

ANNUAL REPORT

1996/1997



President's Report

"Check your guns at the door!" When I was first asked to join the FACTOR Board in 1985 this became a phrase I was to hear often during the many FACTOR meetings of our early growth. While it does not literally refer to lethal weapons it does elude to the FACTOR Board's zero tolerance for ego, self-interest and the promotion of separate agendas. I have come to appreciate FACTOR as a unique hybrid where the sometimes opposing forces in our industry meet to conduct business for one common cause - the growth and development of the Canadian independent recording industry.

It has been my privilege during my tenure as president to respect, enshrine and protect this sometimes fragile balance. We do it for one reason and one reason only, it is the right thing to do.

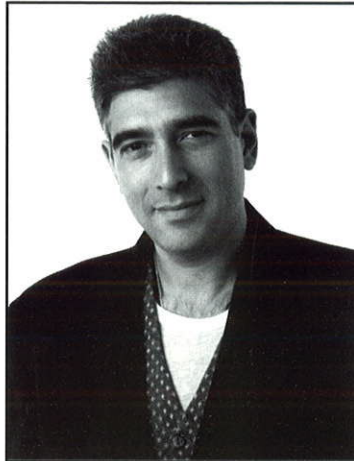
It has been a very interesting year at FACTOR. The relationships that FACTOR has enjoyed with all of its partners have changed significantly this past year.

The CRTC recently rendered a decision regarding Canadian talent development initiatives that has made a significant impact on the funding FACTOR receives from broadcasters. While the contributions continue to remain voluntary, they are now drawn from a much broader base. The total income FACTOR received from its sponsoring and contributing broadcasters has increased 39% over the previous year as a result of this decision.

On the Sponsoring Broadcasters side of things, I am very pleased to report that two of FACTOR's Sponsoring Broadcasters, (both of them founding Sponsors) have reached and surpassed the \$2 million mark in contributions to the foundation. Rogers Broadcasting achieved this milestone in June 1996 and CHUM Ltd in October of the same year. FACTOR's relationship with the Department of Canadian Heritage has also changed significantly this past year. I am pleased to report that the much-needed, long-overdue funds for the marketing and promotion of sound recordings has been announced. The Honorable Sheila Copps, Deputy Prime Minister and Minister of Canadian Heritage announced in November 1996 a three year \$15 million increase in funding to the Sound Recording Development Program. Two components of the new SRDP program will be administered

by Canada Council and the Department of Canadian Heritage. FACTOR will be responsible for administering \$5.115 million annually or \$15,345 million over the three year term of the new agreement.

These new funds will somewhat enhance existing program budgets, however the bulk of the funds will be invested in touring both domestically and internationally and in the marketing and promotion of sound recordings.



FACTOR also celebrated its 15th Anniversary luncheon during Canadian Music Week in March 1997. At this luncheon The Honorable Sheila Copps, Deputy Prime Minister and Minister of Canadian Heritage signed the new three year agreement with FACTOR and MUSICACTION. The luncheon, hosted by Ian Thomas, with performances by Eric Nagler and Amy Sky turned out to be one of the highlights of Canadian Music Week. At this luncheon Canadian Music Week presented FACTOR with an Industry Builder Award.

It has been a very positive year for FACTOR and we look forward to the challenges of developing new programs that are responsive to the needs of the industry. While the Board of Directors recognizes that the amount of funding for which the foundation is responsible has significantly increased, the Board continues to have a strong commitment to ensuring they are investing the funds in a prudent and responsible manner at all times. I speak for both my fellow Board members and the staff of FACTOR when I say "We look forward to the challenges that lay ahead! "

A large, stylized handwritten signature in black ink, which appears to read "Jason Sniderman". The signature is written in a cursive, flowing style.

Jason Sniderman
President

Direct Board Approval Program

The Direct Board Approval program provides financial assistance to Canadian-owned and controlled labels doing business nationally and internationally. For a label to receive funding from this program, they must have a proven track record.

Two levels of funding are available. Level "1" companies receive up to 50% of their eligible budget to a maximum of \$60,000 per project. Level "2" companies receive up to 50% of their eligible budget to a maximum of \$30,000 per project.

After three years in the program, all labels are required to annually meet or surpass the average repayment level to FACTOR to continue to receive funding from this program. Labels that do not meet or surpass the industry average are eligible for album funding through the FACTOR Loan Program.

Funding for a video is also made available at the time the application for the sound recording is submitted for approval. DBA companies can access up to 50% of their eligible budget to a maximum of \$15,000 per video.

Funding for this program comes from the Department of Canadian Heritage's Sound Recording Development Program as well as from FACTOR's Sponsoring Broadcasters.

FACTOR received 34 applications of which 27 were approved for support for the following artists:

Booming Airplanes
 Michael Burgess
 Meryn Cadell
 Bruce Cockburn
 Sara Craig
 Aaron Davis & David Piltch
 Damhnait Doyle
 Gandharvas
 Bruce Guthro
 Hudson Chamber Woodwinds
 Inbreds
 Tino Izzo
 Jerry Jerry
 knock-down-ginger
 Colin Linden
 Mystery Machine
 Pursuit of Happiness
 Raggadeath

Rawlins Cross
 Rev.
 Rusty
 Sandbox
 Shallow, North Dakota
 Al Simmons
 Super Friendz
 superGarage
 Wild Strawberries

Submissions & Approvals by Province



RUSTY



The FACTOR Loan Program assists Canadian-owned or controlled labels, production companies, producers, managers and artists that have FACTOR-approved distribution with the production of albums. Funding is provided in the form of loans to cover the cost of producing professional album recording projects for commercial release. Loans of up to 50% of the eligible budget to a maximum of \$20,000 are available.

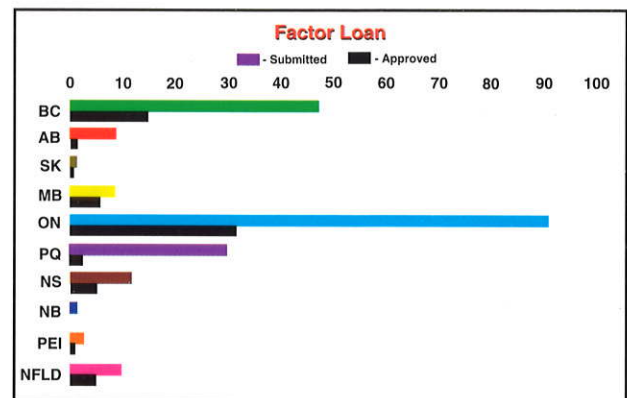
Funding for this program comes from the Department of Canadian Heritage's Sound Recording Development Program as well as from FACTOR's Sponsoring Broadcasters.

