



Canada Music Fund

Support to Sector Associations Component

DEADLINE FOR FILING OF APPLICATIONS
December 16, 2005

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Guide and Application Form
2006-07



TABLE OF CONTENTS

<u>GUIDE</u>	<u>PAGE</u>
1. INTRODUCTION	1
2. COMPONENT'S OBJECTIVE AND EXPECTED RESULTS AND OUTCOMES	1
3. ELIGIBILITY REQUIREMENTS	2
4. ASSESSMENT OF APPLICATIONS AND FUNDING PRIORITIES	4
5. ELIGIBLE EXPENSES	4
6. FUNDING LIMIT	5
7. A FEW THINGS TO KEEP IN MIND	5
8. CONDITIONS ATTACHED TO FINANCIAL ASSISTANCE PROVIDED	6
9. SOME DEPARTMENTAL PROVISIONS	7
10. APPENDICES TO BE INCLUDED WITH THE APPLICATION FORM	8
11. HOW TO GET MORE INFORMATION	11
 <u>APPLICATION FORM</u>	
APPLICANT IDENTIFICATION	12
GENERAL INFORMATION	12
AGREEMENT, DECLARATION, ATTESTATION	13
APPENDICES CHECKLIST	14
APPENDIX 8—BUDGET 2006-07	15
APPENDIX 10—WHO ARE YOUR MEMBERS?	17

Support to Sector Associations Component

1. INTRODUCTION

This package contains both a guide and an application form for the *Support to Sector Associations Component*. The guide will answer a lot of questions you might have about the component and help ensure that the application form you file will be thorough and complete.

2. COMPONENT'S OBJECTIVE AND EXPECTED RESULTS AND OUTCOMES

The *Support to Sector Associations Component* is one of seven components of the **Canada Music Fund**.

This component's objective is to assist Canada's sound recording sector associations to continue providing their respective memberships with professional representation, analysis of public policy initiatives and increased monitoring of industry trends and issues.

Expected results and outcomes of the component include but are not limited to :

- 2.1 an improved organisational capability of sound recording sector associations;
- 2.2 an expanded capacity of sound recording sector associations to interact with appropriate government departments and agencies;
- 2.3 an improvement of the monitoring capabilities of sound recording sector associations thus leading to timely membership-specific socio-economic profiles;
- 2.4 a greater visibility of the sound recording sector associations to strengthen and increase their respective memberships; and
- 2.5 an increase in the capacity of sound recording sector associations in the area of public policy development, analysis, and research through sector-specific studies, surveys, and statistical analysis.

3. ELIGIBILITY REQUIREMENTS

3.1 To be eligible, the applicant must meet all of the following requirements:

- 3.1.1 be a Canadian association (see the note in the box at the end of section 3);
- 3.1.2 be registered or incorporated in Canada or one of its provinces or territories as a not-for-profit Canadian association representing the interests of Canadians working in the sound recording industry;
- 3.1.3 has an elected or appointed governing body, such as a board of directors, which represents the membership at large;
- 3.1.4 has been involved in representing the interests of Canadians in the sound recording industry for at least two consecutive years immediately preceding the date of filing an application under the component;
- 3.1.5 representing primarily Canadian songwriters, composers, performers, labels, music publishers, distributors, managers and agents in the sound recording industry;
- 3.1.6 has operations that are national or regional in scope (including associations representing the interests of Canada's Aboriginal Peoples, visible minorities or official language minority groups) (see the note in the box at the end of section 3);
- 3.1.7 be prepared to enter into a signed contribution agreement governing the financial assistance provided under the component (see section 8 for more details);
- 3.1.8 not being in default with the Crown from agreements entered into with Canadian Heritage or any other government department.

3.2 In addition, the following organizations are considered ineligible:

- 3.2.1 associations, including parties at non-arms-length (see the note in the box at the end of section 3), predominantly representing a specific musical genre;

- 3.2.2 associations, including parties at non-arms-length, whose principal activities and/or principal revenue streams relate to the undertaking of galas, award shows, workshops, conferences, and similar collective initiatives;
- 3.2.3 copyright collectives, funding organizations;
- 3.2.4 associations, including parties at non-arms-length, representing persons predominantly involved in technical activities related to the sound recording industry.

