all matched titles which is slightly up from 24.6% in 2024.
- 33.3% of images claimed by PICSEL members matched CLA data, up from 31.13% in 2024 whilst PICSEL members represented 7.73% of all images claimed, up from 5.75% in 2024.

**PLS Market Share**

The total PLS distribution to all VACMOs rose by 0.23% over 2024. PICSEL's share of this total distribution was up slightly to 19.17% from 17.08% in 2024.

- PICSEL members' claims represented 28.65% of all matched titles, down from 29.6% in 2024.
- 31.13% of images claimed by PICSEL members matched PLS data, down from 35.18% in 2024.

**Remuneration of Chief Executive Officer and Board of Director**

| | |
|---|---|
| Paul Seheult (Chief Executive Officer) | Total remuneration £45,979* |
| John Balean (Chair) | Fees Received as a PICSEL Director £5,000 |
| Adele West (Director) | Fees Received as a PICSEL Director £1,000 |
| Paul Brown (Director) | Fees Received as a PICSEL Director £1,000 |
| Jonnie Leger (Director) | Fees Received as a PICSEL Director £1,000 |
| Denise Swanson (Director) | Fees Received as a PICSEL Director £1,000 |
| Florian Koempel (Director) | Fees Received as a PICSEL Director £1,000 |
| Matthew Bailey (Director) | Fees Received as a PICSEL Director £1,000 |
| Alan Capel (Director) | Fees Received as a PICSEL Director £1,000 |
| Trevor Jennis McDermott (Director) | Fees Received as a PICSEL Director £1,000 |

**Includes £1,750 inclusive rent charged to PICSEL at a fair market rate and £1,809 pension contributions.*

**RightShare® - Distribution Revenue**

Revenue came from collective management schemes for Visual Artists operated by the CLA (Copyright Licensing Agency), PLS (Publishers' Licensing Services), ERA (Education Recording Agency, IVARO (Irish Visual Artists Rights Organisation).

PICSEL made a subvention of 15% for its administration costs on all distributions.

In 2018 it was agreed that any reasonable surplus should go towards a reserve and contingency fund for the benefit of members. The Board therefore agreed to implement a provision of £43,160 for non-distributable amounts for 2025, which has been partially offset by £28,160 being utilized from the 2018 provision, and £13,865 being utilized from the 2019 provision, bringing the total provision to £296,079. The 2018 and 2019 provision is being used to fund the PICSEL-ID project for the benefit of our members. In accordance with the obligations of the company under the Collective Management of Copyright (EU Directive) Regulations 2016, the provision is subject to a six- year cap under the Limitations Act, after which the amounts will be distributed to current members.

**PLS Annual Distribution (Royalties received in 2025 for 2024 licensing period)**

| Revenue* | Net | % of Total PLS Distribution | Paid to Members | Subvention |
|---|---|---|---|---|
| Matched Data | £30,118 | 23.42% | £25,600 | 15% |
| Unmatched Data | £50,860 | 17.3% | £43,231 | 15% |
| Total | £80,978 | 19.17% | £68,831 | 15% |

*Collective license revenue generated through business licenses raised by NLA on behalf of PLS.

**CLA Annual Distribution (Royalties received in 2024/2025 for the 2024 Licensing Period)**

| Revenue** | Net | % of Total CLA Distribution | Paid to Members | Subvention |
|---|---|---|---|---|
| Matched Data | £319,707 | 14.91% | £271,751 | 15% |
| Unmatched Data | £626,134 | 13.86% | £532,214 | 15% |
| | | | | |
| Total | £945,841 | 14.24% | £803,965 | 15% |

**Collective license revenue generated by educational, government and business licenses generated by CLA, document delivery and payments from overseas RROs.

An Exceptional Distribution was made by CLA during 2025 and was included in the unmatched distribution for 2025.

| Revenue received in 2025 from CLA | Net | % of Total CLA Distribution | Paid to Members | Subvention |
|---|---|---|---|---|
| Exceptional Distribution | £20,397 | NA | £17,337 | 15% |

**TV Annual Distribution Royalties (Royalties received in 2024-25 for licensing period 2024 from ERA) and payment from IMRO in the Republic of Ireland through DACS for 2024.**

| Revenue*** | Net | % of Total ERA Distribution | Paid to Members | Subvention |
|---|---|---|---|---|
| ERA | £81,407 | NA | £69,196 | 15% |
| IMRO | £17,886 | NA | £15,203 | 15% |

*** Under our agreement with DACS, whereby a market share is calculated annually by an independent auditor, the original payment from ERA was adjusted and £54,206.88 was received from DACS. The income relating to this distribution was received in both 2024 and 2025 and adjusted through the DACS agreement in July 2024 in time to be included in the main RightShare® 2025 distribution.