FACTOR received 215 applications of which 70 were approved for support for the following artists:

- Angstones
- Shango Ashe
- Babblebrook
- Willie P. Bennett
- Heather Bishop
- Bran Van 3000
- Cori Brewster
- Bobby Cameron
- Cindy Church
- Susan Crowe
- Crusoe
- Downchild Blues Band
- Phil Dwyer
- Corey Ellis
- M.L. Fallis
- Larry Folk
- Roy Forbes
- Funk 'N' Stein
- Rachel Gauk
- Suzanne Gitzi
- Glueleg
- Curtis Grambo
- Gypsy Soul
- Caitlin Hanford
- hHead
- Susan Hoepfner
- Martha Johnson
- Hiram Joseph
- Judy & David
- Connie Kaldor
- Kat Rocket
- Daniel Koulack
- Mary Jane Lamond
- Lazo
- Ted Longbottom
- Lisa MacDougall
- Macedonian Mazl-Tov
- Maxine MacLeod
- Linda McRae
- James Miller
- Denise Murray
- New Music Concerts' Ensemble
- Aron Niyitunga
- Noise Therapy
- David Occhipinti Group
- Paperboys
- Kathy Phippard
- Plumtree
- Popov & Vona
- Punters
- Queazy
- Catherine Robbin
- Kelly Russell And The Planks

- Gordie Sampson
- Scruj Macdukh
- Laura Smith
- Christina Smith & Jean Hewson
- Frankie Sparks
- Stickpeople
- Brian Black Thunder
- Tristan Psionic
- Radioland Jazz Compilation
- Alex Dean
- Phil Dwyer
- Pat LaBarbera
- Kirk MacDonald
- Mike Murley
- Rick Wilkins
- Tumbleweed
- Tzimmes
- Shari Ulrich
- Katherine Wheatley
- Jimmy Whiffen
- Whiteley Brothers
- Stich Wynston's Modern Surface
- Wyrd Sisters

Submissions and Approval by Province



Evaluators & the Process

Applications submitted to FACTOR for financial support from the FACTOR Loan, Independent Artists Loan, New Talent Demo Award and Professional Publishers and Songwriters Demo Grant programs are reviewed by evaluation panels that specialize in a specific musical genre. The panels include professional representatives from both the recording and broadcasting industries.

During this fiscal, 215 (136 previous year) evaluations were conducted nationally. FACTOR wishes to thank the following 506 (316 previous year) individuals who generously donated their time to assess applications and made recommendations to the Board of Directors for the projects that were unanimously recommended for support.

FACTOR would also like to acknowledge and thank its Regional Evaluation Co-ordinators who organized and conducted 55% of the evaluations across the country.

Denis Parker - Music Industry Association of Newfoundland & Labrador

Christine Flemming- Music Industry Association of Nova Scotia

Glenn Ingersoll - Music Industry Association of New Brunswick

Betty Lou Jordan - Association for Island Music

Gaylene Dempsey - Manitoba Audio Recording Industry Association

Marion Donnelly - Saskatchewan Recording Industry Association

Charlotte Bowman - Alberta Recording Industry Association

Ellie O-Day - Pacific Music Industry Association

Abbass, Paul	Berring, Peter	Carmichael, Margie	Dooley, Tom	Goudie, Scott W.	Hiscock, June
Abraham, Philip	Berry, Mark S.	Carmichael, Urban	Downe, Kenny	Grant, Cameron	Hoffert, Brenda
Achtman, Arnie	Bhaird, Tristis	Carson, Carol	Downton, Brian	Grant, Len	Holmes, Doug
Adams, Sandra	Billard, Ross	Castellari, Paul	Dube, Dan	Gray, Justin	Homan, Cheryl
Addington, Bernie	Blizzard, Gloria	Chapman, Billy	Dunsford, Wayne	Greenspoon, Danny	Homonylo, Greg
Aguanno, James	Bodnarchuk, Greg	Chappel, Liz	Dunville, Kent	Gregoire, Darcy	Hopcroft, Laura
Ahmed, Tariq	Boire, David	Cheek, Melanie	Durling, Robyn	Gregory, Allan J.	Horton, George
Albert, Kim	Bomberry, Elaine	Chesney, Dave	Dutka, Dave	Greiner, Melissa	Hothi, Dal
Alcorn, Jamie	Bordeaux, Joscelyne	Chycki, Richard	Elfenbaum, Murray	Grenon, Dave	House, Reg
Alfonso, Ralph	Bordl, Stephen	Codgell, Steve	English, Derm	Grierson, David	Hovey, Allison
Allen, Brian	Bourque, Catherine	Coghlan, Tanya	Evans, Kevin	Guerrieri, Carman	Hubbard, Steve
Alper, Eric	Bower, Laurie	Cohen, Judith	Evans, Paul	Guy, Stephen	Hudson, Hal
Altman, Eric	Bowler, Darrin	Cole, Jack	Fay, Regina	Guzman, Hugo	Hughes, Brian
Amsterdam, Elisa	Boyce, Graeme	Coleman, Sean	Fedrau, Bonnie	Hamilton, Andre	Irving, Ron
Andrews, Derek	Bradock, Tim	Collier, Bill	Ferguson, John	Hammond, Marie	Isaacs, Orin
Andronache, Alex	Bray, Sean	Collins, Billy	Ferneyhough, Jodie	Lynn	Jack, Michael
Anter, Tally	Bray, Sean	Corby, Greg	Fielding, Rick	Hammond, Sue	Jackson, R. Zee
Anthony, Mark	Breithaupt, Don	Corrigan, Chris	Fines, Irv	Hann, Tony	James, Fabian
Antonacci, David	Bridges, Doug	Coutinho, Ana	Flohil, Richard	Hannigan, Ruth	James, Mike
Antoniak, George	Broadbent, J. Paul	Cowie, Mike	Follert, Damien	Hansen, Charles	James, Russell
Arsenault, Rodney	Brodeur, Phyllis	Cramer, Howard	Forsyth, Janet	Harnett, Judy	Janzen, Paul
Arzoumanian, Jenn	Brookland, K.	Dagastino, Tony	Foulds, Matthew	Harris, Burt	Johnson, Angela
Azzopardi, Tony	Brooks, Linda	Daigle, Lynn	Fox, Steve	Harris, Colin	Johnston, Travis
Baird, Matthew	Broome, Dan	Daniels, Omar	Friedman, Michael	Harris, Sean	Johnstone, Roy
Baker, Camille	Brosgart, Alex	Danylchuk, Dave	Frost, Tina	Harrison, Tom	Jones, Deshaun
Balanyk, Jillian	Brown, Henry	Danza, Joseph Pepe	Fujimoto, Jon	Hathaway, Greg	Jones, Doug
Balcain, Paul	Brown, Joe	Daste, Mike	Gagnon, Robert	Hawkes, David	Joyce, Don
Baren, Alex	Buckingham, Bill	Davis, Robert	Gallant, Jimmy	Hayes, Mike	Juk, Michael
Barron, Rik	Burn, Dave	Dean, Mopa	Gallant, Joanie	Haynes, Jud	Jutsun, Gerry
Barry, Daryn	Bush, Linda	Deeley, Dave	Galloway, Jim	Heath, Shane	Kallio, Gwen
Barton, Dan	Butts, Lorena	Del Rizzo, John	Galloway, Matt	Hebdon, Tal	Kalpatoo, Tom
Bateman, Jeff	Butts, Paul	Dickie, John	Gauk, Rachel	Hebert, Georges	Kane, Brent
Bayer, Brandon	Cameron, Neil	Didier, Bryant	Gauthier, Jean Paul	Heboon, Tal	Kane, Karen
Beach, Sandra	Campbell, David	Dobson, David	Gautreau, Rick	Henderson, Ed	Kashyap, Arvin
Beaudoin, Jean	Campbell, Marcie	Dodge, Craig K.	Gayle, Lionel	Henderson, Michelle	Keith, Drew
Beckett, Charmaine	Campbell, Ray	Dodson, Rich	Gervais, Jason	Hennemann, Rolf	Keith, Melissa
Bennett, Mark	Canavaghn, Pat	Donahue, Dan	Gibson, Paul	Hergert, Russ	Kelleher, Terry
Benoit, Christian	Candy, Bill	Donato, Peter	Godard, Lenny	Hewson, Jean	Kelly, Tony
Berg, Moe	Card, Laurel	Donnelly, Kevin	Goldstein, Joey	Hill, Phillip	Kemp, Keely
Bernhardt, Barb		Doole, Kerry	Goldstein, Rosalie	Hines, Shelley	Kempsey, Mark
			Good, Bruce		

Evaluators & the Process (CONTINUED)