Note

What is a Canadian association:

For the purpose of the component, an association must be a not-for-profit organization in which more than half of its membership and more than half of the directors of the association's board are Canadian "citizens" as defined under the *Citizenship Act*, or "permanent residents" as defined under the *Immigration Act*.

For the purpose of the component a person that is controlled in any manner by a person or entity that is not Canadian that results in control in fact, whether directly through the ownership of securities or indirectly through a trust, an agreement, an arrangement or otherwise, is deemed not to be a Canadian.

Scope of operations of an eligible association:

The component will consider applications filed by associations, whose activities are national or regional in scope. The component recognizes the linguistic duality of Canada and will also consider applications from associations representing the interests of official language groups in either a majority or a minority situation.

Parties at non-arms-length:

Defined as parties related to the association filing an application under the component. Includes but is not limited to wholly-owned subsidiaries, and other related parties over whom the association exercises control in fact. Control in fact is typically although not exclusively determined through the existence of documents such as financial statements, corporate information, and bilateral or multilateral agreements.

4. ASSESSMENT OF APPLICATIONS AND FUNDING PRIORITIES

The fact that an association meets all eligibility requirements outlined in section 3 does not mean that it will automatically be provided financial assistance under the component.

The Department will only support associations that demonstrate that their mandates clearly and directly contribute to the component's objective and expected outcomes outlined in section 2 above. To this end, the Department will closely examine the type of activities the association proposes to undertake during the year.

All funds are awarded on the basis of a competitive process. While an application will be assessed on its own merits, it will also be evaluated against other applications received.

The component's total funding envelope being limited, the Department reserves the right to establish funding priorities and to allocate financial assistance accordingly.

5. ELIGIBLE EXPENSES

5.1 Financial assistance is awarded solely on the basis of both current and projected operational expenses, revenue streams and funding sources.

5.2 Only eligible operational expenses incurred and paid by an association between April 1, 2006 and March 31, 2007, are considered eligible. The Department reserves the exclusive right to determine the type and quantum of operating expenses that are eligible for financial assistance under the component. Operating expenses are those indicated in the applicant-association's financial statements and budget.

5.3 Ineligible expenses:

5.3.1 Capital costs (buildings, vehicles, computer equipment, etc.) and investments.

5.3.2 Expenses related to specific activities or projects typically funded through other components or programs (conferences, workshops, award shows, galas, etc.)

6. FUNDING LIMIT

- 6.1 Funds available for the component are limited. Accordingly, financial assistance might not be provided to all applicants and may be less than the amount requested.
- 6.2 Financial assistance provided in previous years under the Support to Sector Associations Program is **not** to be construed as a guarantee, express or implied, of financial assistance that could be provided in the 2006-07 year.
- 6.3 Financial assistance provided under the component is limited to the least of the following amounts:
- 6.3.1 actual shortfall of revenues and funding sources (other than assistance provided by the component) over eligible operational expenses;
 - 6.3.2 50% of eligible operational expenses incurred and paid in 2006-07;
 - 6.3.3 competitive allotment of total component funds available;
 - 6.3.4 amount requested; or
 - 6.3.5 \$250,000.
- 6.4 While the amount of the award is determined on the basis of budgeted information, funds provided are to assist in offsetting actual eligible operating expenses incurred and paid. Accordingly, the Department will require, when appropriate, the return of all or part of the assistance provided on the basis of actual financial results achieved.

7. A FEW THINGS TO KEEP IN MIND

7.1 Deadline for filing

It is incumbent upon and the sole responsibility of the applicant-association to ensure that a duly signed application form together with all required material is received at the Department's head office (25 Eddy Street 11th floor, room 25, Gatineau, Quebec, K1A 0M5) **no later than December 16, 2005.**

Please note that all applications received after this date will NOT be considered.

