

Livres Canada Books MENTORING – FUNDING SUPPORT PROGRAM



2011-2012 Final Report

Deadline for receipt of reports: Friday, May 4, 2012

Dear Colleague,

We have posted the instructions, forms and spreadsheets for the preparation of the Mentoring – Funding Support program final reports on our website at www.livrescanadabooks.com/en/funding/mentoring.

You will also shortly receive a letter confirming the percentage of your eligible export sales. This percentage was calculated by dividing your firm's eligible export sales by the total sales of the financial period accepted for your 2011-2012 application.

Thus, it is still essential that you provide your total expenses in your final report (even if the total exceeds the amount of eligible expenses). In addition to your total expenses, we also ask that you provide an Activity Report (annex A) for each export sales trip and/or international trade event. We do appreciate that this requires a bit more time, but this information is also part of a package that will enable Livres Canada Books to submit comprehensive applications to and ensure a stronger lobby at the government level for increased support to you and your colleagues.

Should Livres Canada Books require any clarification, explanation or further information following the analysis of the final reports, you will receive a request for the missing information, which must be submitted to Livres Canada Books within 30 calendar days. Failure to respond within the deadline will result in the withholding or possible cancellation of the final payment. Livres Canada Books may also exclude your company from its programs in 2012-2013.

Livres Canada Books also reserves the right to conduct an audit of any publisher's export-related expenditures that benefit from Livres Canada Books contributions.

We thank you in advance for your cooperation in providing a comprehensive and complete final report. In the meantime, should you have any questions or concerns regarding your final report, do not hesitate to contact me at (613) 562-2324, ext. 225 or at cdoucet@livrescanadabooks.com.

Best regards,

Christy Doucet
Programs Manager

MENTORING – FUNDING SUPPORT PROGRAM

In addition to providing forms for the Qualitative Report, we provide spreadsheets for you to use in preparing your International Marketing Activities List, and an Enclosures Report. The completed forms must be submitted by mail to Livres Canada Books by May 4, 2012.

When examining last year's final reports, we noted that a number of publishers included expenses or submitted documents that were not eligible. The Secretariat then had to contact these publishers to request additional information and/or supporting documents, causing delays in the payment of publishers' holdbacks.

To avoid such delays, please note the following:

- Credit card statements are not eligible as supporting documents.
- Travel and participation in international book fairs: when a delegate receives a contribution for a fair under Livres Canada Books' Programs (e.g. FRMAP), the remaining portion is not an eligible expense. Do not include these costs in your final report.
- You need to provide an Activity Report (annex A) for each export sales trip and/or international trade event only for those events for which the company has not received a contribution under another Livres Canada Books' Program (e.g. FRMAP).
- The Chief Executive Officer of the company must confirm in writing (on letterhead) the name, position and annual salary of the employee(s) involved in international marketing.
- Internal expense reports or general ledger listings are not eligible as supporting documents.
- Association's invitations, fair registrations and catalogue forms must be accompanied by a proof of payment (both sides of cheque).
- Creation and/or maintenance of a website is only eligible to the maximum of website cost multiplied by the percentage of export sales.
- Maintenance of a toll-free line is only eligible to the maximum of the international portion of the toll-free line cost multiplied by the percentage of export sales.
- All taxes paid out as part of eligible activities, excluding the taxes and service fees on transportation tickets, are not covered and are to be excluded from the final report.

To enable Livres Canada Books to disburse the 25% holdback of the 2011-2012 Mentoring – Funding Support contribution towards your international marketing activities, the following documents are required:

1. Qualitative Report

As part of the 2011-2012 Mentoring – Funding Support final report, you must fill out the Qualitative Report.

2. International Marketing Activities List

You will note we have provided a list of eligible international marketing activities. Where appropriate, list corresponding costs; you may also add activities and corresponding costs in the "Other" section of the form.

Percentage of Eligible Export Sales

Please use the percentage of eligible export sales that is sent to you by Livres Canada Books.

Eligible Expenses

Please use the amount of total eligible expenses found in your Livres Canada Books Contribution Agreement, section 3.

Activities List

Export Sales Trips or International Trade Events

For this eligible expense, you need to provide an Activity Report (annex A) for each export sales trip and/or international trade event only, for those events for which the company has not received a contribution under another Livres Canada Books' Program (e.g., FRMAP).

Subtotal A

In order for Livres Canada Books to report publishers' total investment in export activities to the Canada Book Fund, it is essential that you provide a complete list of your international marketing expenses (even if the total exceeds the amount of eligible expenses).

- All expenses related to international marketing activities incurred between April 1, 2011 and March 31, 2012 are eligible with the following exceptions: capital expenditures and cost of goods sold, including royalties.
- Costs must be indicated in Canadian dollars.
- Overhead expenses cannot be included in the activities list section.
- All taxes paid as part of eligible activities are not covered and are to be excluded from the final report.
- International marketing activities and export-related expenses already covered under Livres Canada Books' programs or a federal or provincial program will not be eligible for assistance under Mentoring – Funding Support.

Salary Component

Salaries of individuals involved in international marketing under Mentoring – Funding Support (exclusively or not) may be claimed in addition to overhead expenses, subject to the following conditions:

- The salary claimed must not exceed 50% of the total amount of the company's salaries related to international activities for the year of application.
- The Chief Executive Officer of the company must confirm in writing the name, position, annual salary of the employee(s) in question.
- The amount claimed must not exceed \$ 500.