**IVARO Annual Distribution (Royalties received in 2025 for 2024 licensing period)**

| Revenue | Net | % of Total IVARO Distribution | Paid to Members | Subvention |
|---|---|---|---|---|
| RETURN**** | £24,122 | NA | £20,504 | 15% |
| | | | | |

****RETURN is a service for distributing reprographic royalties to visual creators. Reprographic royalties are collected from universities, schools and businesses in the Republic of Ireland that use photocopying machines.

**Deductions for social, cultural and educational services**

There were no deductions for social, cultural and educational services during this reporting period.

**Refusals to grant a license**

We have not refused to grant a license during this reporting period.

**Income arising from investment of rights revenue**

There was £18,032 income arising from investment of rights revenue during this reporting period.

**General distribution policies**

Distribution of this revenue is outlined in   Distribution Policy which is available in full on our website www.picsel.org.uk

However, the principles, and execution, can be briefly summarised.

The PICSEL Board, working with the Distribution Committee, is responsible for the formulation and implementation of the Distribution Policy and is required to ensure that the policy is fair, transparent and cost effective. It will regularly review the policy in response to:

- Any change in the terms of the licenses;
- Any change in the availability of data that has the potential to impact upon a distribution;
- Member satisfaction with the current policy.

CLA and PLS Licence revenue in 2025 was allocated to PICSEL in the following ways:

- 60% to unmatched educational claims
- 70% to unmatched non-educational claims
- 40% to matched educational claims
- 30% to matched non-educational claims

The Distribution Committee has advised the Board that revenue allocated to titles in the matching process should be paid to those titles following the principle of revenue following rights, and that the availability allocation should be shared out amongst claimants based on the number of uses claimed for.

All claims from all rights holders are treated equally without discrimination or prejudice to ensure PICSEL's principles of ensuring fair, equal and timely distribution of revenue to rights holders.

## REPORT ON ACTIVITIES

### 2025 AGM

Ritch Sibthorpe from Muwzo gave the keynote speech with a tour of AI in the creative sector that left members speechless, outlining the tangible potential for members with a positive view of the market available to them.

PICSEL Director Jonnie Leger from AKG-images gave a presentation on our social media project and how members should engage.

Nick Caw of Capture gave a very welcome presentation on their new software feature enabling Capture users to automate indexing of their images onto PICSEL-ID. This was very welcome news for many members and PICSEL.

Before the main AGM there was the traditional Claims Workshop, with an emphasis on maximizing PICSEL-ID.

The meeting was observed by a representative from the IPO to ensure compliance with The Regulations.

82% of all members voted either in person or by proxy to accept the formal resolutions with no abstentions. They also approved the reappointment of seven Directors:

Paul Seheult
Matthew Bailey
John Balean
Paul Brown (now as an individual creator)
Florian Koempel
Jonnie Leger
Denise Swanson

The CEO, Paul Seheult, then gave his presentation outlining the growth of rightsholder representation by VACMOs. The continued relative stagnancy of revenue available to all VACMOs is an ingoing issue but he showed how well PICSEL members returns have held up.

Updates were given on the progress of AVLA and The Smart Fund together with PICSEL's continued growth in membership and distributions to members.

**Membership and Distributions**

Membership growth accelerated in 2025 by 10.6%.

PICSEL's target at inception was to distribute £1mn in a year to members in our tenth year. We did this with a year to spare. It was noticeable that our market share for TV had risen to just under 30%.

**New Business**

AVLA continues to make positive progress despite resistance from some in the hospitality sector..

**BAPLA**

BAPLA FOCUS 2025 was a resounding success with a waiting list for cancellations on the day. Our CEO, Paul Seheult, took part in a panel discussion on AI with the CEO of DACS, Christian Zimmermann. Chaired by Anna Skurczynska from Open Plan Law.

The feedback from PICSEL members after the event was positive and that, having so much shared ground, the visual arts sector must work together.

It was also a time to celebrate BAPLA's momentous 50th Birthday.

**CEPIC Conference and Lobbying**

With our CEO as the BAPLA rep on the CEPIC Board, and as a co-sponsor of the inaugural Speed-Dating event we were closely involved in the planning of the Annual Conference held for the second year in Juan-les-Pins in the South of France.