7.2 Complete applications

Only complete applications will be considered. More specifically, while the Department may ask for clarifications of information submitted by an applicant-association, the Department will not guide, assist, or otherwise aid in the completion of an application. It is therefore the applicant's sole responsibility to ensure that all appendices, information, briefs, calculations, supporting documentation, etc. are filed.

If you have any questions when completing your application, we encourage you to contact the Department (see section 11 for contact information) prior to submitting it.

Associations must retain a copy of their application form and all related materials for their files, since these documents may form part of their commitments if the request for financial assistance is approved.

8. CONDITIONS ATTACHED TO FINANCIAL ASSISTANCE PROVIDED

Associations receiving financial assistance under the component will be required to enter into a contribution agreement with the Department before any payment is issued. Some of the more salient requirements of the contribution agreement might include:

8.1 Undertaking certain activities chosen by the Department from those outlined by the applicant in their application.

The number of activities required will be proportional to the percentage of requested funding received by the applicant.

8.2 Filing with the Department documents including but not limited to:

8.2.1 a qualitative assessment of the impact of the financial assistance provided under the component;

8.2.2 interim and final activity reports for all activities undertaken by the association between April 1, 2006, and March 31, 2007;

8.2.3 financial reports / quarterly cash flow statements for the period between April 1, 2006, and March 31, 2007; and

8.2.4 under certain circumstances, a copy of financial statements of the association and related parties for a twelve-month period ending between April 1, 2006, and March 31, 2007.

8.3 Recognition of the financial assistance provided by the Government of Canada

All funding recipients must recognize the financial support provided by the Government of Canada by reproducing the logo and/or acknowledgment text on their Web site and for products and activities created as a result of the financial assistance provided. The conditions for the acknowledgement will be specified in the **contribution agreement** between them and the Department of Canadian Heritage. The "Canada" wordmark can be found at www.canadianheritage.gc.ca/logos.

The English acknowledgement text is:

We acknowledge the financial support of the Government of Canada through the Canada Music Fund.

The French acknowledgement text is:

Nous reconnaissons l'aide financière du gouvernement du Canada par l'entremise du Fonds de la musique du Canada.

8.4 Retention of and provision of access to financial and accounting records

Associations must maintain financial and accounting records for a period of five years after the date of the last remittance of the financial assistance provided under the component, including the association's financial statements (including year-end journal entries, adjustments, and working papers); accounting records (both computerized and books of original entry); banking records (including originals of cancelled cheques, bank statements, and related material); and originals of documentary evidence (invoices, contracts, leases, bills, receipts, etc.).

9. SOME DEPARTMENTAL PROVISIONS

9.1 The Minister's discretion and decisions

The Minister, or a duly authorized representative, at his own discretion, may decide to accept or refuse, in whole or in part, any application submitted. Any decision made by the Minister or representative is conclusive.

9.2 Evaluations and audits

In addition to the application of its established policies and procedures in the administration of financial assistance programs, the Department reserves the exclusive right to conduct audits of beneficiary-associations and evaluations of activities supported by the component. Beneficiary-associations of financial assistance under this component must make available, during the course of an audit or evaluation, any records, documents, or other information that—at the Department's sole discretion—may be required to perform the audit or evaluation. The Department will assume the costs related to such evaluations and audits. The assessment criteria to be used in such evaluations or audits will be determined solely by the Department.

Where an association has received government financial assistance from sources other than the component and/or the association's activities are multidisciplinary in nature extending beyond sound recording, the association's financial and accounting records must be structured in such a way as to clearly and separately identify:

- 9.2.1 all revenue streams and funding sources available for general application/use;

9.2.2 all revenue streams and funding sources available for activity-specific application/use, e.g. funding under other Canada Music Fund components;

9.2.3 those expenses eligible for financial assistance under the component.

9.3 False or misleading information

A beneficiary-association found to have submitted false or misleading information will be required to refund the whole of any financial assistance received under the component. Furthermore, such a beneficiary-association will be declared ineligible for financial assistance for a period of two years thereafter under any and all components of the Canada Music Fund.