Overhead Expenses

The spreadsheet automatically calculates the amount representing the overhead expenses, which consists of 25 % of the amount on the Subtotal B line. There is no need to provide supporting documents.

Total Expenses

The spreadsheet automatically calculates this amount as well. When a publisher's total expenses are less than the eligible expenses, the contribution is adjusted accordingly.

3. Enclosures Report

- You must send to Livres Canada Books invoices/receipts for your international marketing activities and export-related expenses confirming 25% of the eligible expenses.

- The dates of all supporting documents should be between April 1, 2011 and March 31, 2012.
- Number, date and describe each supporting document listed in the Enclosures Report.
- Each document (invoice/receipt) submitted must be accompanied by a description in the Enclosures Report. A final report accompanied by a GL listing instead of a duly completed International Marketing Activities List and Enclosures Report will be returned to the publisher.
- If an expense was not paid in Canadian dollars, indicate currency and exchange rate.
- If only a portion of the expense billed is used in the final report, provide the breakdown of your calculations.

Refer to the eligible expenses and supporting documents table below to identify which specific supporting documents are required.

4. Certification

The Mentoring – Funding Support final report Certification must be signed by the person authorised to submit and sign the report on behalf of the company.

5. Promotional Material

Publishers must submit copies of any publications, brochures, catalogues, advertisements or other promotional material produced and/or used for their international marketing strategy in 2011-2012 by May 4, 2012.

Eligible Expenses and Supporting Documents

Export Sales Trips and International Trade Events

Eligible Expenses	Supporting Documents
<ul style="list-style-type: none"> • stand rental (International trade events) • stand construction and furniture (International trade events) • transportation, housing and meals during an export sales trip or an international trade event (only for those events for which the company has not received a contribution under FRMAP) 	<ul style="list-style-type: none"> • invoice from the fair or event coordinator • invoice confirming costs • ticket for transportation, travel agency's invoice, meal receipts (with the date), hotel receipt
<p><i>NOTE: when a delegate receives a contribution for an export sales trip or an international trade event under FRMAP, the remaining portion is not an eligible expense under Mentoring – Funding Support.</i></p>	

Mailing, shipping and storage of material

Eligible Expenses	Supporting Documents
<ul style="list-style-type: none"> • direct-mail (foreign) • shipment of books (direct selling or for trade fairs) • storage (foreign countries) 	<ul style="list-style-type: none"> • invoices confirming cost of mailing • invoices confirming cost of shipping • invoices confirming storage cost

Distribution fees, commissions, etc.

Eligible Expenses	Supporting Documents
<ul style="list-style-type: none"> • independent professional fees (consultant, publicist, rights agent) • commission paid to foreign sales representatives • distribution fees – promotion only (foreign countries) 	<ul style="list-style-type: none"> • invoice confirming professional fees • invoices/reports submitted by sales rep or foreign distributor • invoices/reports from foreign distributor

Promotional activities

Eligible Expenses	Supporting Documents
<ul style="list-style-type: none"> • advertising (foreign newspapers, magazines, electronic media) 	<ul style="list-style-type: none"> • invoices confirming production costs • invoices confirming ad space and rate • copy of the ads
<ul style="list-style-type: none"> • promotional material (flyer, catalogues, bookmarks, posters, dummies, etc...) <i>Eligible portion = cost before taxes x percentage of eligible export sales</i> 	<ul style="list-style-type: none"> • invoice confirming production costs (confirm quantity used in foreign promotion) • invoice confirming cost of mailing/shipping • the original of all promotional material
<ul style="list-style-type: none"> • author tours (foreign countries) 	<ul style="list-style-type: none"> • letter signed by the CEO confirming the firm did not receive funding from a federal or provincial agency or department for the author tour <i>To be considered an eligible expense, this letter must accompany your final report</i> • ticket for transportation or hotel receipt
<ul style="list-style-type: none"> • review copies or samples 	<ul style="list-style-type: none"> • confirm unit production cost of the books (confirm quantity used in foreign promotion) • invoice confirming cost of mailing/shipping
<ul style="list-style-type: none"> • creation and maintenance of a website <i>Eligible portion = cost before taxes x percentage of eligible export sales</i> 	<ul style="list-style-type: none"> • invoices related to the website
<ul style="list-style-type: none"> • telemarketing (long distance calls to foreign countries) 	<ul style="list-style-type: none"> • telephone bills (Canadian or foreign)
<ul style="list-style-type: none"> • maintenance of an international toll-free line <i>Eligible portion = cost before taxes x percentage of eligible export sales</i> 	<ul style="list-style-type: none"> • telephone bills (Canadian or foreign)

Foreign membership and subscription

Eligible Expenses	Supporting Documents
<ul style="list-style-type: none">• membership in foreign association• subscription to foreign magazine (book publishing)	<ul style="list-style-type: none">• membership invoice• subscription invoice

Ineligible Documents and Expenses

- Credit card statements
 - Internal expense reports
 - Portion of a delegate's expenses during a fair when this delegate has received a contribution under FRMAP
 - Internal money requisitions not accompanied by relevant invoices/receipts
 - Copy of cheques or cheque stubs not accompanied by relevant invoices
 - Invitations, fair registrations and catalogue forms not accompanied by proof of payment (both sides of a cheque)
 - Pay slips not accompanied by a letter signed by CEO confirming employee's name, position and amount claimed
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Send your final report to:

Priya Ramjuttun, Interim Programs Manager

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**Deadline for receipt of final reports and supporting documents by Livres Canada Books:
FRIDAY, MAY 4, 2012**