The Speed-dating was an enormous success and has been booked for a repeat performance in 2026. Chaotic and noisy it was a very productive start to the day for 60 delegates. Many seasoned Congress participants said they thought they knew everybody in the industry, but they didn't and they made at least eight positive new contacts in the one-hour session with agreements signed later in the week.

The lobbying reach in Brussels available to tech far outstrips the creative sector, but the Commission is listening and CEPIC is very active on several fronts.

Essentially, the lobbying was a continuation of the work made on the AI Act - Art. 50 and Art. 53.1

- Transparency, opt-out and remuneration when it comes to AI input and training
- Transparency and AI output copyrightability when it comes to AI output

Work was also done on neighbouring rights for press publishers.

There is clearly more progress being made in the EU than the UK with legislation passed and mechanisms for implementation being sought, whilst the UK continues to try and find the ground rules to begin the process.

With the emerging realisation that there is no workable opt-out solution discussions moved to opt-in registries which in turn is strongly rejected by CEPIC and others.

The much-awaited Axel Voss report was mixed but overall it was more positive towards the creative sector than expected.

**IFRRO**

There are two annual conferences for IFRRO. The Mid-Year Conference in late Spring and the World Conference in Autumn. Our main interests are in the European, Authors and Visual Working Groups together with the Equipment Levy Forum which keeps us informed for The Smart Fund.

The Mid-year conference was held in Luxembourg, with AI once again dominating the programme. As the conference venue was opposite the CJEU, AI cases before them court featured heavily in presentations with several Advocates General speaking.

Visual works are now included in CMO AI licenses in some EU countries but rightly limited to works in the general reprographic license. The universal concern remains that AI output could compete with original works.

The World Annual Conference was held in Singapore, where AI continued to dominate to the extent that a new Licensing Forum has been created and linked to the new AI Task Force. CLA, PLS and ALCS gave a very slick presentation on Generative AI Licensing in the UK with the message that licensing is possible at scale.

IFRRO, like every other creative group insist that the focus should be on licensing.

**The Consultation on Copyright and AI**

This was quite possibly the biggest policy event of 2025. Launched in December 2024, the consultation and responses to it occupied the whole of 2025.

DACS and PICSEL held very successful joint in-person and virtual workshops with the expert guidance of Caroline Sinders from Convocation Design + Research. It came as no surprise that the onus placed on creators to “opt-out” effectively was seen at totally unworkable. In effect creators would spend more time on opting-out down the line than they would on creating new works if they wanted comprehensive protection of their rights which already exist at the moment of creation of the works. This is not accounted for by the Government with their preferred option roundly rejected as was any idea of exceptions.

Creators were not rejecting AI, they were simply asking for existing laws and regulations on copyright to be observed as the first step to licensing. There is no legal uncertainty, and never has been, but there is a clear failure of legal enforcement.

The response to the consultation was of record proportions and it took most of 2025 for the IPO to analyse and collate the responses, mainly because they had announced that there would be no AI analysis of the responses with each one of over 11,000 responses being dealt with by a human being.

Their response led to the Government withdrawing its recommendation for this exception and they announced that further consultation would be undertaken. There did however remain high concern around the Government’s AI Plan which appeared to ignore the results of the consultation, and the possibility of a new exception remains.

There then began a long period of political uncertainty that was not resolved until a new Prime Minister was appointed in 2026.

**CRAIC**

CRAIC’s campaigns throughout the year worked heavily to influence public opinion regarding AI and the creative industries, and with an intensity and unity that was unprecedented. Engagement with the general public and their increased awareness of copyright was a true success at a time when it is given little consideration in the internet age.

The highlight came early in the year with the Make It Fair campaign in February which saw every national newspaper lead with the same headline, together with the same image on the same subject for only the second time in history.

The campaign continued through the year and was joined by Ed Newton Rex’s “Is This What We Want” a virtual vinyl album of silent songs that lead the music industry’s own campaign but was supported by all other creative sectors.

The unified voice for the creative sector that CRAIC brought was in stark contrast to the situation in Brussels where there is a single AI voice with excessive numbers of creator groups holding different agendas and focus.