9.4 Transparency and accountability to Canadians

The Department reserves the exclusive right to make available to the public all information filed in conjunction with this component.

10. APPENDICES TO BE INCLUDED WITH THE APPLICATION FORM

In addition to the application form, an applicant must submit, by the prescribed deadline, the following information as appendices to the application form.

The appendices indicated by way of an asterisk (*) need to be filed by all new applicants **and** by recipients of the 2005-06 Support to Sector Associations Program **if** a change has occurred since their application in 2005-06.

Appendix 1: Incorporation Documents*

A copy of the applicant's letters patent, supplementary letters patent, corporate charter, and other similar constituting documents demonstrating the applicant's not-for-profit status, its objects, and Canadian citizenship requirements of its general membership and of its directors of the board.

A copy of the applicant's by-laws, special resolutions, conflict of interest policy or guidelines, and ethics standards.

Appendix 2: Board of Directors*

A list of names and citizenship of the association's board of directors.

Appendix 3: Description of the Association*

A brief description of the association's mandate, membership, and scope of operations and activities. This appendix must also include a statement as to how said activities further the component's objective (refer to section 2).

Appendix 4: Offices*

(If applicable) A list of the association's satellite offices along with contact information.

Appendix 5: Attestation A

Documentary evidence, e.g. resolution or minutes of the board, as proof that the applicant's board of directors or responsible officers have authorized the filing of the application.

Appendix 6: Attestation B

Documentary evidence, e.g. resolution or minutes of the board, as proof that the applicant's board of directors or responsible officers have authorized the person signing the application to act on behalf of and represent the association with respect to the filing of the application.

Appendix 7: Financial Statements 2005-06

A copy of the applicant's financial statements for the twelve-month period ended anytime between April 1, 2005, and March 31, 2006. These statements must be audited, or where audited statements are not available, signed by two directors of the association's board. In either case, these statements must conform to Canadian generally accepted accounting principles. In addition, applicants must provide a copy of the most recent financial statements for any related parties indicated and referred to in the applicant's own financial statements.

Appendix 8: Budget 2006-07

Using the template provided, the applicant's operating budget for the period commencing April 1, 2006, and ending March 31, 2007. The budget must include the amount of financial assistance requested under the component. The budget must also include all other revenue streams and funding sources separately. All formulas and assumptions used in arriving at the budget must also be included. Successful applicants will be asked to present financial/progress reports using the same format during the year.

Appendix 9: Compliance Disclosure

(If applicable) A disclosure attesting to the fact that any former public office holder or public servant, who is employed by the applicant, is in compliance with the post-employment provisions of the relevant *Conflict of Interest and Post-Employment Code for the Public Service*.

Appendix 10: Who are your Members?

Using the template provided, a membership profile must be provided by the association. The template has three sections, one for companies that are members, one for individuals that are members, and one for all members broken down by province.

The first section of this appendix is a breakdown by activity of member companies only. The number of owners and employees should be totalled for all companies of a particular activity and listed in the three right-hand columns.

The second section is for individuals who retain their own membership in the association. For instance, this includes people who are not a part of one of the companies mentioned in the first section but who have individual memberships. This section can also include individuals who are employees of those companies, but who maintain memberships individually and separate from their company's membership. It does not include employees of member companies who are members simply because the company they work for is a member.

The third section of this appendix is a composite of the first two sections broken down by province, instead of by activity. The middle column is for companies, while the right column is for individuals of the same type as those listed in the second section.

If the association's by-laws establish categories of members different from those included in this appendix, please file—as Appendix 10A—a breakdown of members sorted by the categories outlined in the association's by-laws.

Appendix 11: Diverse Funding

A summary of efforts undertaken by the association in the last year to avail itself of more diverse funding, including (1) new revenue streams, (2) private and public sector sponsors and funding sources, (3) a larger membership base, and (4) an increase in members' dues.