Kennedy, Andrew
 Kern, Dan
 Kersey, Mark
 Kert, Charles
 Kesper, Mark
 Kilfoil, Joey
 King, Kris
 Kirby
 Kirkland, Graeme
 Koat, Cal
 Kramer, Howard
 Krehm, Andy
 Kussin, Al
 Kuziw, Todd
 LaFrance, Marc
 Lahey, Patricia
 Lambert, Lisa
 Larocque, Holly
 Laufer, Mira
 Lawrence, Grant
 Lazar, Rick
 Leclair, Chris
 LeDrew, Chris
 Leflar, Kevin
 Legere, Jennifer
 Lerman, Al
 Leyton, Jack
 Lidster, Shawn
 Litt, Stephanie
 Lockhart, Peter
 Longman, Bruce
 Lopes, Carlos
 Lopes, Paul E.
 Lothian, Jeff
 Luhtala, Bob
 MacDonald, Aaron
 Macdonald, Alastair
 MacDonald, Albert
 Macerollo, Joe
 MacFarlane, Christian
 MacKay, Grant
 Mackenzie, Colin
 MacKenzie, Kevin
 Macpherson, Rob

MacSwain, Jamie
 Maev, Natalie
 Magee, Paul
 Malecot, David
 Malek, Nancy
 Mandshein, Howard
 Maniatis, George
 Markouzis, Bessie
 Markus
 Marsh, Pam
 Martin, Chris
 Martin, Ian
 Maskill, Dave
 Maslin, Lee
 Massey, Terry
 Mathur, Neil
 Mautendorfer, Anna-Marie
 Maxwell, Gord
 Mazmanian, Dave
 McBride, Marianne
 McDonald, Grant
 McFee, Robert
 McKenna, Charles
 McLay, Mark
 McNamara, Chris
 McNie, Stephen
 Medcalf, Alan
 Melanson, Terry
 Meyers, Diane
 Milligan, Shuggy
 Mintz, Noah
 Mir, Sabin
 Moeti, Michael
 Morel, Bruce
 Morgan, Stuart
 Morrison, Terry
 Mullane, Jonathan
 Nelson, Moira
 Newton, Nigel
 Nightingale, Gary
 Nightingale, Ian
 Niyitunga, Aron
 Noonan, Bridget

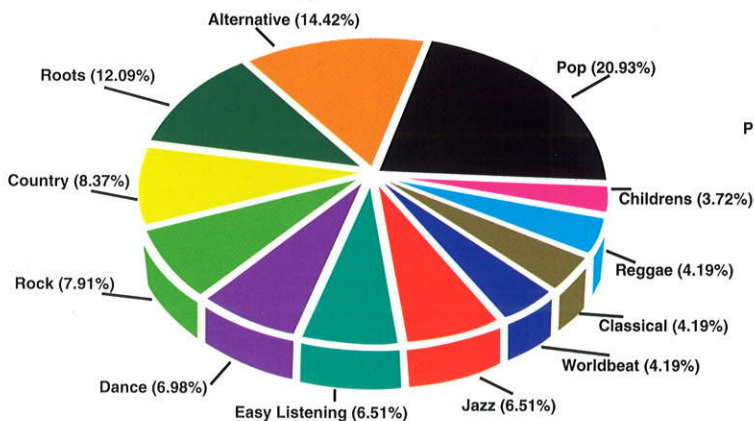
Noyes, Cameron
 O'Leary, Jim
 O'Leary, Randy
 Ochoa, Luis
 Oey, David
 Olds, David
 Osborn, Don
 Ott, Robert
 Ouelletto, Eileen
 Joyce
 Paley, Gary
 Panaci, Anthony
 Panting, Sean
 Paquin, Julien
 Pardy, Todd
 Pattee, Rob
 Patterson, Roy
 Patzer, Lawrence
 Pedergen, Stephen
 Pelletier, Real
 Perez, Ritchie
 Peterson, Lloyd
 Pett, James
 Pinacci, Anthony
 Piper, Ray
 Pollock, Heather
 Pomanti, Lou
 Pomroy, Jeanette
 Porter, James
 Posen, Kinzey
 Potvin, Bryan
 Priest, Robert
 Propas, Steve
 Proulx, Ron
 Puffer, Colin
 Pulver, Murray
 Quail, Mark
 Quillico, Dave
 Quinn, James
 Rae, Jackie
 Ramsay, Ken
 Raven, Mark
 Rhoden, Donovan
 Rhomberg, Rehgina

Richards, Scott
 Rissin, Delina
 Rizkalla, Mike
 Roberts, Mark
 Robinson, Jamie
 Rodway, Christine
 Rogers, Tom
 Rohr, James
 Romanow, Doug
 Roumbauis, Chris
 Rowe, Dave
 Rozen, Elie
 Rubin, Mark
 Rudner, Tony
 Rufiange, Darin
 Russell, Bill
 Ryan, Brett
 Ryder, Kelley
 Sand, Lee
 Sanger, Annette
 Schepok, Rita
 Schurman, Julia
 Scott, Hugh
 Scott, Joel
 Scoville, Gordon
 Sedun, Barbara
 Semkiw, George
 Shafron, Adam
 Shakes, Troy
 Shannon, Mike
 Sharpe, Norm
 Sharratt, Steve
 Shelton, Trevor
 Shepherd, Mike
 Sherman, David
 Silveira, Michelle
 Silver, Pat
 Simmons, Renee
 Simoes, Joey
 Sinclair, Sherry
 Singh, Tony
 Skinner, Melinda
 Sklepowich, Don
 Smith, Chris

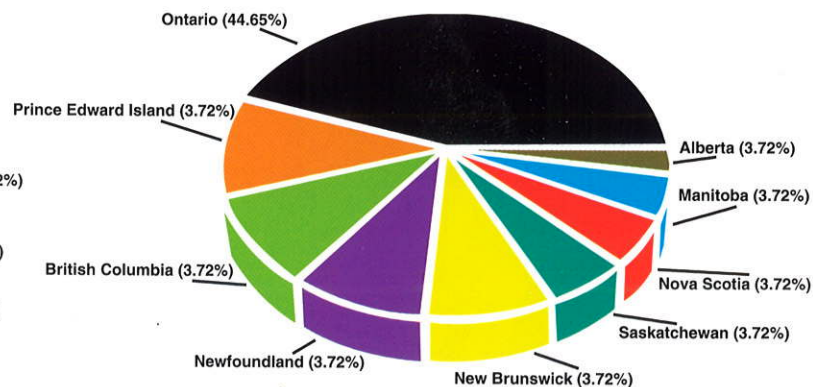
Smith, Evan
 Smith, Geoff
 Smith, Richard
 Smith, Tyler
 Smooke, Jeff
 Snart, Jason
 Snider, Jay
 Soccio, Gino
 Solomon, Lenny
 Soucy, Steve
 St. Germain, Catherine
 Stairs, Graham
 Stammler, Ragna
 Stamp, Paul
 Staple, A.
 Stevens, Bob
 Stewart, Rosemarie
 Stewart, Warren
 Stochmal, Kathy
 Stohn, Steven
 Stoker, Colin
 Stone, Greg
 Stone, Roger
 Storry, Geoff
 Stowar, Ken
 Strathdee, Paul
 Sullivan, Liz
 Sundar Singh, Cyrus
 Surtees, Bruce
 Sutherby, Robert
 Sutherland, Tony
 Swain, Derek
 Swain, Duncan
 Switzer, John
 Szabo, George
 Taylor, Patrick
 Taylor, Skip
 Teeter, Chris
 Thibault, Andre
 Thomas, Bill
 Thompson, Andrew
 Tiffen, Tracy
 Tordiffe, Anthony