**Creators Remuneration – The Smart Fund**

The Smart Fund continued meetings with the IPO and DCMS to find a way to implement the recommendations of the DCMS Select Committee which gave broad support to the idea. The realisation reached towards the end of the year was the need for a survey on copying habits in the UK. It was clearly not enough to rely on the extensive surveys produced each year across Europe but to have a clear illustration of the habits of UK citizens.

Roundtables with MPs and Peers were held throughout the year as well as meetings with APPGs in Westminster.

**IPO**

There is regular contact with the IPO both through a dedicated CMO group and the biannual joint meetings between members of the BCC and the IPO.

**Artificial Intelligence**

Concern in the UK moved towards Computer Generated Works, and specifically Article 9.3 of the CDPA which was written decades before the emergence of AI but was being seen as guidance to AI generated works. The problem persists as to what constitutes an AI generated image, and how does it differ from an AI assisted work. Where is the bar and might we be in danger of setting it too low.

The mantra from the creative sector has been license, license, license. That is unlikely to change.

Little detail is known about real world licensing with most deals done behind NDAs whilst the courts in Europe and the USA continuing to fill up with AI litigation. The two run hand in hand and quite often between the same parties.

Visual Arts CMOs have been reluctant to license for AI Training for a number of reasons, not least the diversity of rights that exists in visual works, and the very real threat of competing works being created in the style of an artist which damages that artists reputation and earning potential.

Whilst PICSEL, together with DACS, have not engaged in CLA's plans to license for AI Training, we have both accepted that non-generative use in closed environments such as the workplace and schools for analysis is an extension of the photocopy license and does not threaten the livelihoods of our members.

**Acronyms in this Report**

AGM   Annual General Meeting AI   Artificial Intelligence

ALCS   Licensing and Collecting Society ATR   Annual Transparency Report

AVLA   Audiovisual Licensing Alliance CEO   Chief Executive Officer

CEPIC   Centre of the Picture Industry

CJEU - Court of Justice of the European Union CLA   Copyright Licensing Agency

CMO   Collective Management Organisation, commonly known as a collecting society CRAIC   Creative Rights in AI Coalition

CRAIC – Creative Rights in AI Coalition

DACS   Design and Artists Collecting Society

DCMS   Department for Digital, Culture, Media & Sport DSIT   Department for Science, Innovation and Technology ECL   Extended Collective Licensing

ERA   Educational Recording Agency

EU   European Union

IPO   UK Intellectual Property Office

IFRRO   International Federation of Reproduction Rights Organisations

VA - Visual Artists

VACMO - Visual Artists Collective Management Organisation

**REPORT OF FACTUAL FINDINGS**

To the directors of Picsel Limited

We have performed the procedures agreed with you and enumerated below with respect to the annual transparency report of Picsel Limited for the year ended 31 December 2025. Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedure engagements. The procedures were performed solely for the purpose of your compliance with Regulation 21 (2)(b) of the Collective Management of Copyright (EU Directive) Regulations 2016 and are summarised in the Collective Rights Management Directive.

We have carried out the agreed procedures as detailed in the ‘Guidance on the collective management of Copyright (EU Directive) Regulations 2016: supplementary guidance on annual transparency reports and audit’ issued by the Intellectual Property Office in October 2017. In relation to the breakdowns required by regulation 21(4) (g) to (k) our work was limited to the accounting information used to develop the breakdowns, and our work did not cover the merits of the decisions taken by Picsel Limited in order to allocate e.g. income or costs to particular categories, but was designed to ensure that the financial information presented as a result of these decisions is consistent with both the underlying books and records and the disclosed methodology.

We performed the procedures as set out in the guidance with no matters to report.

Although the above procedures are of an audit nature, they do not constitute a full scope audit or review engagement performed in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland). Accordingly, we do not express any assurance on the annual transparency report for the year ended 31 December 2025.

Had we performed additional procedures or had we performed engagements in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland), other matters might have come to our attention that would have been reported to you.

**Use and purpose of our report**

Our report is prepared solely for the use of Picsel Limited and solely for the purpose of its compliance with Regulation 21(2)(b) of the Collective Management of Copyright (EU Directive) Regulations 2016. It may not be relied upon by Picsel Limited for any other purpose whatsoever. Our report was not prepared for the benefit of any party other than Picsel Limited. Carpenter Box neither owes nor accepts any duty to any other party (including any copyright owner, heirs to copyright owners, agents or licensees) and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our report.

Carpenter Box.

**Carpenter Box**
Chartered Accountants
Worthing

**Date:** 10 September 2026

**Carpenter Box is a trading name of Carpenter Box Limited**