Appendix 12: 2006-07 Proposed Activities / Expected Outcomes

A description of the association's proposed activities for the 2006-07 fiscal year together with a brief narrative explaining how they specifically address and contribute to the realization of one or more of the expected results and outcomes indicated at section 2. To the extent practicable, each activity outlined in Appendix 12 should also relate to one (or more) expense item(s) outlined in the budget filed as Appendix 8.

11. HOW TO GET MORE INFORMATION

General inquiries

Pierre Carpentier
Telephone: (819) 997-5884
Facsimile: (819) 934-2024
E-mail: pierre_carpentier@pch.gc.ca

Address

25 Eddy Street, 11th Floor, Room 25 (25-11-P)
Sound Recording Policy and Programs
Department of Canadian Heritage
Gatineau, Québec K1A 0M5

To access the guide and application form on our Web site

<http://www.pch.gc.ca/cmfmusic>

APPLICATION FORM

APPLICANT'S ID

Legal name of the association:

Trade name of the association (if different from legal name):

Previous legal name of the association (if applicable):

Date of incorporation (yyyy/mm/dd):

- Federal
 Provincial
 Unincorporated

Business Number:

OR

GST/HST Number (9 digits):

Street address (city, province/territory, postal code):

Office tel. No.: () -

Fax No.: () -

In which official language do you wish to communicate?

- English French

Contact person's name: Mr. Mrs. Ms. Other

Title:

E-mail:

GENERAL INFORMATION

First year of operation in Canada (yyyy/mm/dd):

Number of full-time employees:

Number of part-time employees:

Are there any former public servants working for your organization?

- Yes Please attach Appendix 9 as described in the guide.
 No

Does your organization have any satellite offices?

- Yes Please attach as Appendix 4 a list of their contact information.
 No

Amount requested under the component for 2006-07:

AGREEMENT , DECLARATION , ATTESTATION

In consideration of the Department of Canadian Heritage's reviewing and considering this application filed under the Support to Sector Associations Component, the applicant, by signing below, hereby agrees:

1. to having read the guide and application form and agree to all terms, conditions, provisions, definitions, etc., set forth therein;
2. to be bound by all decisions of the Department in connection with this application for financial assistance or in connection with any payment or remittance of financial assistance;
3. that the Department and its minister, officers, employees and agents be held harmless from and shall not be liable for any and all claims (direct or indirect, consequential or incidental), damages, loss, costs and expenses which the applicant may at any time incur or suffer as a result of or arising from the carrying out of their activities and/or contribution agreement;
4. that all information filed in conjunction with this component may, at the Department's sole discretion, be made available to the public; and
5. that the association is not in default with the Crown for financial assistance received under the Support to Sector Associations Program or under any other federal program.

I HEREBY DECLARE THAT to the best of my knowledge, the information contained in this application form and appendices is accurate and complete, and that the activities proposed, including plans and budgets, are fairly presented; AND

I HEREBY ATTEST THAT THE ASSOCIATION WILL:

- ▶ publicly acknowledge funding assistance received under the Canada Music Fund;
- ▶ enter into and abide by the terms and conditions set out in a contribution agreement governing assistance provided under the Canada Music Fund;
- ▶ submit interim and final activity and financial reports, and where required, a financial accounting of the funding assistance provided under the Canada Music Fund; and
- ▶ will respect the spirit and intent of the various acts governing the programs of the Department of Canadian Heritage.

Signature: _____

Please print name: _____

Title: _____

On behalf of (association's name): _____

Date: _____

APPENDICES CHECKLIST

The following information and checklist must accompany your duly signed and dated application form. Information regarding all of these appendices can be found in section 10 of the guide.