Torrington, Greg
 Tousaint, Lisa
 Trenn, Thomas
 Trudell, Paul
 Truhlar, Richard
 Tull, Mike
 Underhill, Richard
 Underwood, Sara
 Usher, Bill
 Valnea, Yvonne
 Van Dyke, Grant
 Van Wart, Gerry
 Vander Woude, Matt
 Vaugeois, Rocko
 Vaughen, Rose
 Wagh, Joel
 Walker, Carol
 Wardman, Chris
 Warrack, David
 Warren, David
 Warren, Timothy
 Wells, Diane
 Whalen, Steve
 Wheatley, Katherine
 Wheaton, Jeff
 White, Garfield
 White, Nancy
 White, Paul
 Whiteley, Ken
 Whiting, Keith
 Whittle, Alvin
 Wickham, Geoff
 Wight, Kirk
 Wilding, Barry
 Wilson, Janice
 Winfield, Sean
 Winthrop, Mitch
 Wiseman, Jason
 Wolanin, Alan
 Wolfe, Harvey
 Wood, Joe
 Worrell, Kevin
 Wynston, Stich
 Yetman, Peter
 Zifarelli, Rob
 Zon, Aaron

Evaluations by Musical Genre



Evaluations by Province



New Talent Demo Awards

The New Talent Demo Program assists new unsigned artists/groups with the cost of producing a high-quality demo tape. Grants of up to 50% of the eligible budget to a maximum of \$1,000 are available.

Funding for this program comes from the Department of Canadian Heritage's Sound Recording Development Program and FACTOR's Sponsoring Broadcasters.

FACTOR received 437 applications of which 115 were approved for funding for the following artists:

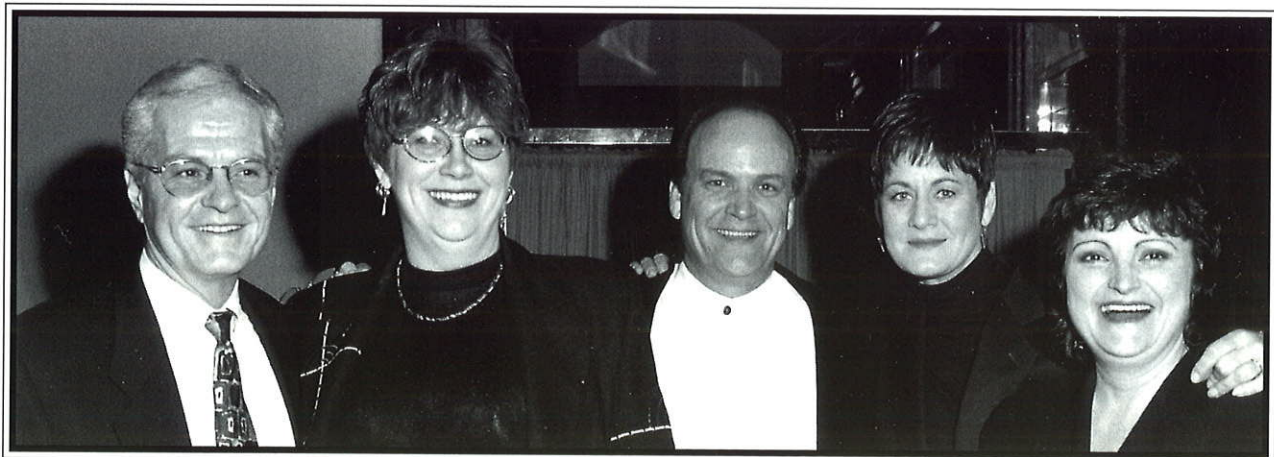
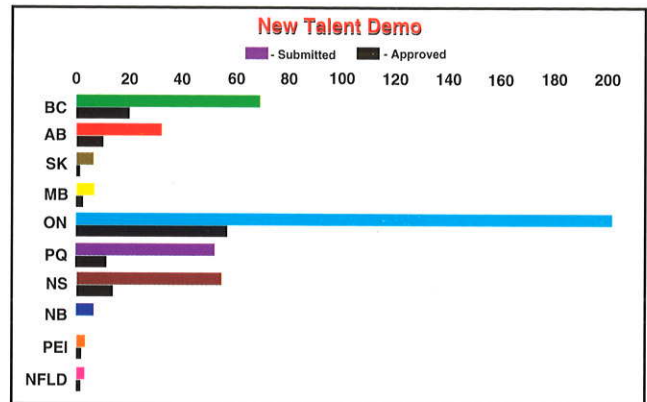
33
 Against My Religion
 Kiran Ahluwalia
 Anael
 Aubergines
 Robin Bank\$ Blues Band
 Bela Razda
 Stephen Blacker
 Blue Ink
 CoCo Brown
 Kym Brown
 Burnt Black
 Butterside Down
 Alrick Carter
 Cat
 Ceilidh's Homet
 Cheticamp
 Chiselhand
 CK Flow Tha Symbolic One
 Coping
 Laurie Corrigan
 Karen Cunningham
 Richard Cunningham
 Da Real Ting
 Wendy DeMos
 Derivation
 Dish
 Double Soul
 Camille Douglas

Earthsong
 EM
 Fallacy Flow
 Feed Bag
 four corners no walls
 Ilan Gaither
 Elaine Goingo
 Lorraine Finch
 Josh Flint & Chad Holtzman
 Granite Cuts
 Douglas Haas
 High Street
 Lori Hodge
 Philomene Hoffman
 Hunoo
 Imagineers
 Infinite
 Intrepid Style Rhymers
 Sharon S. Jackman
 Jeet K da Tripmaster
 Josee
 Kirby Kaye
 Kickstart
 Kyn
 Lassies
 Eileen Laverty
 Tony Leccisi
 Chris LeDrew

Lie Detector
 Andrea Michelle Litzenberger
 Lost in Paradise
 Marcia-Lyn
 Paul Macleod
 Richard Maddock
 Magdalene
 Magic Wandas
 Michaela Foster Marsh
 Casey Marshall Band
 Kye Marshall Jazz Quartet
 Heather Mathieson
 Leana McGuire
 Craig McKerron
 Cristina Menz
 Danny Michel
 Mistablunthamastamind
 Tracy Moar
 Paul Moore
 My Dear Heretic
 Omar Nelson
 Next
 Mark Nodwell
 Jennifer Noxon
 Tanya Nydokus
 Michael Pokrousky
 Corey Primus
 Danny Ranallo

Laura Repo
 Diana Rimac
 riverrun
 Lorne Ryder
 Dahlia Sahanatien
 Screaming Genies
 Shameless
 Joanne Simonetti
 Terry Smith
 Sonification
 SoundSculpture
 Steak 72
 Stonehouse
 Sugarbush
 Rob Szabo
 Diane Taylor
 Shirley Thiel
 Paul Tobey Trio, The
 Third Eye Tribe
 Thirsty
 Thursday Toads
 Tourists
 Unified
 Tyler Viaene/Andy Scott Quartet
 Julie Anne Vik
 Theresa Wasden
 Michael Wyatt Werbisky
 Woodrow
 Wyrd
 Zamboni Jiver

Submissions & Approvals by Province

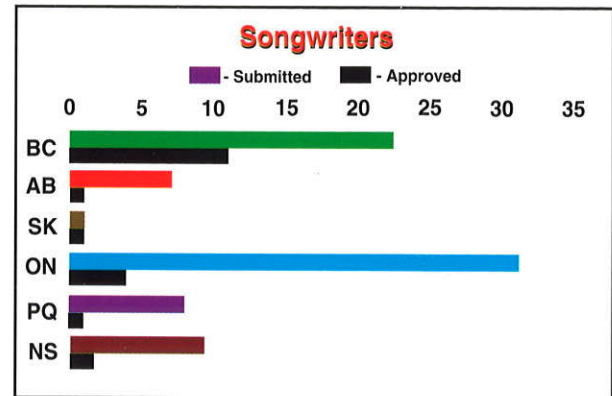


Professional Publishers & Songwriters Demo Grants

The Professional Publishers and Songwriters Demo Award Program provides Canadian songwriters and publishers with grants of up to 50% of the eligible budget to a maximum of \$1,000 to produce their songs on a high-quality demo tape. The demos are to be used to secure a publishing deal or to obtain recordings of their songs by other artists.

This program is financed solely by the Department of Canadian Heritage's Sound Recording Development Program.

Submissions & Approvals by Province



FACTOR received 80 applications for funding of which 20 were approved for the following songwriters:

- Judy Atkin
- Matt Chapman
- Bruce Coughlan
- Michael Dekkers
- Vince R. Ditrich
- Paul Faber
- Ronald Martin Gillis
- Stewart Hoey
- Ron Irving
- Erik Johnson
- Sherwood Lumsden
- Tom And Lynda McKillip
- Jeff Morris
- Stephen Outhit
- Carl Ragan
- Frank Raposo
- Brian C. Read
- Rudner/Samograd/Harvey/Leiske
- Andrew Scott
- Glen Stace, Joey Novak

The Pursuit of Happiness



Independent Artists Recording Loan Program

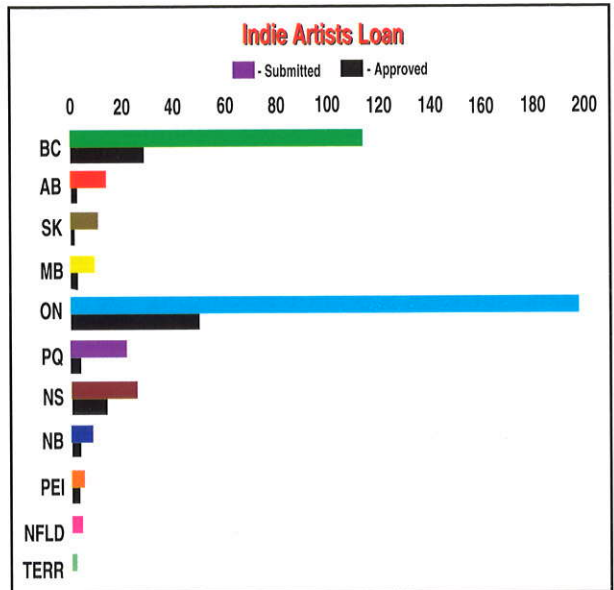
The Independent Artists Recording Loan Program provides loans of up to 50% of their eligible budget to a maximum of \$5,000 to produce an album that is intended to be released independently.

Funding for this program comes from the Department of Canadian Heritage's Sound Recording Development Program as well as FACTOR's Sponsoring Broadcasters.

FACTOR received 395 applications of which 89 were approved for funding for the following artists:

- | | |
|-----------------------------|--------------------------------|
| Abolengo (Voodoo Jukebox) | Randy J. Martin |
| Achanti | Brent Mason |
| Debbie Adshade | Pete McCormack |
| Boris Aeven/Realm | Mere Mortals |
| After The Fall | Minstrels |
| Aimless James | Monarch Brothers |
| alcoholism | Patricia Murray |
| Alijha | Myster Phayze |
| Alexandra Baird | Gary Kiyoshi Nagata |
| Bigmouth | Suzanne Nuttall |
| blanche | Mark Pinkus |
| Jamie Browning | Naked Planet |
| Keith Buddle | Nickel Back |
| Dave Burton | Orquesta Bestiol |
| Marcie Campbell | Polarity Bears |
| Chloe | Random Dolmens |
| Circus In Flames | Rhythm Slaves |
| Andrew Creaghan | David Roberts |
| Cyrus | Rousseau-Carlton Duo |
| Martin Damsel | S.W.A.R.M. |
| Deli Llamas | Saddlesores |
| Michael James Dickson | Shawn Santalucia |
| Diesel Candy | Shafiq |
| Doc Martin | Shego Band |
| Jessica Ehrenworth | Snapper |
| Beverley Elliott | SNRG |
| Michaela Foster Marsh | St. Crispin's Chamber Ensemble |
| Freelight | Strange Angels |
| Genius | Sugarfield |
| Vivian George | Ron Thale |
| Geoff Gibbons | Theresa Tova |
| Jeff Goldberg | Two Thirds Water |
| Justin Gray | Varnish |
| Babe Gurr | Kathryn Wahamaa |
| Incognito | WARM |
| Indian Lion | Waterwing |
| Jack Tripper | Woodpeckers |
| Chris Jackson | Zolty Cracker |
| Jane Doe | |
| Jukejoint | |
| Graeme Kirkland | |
| Beverly Klass | |
| Novia Lamont | |
| Little Jo and The Hurricane | |
| local heroes | |
| Karina Long | |
| Alan MacGregor | |
| Lizzy Mahashe | |
| Francis Marchildon | |
| Elton Marcus | |
| Danny Marks | |

Submissions & Approvals by Province



Mary Jane Lamond



Video Grants

The Video Grant Program provides support for the production of videos that are in support of currently-released, nationally-distributed sound recordings. Grants of up to 50% of the eligible budget to a maximum of \$8,500 are available. Direct Board video projects are however eligible for up to 50% of the budget to a maximum of \$15,000. Funding for this program comes from the Department of Canadian Heritage's Sound Recording Development Program.

FACTOR received 216 applications of which 55 were approved for funding for the following artists:

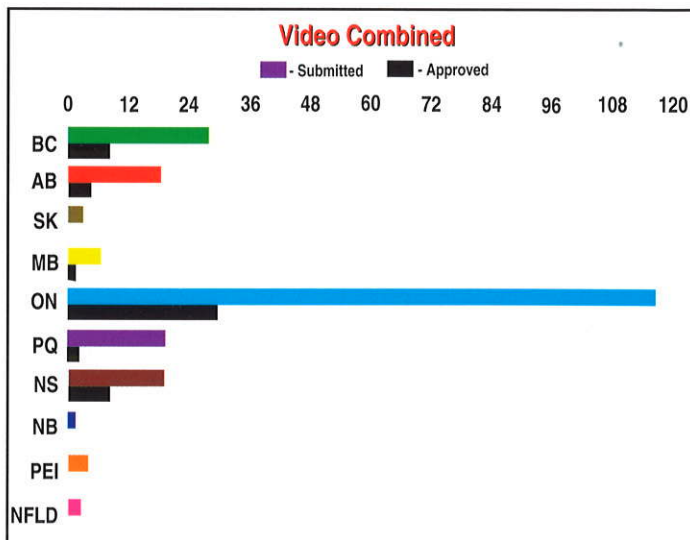
Precious (Lee Aaron)
 Aldo Nova
 asexuals
 Barney Bentall
 Big Picture
 Blackie & The Rodeo Kings
 Booming Airplanes
 The Boomers
 Meryn Cadell
 John Allan Cameron
 Cindy Church
 Bruce Cockburn
 Sara Craig
 CUB
 daughters of eve
 Delerium
 Download
 Damhnait Doyle
 Driving Blind
 Gary Fjellgaard
 Amber Dawn Fleury
 Lawrence Gowan
 Great Big Sea
 Dan Hill
 Inbreds
 Ju-Ju
 Kelita (2)

Terry Kelly
 Mary Jane Lamond
 David Leask
 Barbara Lynch
 Mahones
 Messenjah
 Lynn Marie Miles
 Mollys Reach
 Mumble Ducks
 Mythos
 Nicholson
 P - Money
 Puit A Baroque
 Pursuit of Happiness (2)
 Raggadeath
 Rawlins Cross
 Rusty
 Salmonblaster
 Rick Scott
 Amy Sky
 Sloan
 Slowburn
 Super Friendz
 surrender dorothy
 Rick Tippe
 Ian Tyson