- | | |
|--|---|
| <input type="checkbox"/> Appendix 1 | Incorporation Documents |
| <input type="checkbox"/> Appendix 2 | Board of Directors |
| <input type="checkbox"/> Appendix 3 | Description of the Association |
| <input type="checkbox"/> Appendix 4 (if necessary) | Offices |
| <input type="checkbox"/> Appendix 5 | Attestation A |
| <input type="checkbox"/> Appendix 6 | Attestation B |
| <input type="checkbox"/> Appendix 7 | Financial Statements 2005-06 |
| <input type="checkbox"/> Appendix 8 (provided) | Budget 2006-07 |
| <input type="checkbox"/> Appendix 9 (if necessary) | Compliance Disclosure |
| <input type="checkbox"/> Appendix 10 (provided) | Who are your Members? |
| <input type="checkbox"/> Appendix 10A | Membership (if applicable) |
| <input type="checkbox"/> Appendix 11 | Diverse Funding |
| <input type="checkbox"/> Appendix 12 | Proposed Activities / Expected Outcomes |

PLEASE ENSURE THAT:

- ALL SECTIONS OF THE APPLICATION FORM HAVE BEEN COMPLETED;
- THE APPLICATION FORM HAS BEEN SIGNED;
- ALL NECESSARY APPENDICES HAVE BEEN INCLUDED;
- THE APPLICATION FORM AND REQUIRED APPENDICES ARE LEGIBLE;
- THE APPLICATION FORM AND REQUIRED APPENDICES ARE FILED WITH THE DEPARTMENT NO LATER THAN DECEMBER 16, 2005.

**INCOMPLETE OR ILLEGIBLE APPLICATIONS
WILL BE REJECTED**

Appendix 8-BUDGET 2006-07

INSTRUCTIONS:

1. PROJECTED REVENUES / FUNDING STREAMS FROM ALL SOURCES, INCLUDING AMOUNT REQUESTED UNDER THE COMPONENT, AND ALL PROJECTED EXPENSES ARE TO BE INDICATED.
2. INCLUDE ALL UNDERLYING CALCULATIONS AND/OR HYPOTHESES USED TO ARRIVE AT THE AMOUNTS INDICATED.

REVENUES / FUNDING STREAMS

Description	Amount
SSA Component (amount requested)	
Other public funding (list individually)	
Name	Confirmed? (Yes/No)
Other private funding (list individually)	
Name	Confirmed? (Yes/No)
Membership dues	
Interest income	
Other revenues (list individually if greater than 15% of total)	
In-kind donations, contras, etc. (at estimated market value)	
Total projected revenues / funding streams	

Expenses

Description	Amount
Salaries and employee benefits	
Surveys, polls, studies, analysis (note: including contracted services)	
Management fees, professional services, e.g. legal and audit, etc.	
Advertising and promotion	
Web site development and maintenance	
Travel	
Rent-office space	
Office expenses, e.g. telephone, utilities, insurance	
Other expenses (list individually if greater than 15% of total)	
In-kind donations, contras, etc. (at estimated market value)	
Total projected expenses	

Surplus (shortfall) of revenues over expenses:

\$ _____

NOTE: ASSISTANCE UNDER THE COMPONENT CANNOT RESULT OR CONTRIBUTE TO A SURPLUS OF REVENUES OVER EXPENSES.

Appendix 10—WHO ARE YOUR MEMBERS?

The information provided in this section should be representative of the association's membership profile on the date that the application is filed.

Table 1. Number of corporate/organizational memberships according to their primary business activity

Activity	Number of companies/ organizations	Number of employees		
		Owner/ operator	Full-time	Part-time
Record companies/record labels (excluding vanity labels)				
Music publishers				
Distributors of recordings				
Artist management/booking agencies				
Concert producers				
Other				
Total number of companies/organizations				

Table 2. Number of individual memberships according to their primary music-related activity

Activity	Number of individuals
Performers/recording artists (including vanity labels)	
Songwriters/composers	
Managers	
Record producers	
Other	
Total number of individuals	

Table 3. Number of companies/organizations and individuals by province and territory

Province/territory	Number of companies or organizations according to the location of their head offices	Number of individuals according to their place of residence
Alberta		
British Columbia		
Manitoba		
New Brunswick		
Newfoundland and Labrador		
Northwest Territories		
Nova Scotia		
Nunavut		
Ontario		
Prince Edward Island		
Quebec		
Saskatchewan		
Yukon		
International		
Total		

Note: Totals on Table 3 must reconcile with those at Tables 1 and 2.