KELITA



Submissions & Approvals by Province



International Tours & Showcases

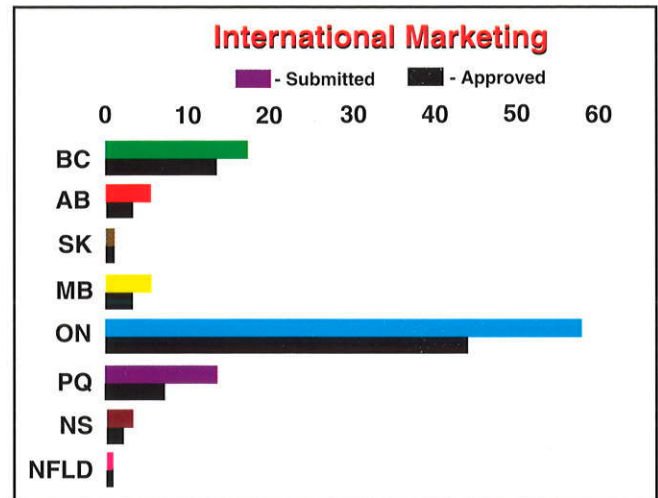
The International Tour and Showcase Programs provide funding to offset the shortfall on foreign showcase and touring initiatives by Canadian artists. Grants of up to 50% of the eligible budget to a maximum of \$1,000 per showcase and \$12,000 per tour are available. FACTOR's contribution does not exceed the total shortfall.

Funding for this program comes from the Department of Canadian Heritage's Sound Recording Development Program as well as FACTOR's Sponsoring Broadcasters.

FACTOR received 106 applications of which 58 were approved for funding for the following artists:

- | | |
|-----------------------------------|-------------------|
| Cori Brewster | Stoaters |
| Jane Bunnett Ensemble | surrender dorothy |
| Cadillac Bill & The Creeping Bent | Taxi Chain |
| Holly Cole | Thrush Hermit |
| Concrete Mob | Universal Honey |
| Sam Crosby | Cassandra Vasik |
| Crybaby | Weeping Tile |
| Dal-Dil-Vog | Yahoos |
| Daytona | Zolty Cracker |
| Damhnait Doyle(2) | |
| Driving Blind | |
| Glueleg | |
| The Goods | |
| Lawrence Gowan | |
| Grimskunk | |
| Hart-Rouge | |
| Henrys | |
| Veda Hille | |
| Brian Hughes | |
| Levon Ichkhanian Trio | |
| Irving | |
| Mary Jane Lamond | |
| Liquid Amber | |
| Lost & Profound | |
| Ashley MacIsaac(2) | |
| Tara MacLean | |
| Malaika | |
| Holly McNarland | |
| Minstrels | |
| Eric Nagler | |
| Numb | |
| Fred Penner | |
| Phono - Comb | |
| Punchbuggy | |
| Punjabi By Nature | |
| Pursuit of Happiness | |
| Steve Raiman | |
| Rankin Family | |
| Vito Rezza - 5after4 | |
| RSP Jazz Quartet | |
| Douglas September | |
| Al Simmons | |
| SMAK | |
| Smalls | |
| Smugglers (2) | |
| superGARAGE | |

Submissions & Approvals by Province



Bruce Cockburn



Radio Syndication

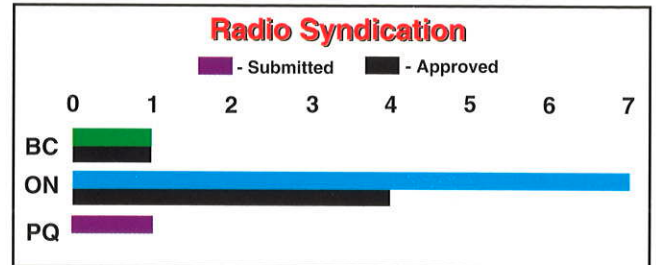
The Radio Syndication Program was developed to encourage the creation of new music-driven radio programs by Canadian producers or companies for broadcast by radio stations in Canada. Grants of up to 50% of the eligible budget to a maximum of \$2,000 for a pilot, \$5,000 for a feature and \$10,000 for a series are available.

Funding for this program comes from the Department of Canadian Heritage's Sound Recording Development Program.

FACTOR received 9 applications of which 5 were approved for funding, for the following projects:

- Aboriginal Voices Radio
- at the Country Music Awards
- Canadian Profiles
- "Live" at the Yale
- Present: The CDN Rock'n'Soul

Submissions & Approvals by Province



Specialized Music Distribution

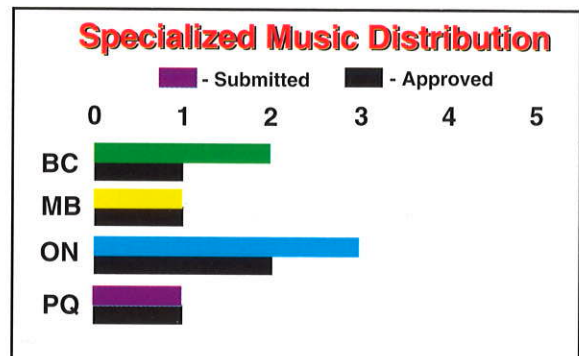
This program was developed to strengthen the ability of Canadian distributors to distribute and sell recordings of specialized music produced by Canadian record companies or producers. Specialized music includes contemporary music in the classical mode, electro-acoustic, ethnographic music of an historic nature and experimental jazz. Aid given is provided through direct financial participation in distribution, in Canada or abroad, of Canadian-content sound recordings of specialized music submitted by a Canadian distribution company.

Funding for this program comes solely from the Department of Canadian Heritage's Sound Recording Development Program.

FACTOR received 9 applications of which 5 were approved for funding for the following Specialized Music Distributors:

- Canadian Music Centre
- Distribution Fusion III Inc.
- Midsummer Music Company Inc.
- Rosedale Records Inc.
- Sunshine Records Ltd.

Submissions & Approvals by Province



Business Development

The Business Development Program offers Canadian companies aid for the development and improvement of their long-term financial and management plans as well as assistance in increasing productivity and sales. Three forms of aid are available:

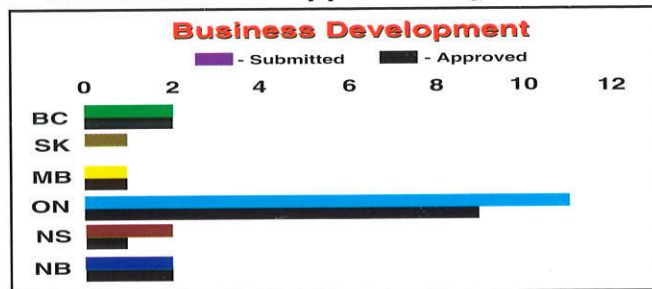
- a) Aid for business analysis;
- b) Aid for large-scale initiatives in promotion, distribution and marketing;
- c) Aid for professional training.

Funding for this program comes solely from the Department of Canadian Heritage's Sound Recording Development Program.

FACTOR received 19 applications of which 15 were approved for the following companies/organizations:

Atlantic Dance Music Association	East Coast Music Awards-Moncton1997
B.C. Country Music Association	Manitoba Audio Rec. Industry Assoc.
Canadian Country Music Association(2)	MWG Music West Group Inc.
Canadian Music Festival Inc.	North By Northeast Conference Inc.
CARAS	Songwriters Association of Canada(2)
CIRPA(2)	
East Coast Music Association	

Submissions & Approvals by Province



International Marketing

The objective of this program is to assist Canadian record companies, music publishers, artist managers or music distributors in expanding foreign markets for Canadian artists by seeking to increase the competitive appeal of Canadian music products to international markets, and increase the visibility and competitiveness of Canadian sound recording companies on the national and international scene. Funding of up to \$7,500 per company is available through this program. Assistance is available in two forms:

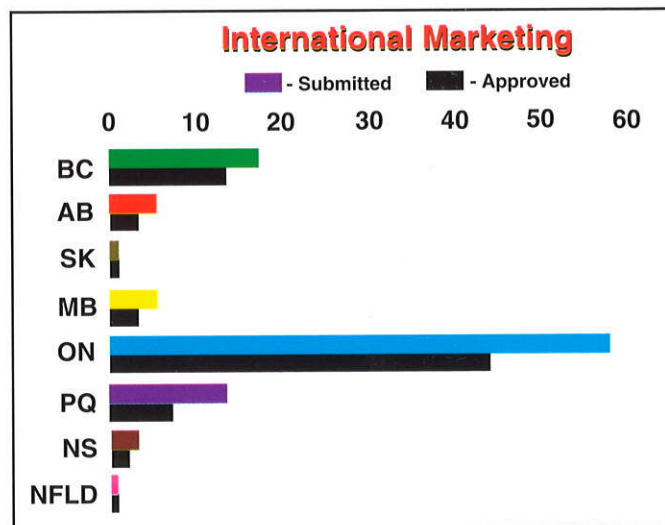
- a) Aid for participation in international fairs; and
- b) Aid for international marketing.

Funding for this program comes solely from the Department of Canadian Heritage's Sound Recording Development Program

FACTOR received 102 applications of which 74 were approved for the following associations/companies:

A-Rabian Music Group, Ltd.	Les Entreprises Numuzik Inc.
Ancient Echoes Music	Marquis Classics(3)
Anthem Entertainment Group	Marshmellow Records Inc.
Attic Productions Ltd.(2)	Melaby Productions
Blackmoon Records Inc.	Midsummer Music Co. Inc.(2)
Brookes Diamond Productions	Minkey Music(2)
Cardster Music Co.(2)	Morning Music Limited
Cargo Records Canada Inc.	Nettwerk Productions(3)
Chacra Alternative Music (3)	Oak Street Music Inc.(2)
Children's Hour Productions	Page Music Distribution Inc.
CIRPA	Random Entertainment Inc.(3)
Douglas Barlett Associates(2)	Resort Music Ltd.(3)
Duckworth Distribution Ltd.	Silver Star Management
Duke Street Records	Solitudes Ltd.
Empire Entertainment Ltd.(2)	Spark Music Inc.
Festival Distribution Inc.	Stony Plain Recording Co. Ltd.(3)
Flood Ross Entertainment Inc.	Sunshine Records Ltd.
Groove - A - Lot Records Inc.	Sweet Grass Records Inc.
Grow Inc.	Swell Music Inc.
Hi-Bias Records Inc.(2)	Tandem Music Group Corp.
High Romance Music Ltd.(2)	The Tanglewood Group Inc.
Hypnotic Records Inc.	TMP -The Music Publisher(3)
Iron Music Group Inc.(2)	Venus Management
Jones & Co. Inc.	William Tenn Management
Justin Time Records(2)	

Submissions & Approvals by Province



Sponsoring Broadcasters

FACTOR was founded in 1982 with funding from three Sponsoring Broadcasters - CHUM Limited, Moffat Communications and Rogers Broadcasting Limited. For the fiscal April 1 - March 31, 1997 FACTOR had 15 Sponsoring Broadcasters who provided funding to FACTOR to assist with the production of quality Canadian recordings. FACTOR wishes to thank the following sponsors and individual radio stations who are contributing to the organization through their Corporate Head Offices.

Blackburn Radio

CFGX
CFPL
CHRY
CKNX
CKTY

CHUM Ltd.

CFUN-AM
CHQM-FM
CIFX
CHIQ-FM
CHUM-FM
CHUM
CFRA
CKKL-FM
CFJR
CHXL-FM
CKIW
CKLC-FM
CFLY-FM
CKPT
CKQM-FM
CKKW
CKWW
CIMX-FM
CIDR-FM
CJCH
C100

Craig Broadcast Systems Inc.

CKX
CKX-FM
CIRK-FM
CKCK
CFWF-FM
CKMM-FM

Great Pacific

Communications

CIFM
CJJR
CKBD

NewCap

Broadcasting Inc.

CIEZ
CJLB
CJYQ
CKRA
CKXD
CKXG
CKXX
CQIX
CSCW
CHTN
KIXX
Q104

Radio Station CJVB

Rawlco

Communications

Ltd.

CISS-FM
CJME
CJNB
CJNS
CKBI
POWER 99 FM
CKOM
C95
Energy 1200
Majic 100

Redmond

Broadcasting

CHRE-FM
CHNR

Rock 95

Rogers

Broadcasting Ltd.

CJVI
CIQC-FM
CKWX
CKKS
KISS-FM
CISQ MTN-FM
CJIB
CJOC
CFRV-FM
CJPR
CJEV
CFAC
CHFM-FM
CFHC
CFTR 680 News
CHFI-FM
CKY
CITI-FM
CKGL
CHYM-FM
CIWW
CKBY-FM

Seacoast

Communications

Group Inc.

CFAX
CKOV
CKLZ

Shaw Radio Ltd.

CFOX-FM
CHAY-FM

CHQT

CISN-FM
CIZZ-FM
CKDK--FM
CKGY
CKLG
CKRY-FM
The Edge FM
Standard Radio Inc.
Z-95.3 FM
CISL
CJAY
CKMX
100.3 The Bear
CFRN
106.9 The Bear
97.7 Htz-FM
CKTB
Mix 99.9 FM
CFRB

Telemedia

Communications

Inc.
CJCL
CFBG
CKSL
CIQM-FM
CJCS
KICX FM
FOX
CKAT
EZ ROCK FM
CIGM-FM
CKGB
CJQQ FM
CHAS-FM
CJEZ-FM
CFMG-FM

Western

International

Communications

CKNW
CFMI
CHED
Power 92
CHML
Y95
QR77
Rock 107
CJOB
Classic Rock 97.5
Talk 640
Q107

Other Contributors

Skeena

CFBV
CFLD
CFCP
CHWK
CJDC
CKPG
CJYR
CKRW
CKSA
CKYL
VOCM
CFCB
CKEN
CJCB
CKPE-FM
CJLS
CFJR
CKKL
CFRA
CHEX
CFMP-FM

CHML

CKDS-FM
CHUC
CING
CJBQ
CIGL-FM
CJMX-FM
CJQM
CHAS
CIBQ
CKLC
CFLY-FM
CKOT
CKOT-FM
CKPR
CJRW
CFMB
SILK-FM
Canadore College
CJOY
CHUR
Dufferin
Communications
CHXL
CJCI
CIVH
CIRC
CIRV
CKEK
CFEK
Fundy Cablevision
CJLB
CHEC
CFEZ
CIMJ-FM
MORE-FM
CFBC
CKBW



Feedback on FACTOR

Your support of Holly McNarland is greatly appreciated. FACTOR has once again continued to support and cultivate an intense and extremely successful future for young Canadian musicians.

Dale Penner, Manager Holly McNarland

I am delighted with the variety and calibre of our Canadian musicians as well as the consistently high quality of virtually all of the recordings.

Francois Bertrand, CRTC

A hearty congratulations on FACTOR's 15th Anniversary. Congratulations on the beautiful design of the tables, the surprise gift which made us all feel a little special, the delicious food, the host, Ian Thomas who kept us all laughing and attentive; and the excellent talent.

Wendy Watson, Lewis Manne, ZAP Productions

Thank you for the invitation to the FACTOR luncheon. I've never seen you smile so much. It was infectious!

Bill King

Your luncheon was the highlight of CMW and we appreciated being asked to attend. Super event! Nicely paced!

Eric Nager, Bruce Davidsen

Rogers is pleased to be a founding member of FACTOR and we are proud to have been the first Radio Company to reach the **Two Million Dollar** mark. Heather, FACTOR and the Canadian Music Industry can be very proud of the work and the effort you and your team have done over the years.

**Tony Viner, Gary L. Miles & Sandy Sanderson
Rogers Broadcasting Limited**

The excellence and the diversity of these recordings reflect a level of creativity and skill that is competitive on a global scale. FACTOR, its forward-thinking corporate sponsors, and its affiliates are to be congratulated for an excellent program of assistance to Canadian talent.

**Marilyn Mushinski, Minister,
Ministry of Citizenship, Culture & Recreation**

Just wanted to let you know how delighted I was with the increased federal commitment to our industry. Congratulations to you and everyone involved in the lobby and process.

Holger Petersen, Stony Plain Records

I would like to thank FACTOR for accepting sonic unyon into the direct board approval program. This acceptance has already helped us plan projects for the next couple of years that we could have never even dreamed of without this kind of assistance.

Tim Potocic, sonic unyon records

Congratulations! The new funding announcement is a long overdue tribute to the excellent work that FACTOR has accomplished in the 10 years since the first federal contribution was announced. Please pass on our congratulations and appreciation to the Board and all the staff who have worked hard to make FACTOR an unprecedented success.

Earl Rosen, Marquis Classics

Many congratulations to you both on all your incredibly hard work to secure the additional funding to the SRDP. This has come at a crucial juncture for the Canadian music industry as it gets ready to seriously "lift off" around the world. Indeed "a giant step...." for the music makers.

Frank Davies, TMP The Music Publihsers

Without FACTOR's financial assistance we would not be able to be where we are now. Thank you again.

Michael & Svetlana Pokrovsky

We would like to take this time to express our gratitude, on behalf of our company and the Canadian artists we represent, for the support FACTOR has shown through the years. We hope to continue with our mutual commitment to Canadian music for many years to come.

Jeff Rogers, Bob Mitchell Swell Music Inc.

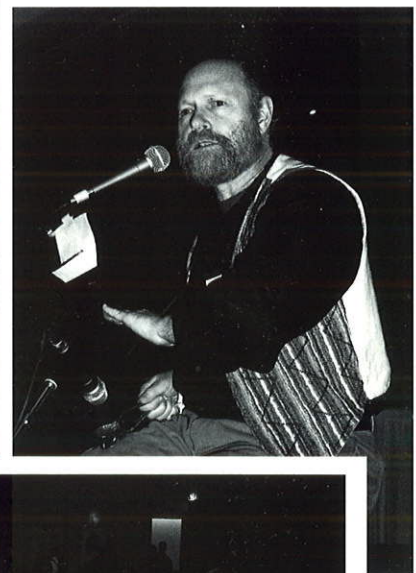
FACTOR's contribution to our marketing efforts over the last few years has been very helpful in our attempts at building an international distribution group for our Canadian artists.

Allen W.Fox, Cargo Records Canada Inc.

Just to thank you for your thoughts and vote of confidence the other day. All the best.

Amy Sky.

15th Anniversary Celebration!



AUDITORS' REPORT

To the Directors of the
Foundation to Assist Canadian Talent on Records

We have audited the balance sheet of the *Foundation to Assist Canadian Talent on Records* as at March 31, 1997 and the statement of revenue, expenses and unexpended fund balance and changes in financial position for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 1997 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.



Fruitman Kates
Chartered Accountants
Toronto, Canada
May 7, 1997

BALANCE SHEET

AS OF MARCH 31, 1997

ASSETS	1997	1996
CURRENT ASSETS		
Cash and short-term deposits	\$2,917,842	\$2,409,305
Subscriptions and other receivables	148,175	56,064
Prepaid expenses and deposits	5,837	8,492
Due from La Fondation Musicaction	3,935	4,674
Current portion of term loan	-	21,769
	\$3,075,789	\$2,500,304
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$32,383	\$31,859
Due to FACTOR Musicaction Canada (note 3)	2,400	2,400
	34,783	34,259
UNEXPENDED FUND BALANCE	3,041,006	2,466,045
	\$3,075,789	\$2,500,304

Approved on behalf of the Board

Director _____

Director _____

**STATEMENT OF REVENUE, EXPENSES AND UNEXPENDED
FUND BALANCE FOR THE YEAR ENDED MARCH 31, 1997**

	1997	1996
REVENUE		
Contributions from		
FACTOR Musicaction Canada		
Programs	\$2,159,800	\$ 2,156,799
Administration fee (note 1)	371,979	372,203
Sponsors	888,147	616,456
Subscription fees	50,770	59,456
Other	-	933
Loan repayments	356,510	301,768
Interest	<u>94,514</u>	<u>179,468</u>
	3,921,720	3,687,083
<hr/>		
Loans and awards (Schedule)	<u>2,777,651</u>	<u>3,707,209</u>
	1,144,069	(20,126)
Administrative expenses (Schedule)	<u>569,108</u>	<u>(510,217)</u>
EXCESS OF REVENUE OVER EXPENSES	574,961	(530,343)
<hr/>		
UNEXPENDED FUND BALANCE, beginning of year	<u>2,466,045</u>	<u>2,996,388</u>
UNEXPENDED FUND BALANCE, end of year	<u>\$3,041,006</u>	<u>\$ 2,466,045</u>

**STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED MARCH 31, 1997**

	1997	1996
OPERATING ACTIVITIES		
Excess of revenue over expenses	<u>574,961</u>	<u>\$(530,343)</u>
Changes in non-cash working capital balances		
- subscriptions and other receivables	(92,111)	54,392
- prepaid expenses and deposits	2,655	3,998
- accounts payable and accrued expenses	524	(4,970)
- due from La Fondation Musicaction	<u>739</u>	<u>(3,760)</u>
	<u>(88,193)</u>	<u>49,660</u>
	<u>486,768</u>	<u>(480,683)</u>
INVESTING ACTIVITIES		
Term loan advance	<u>21,769</u>	<u>28,231</u>
INCREASE (DECREASE) IN CASH AND SHORT-TERM DEPOSITS	<u>508,537</u>	<u>(452,452)</u>
CASH AND SHORT-TERM DEPOSITS, beginning of year	<u>2,409,305</u>	<u>2,861,757</u>
CASH AND SHORT-TERM DEPOSITS, end of year	<u>\$2,917,842</u>	<u>\$2,409,305</u>

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 1997

1. NATURE OF ACTIVITIES

The Foundation to Assist Canadian Talent on Records (FACTOR) was incorporated without share capital on June 17, 1982 under the Canada Corporations Act.

FACTOR provides funding to Canadian individuals and groups in the recording industry in order to promote and foster Canadian talent. FACTOR acts as a participating organization for FACTOR Musicaction Canada (FMC) and is designated to disburse funds under an agreement that FMC has with the Government of Canada, under the Department of Canadian Heritage's Sound Recording Development Program. An administration fee is earned by FACTOR from FMC's excess of administration fees earned over expenses incurred.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the following accounting policies:

i. Basis of accounting

Revenue and expenses are recorded on the accrual basis of accounting. Contributions from sponsors are recorded as revenue in the year in which they are invoiced.

ii. Loans to artists, producers and record companies

Loans made to artists, producers and record companies are to be repaid from monies received by the loan recipient by way of advances, record royalties and publishers' royalties. Due to the uncertainty of collectibility, loans are expensed when the monies are advanced. Repayment of these loans is recorded as revenue when cash is received from the recipient.

iii. Capital assets

Purchases of capital assets are expensed as they are incurred (1997 - \$20,604; 1996 - \$20,493).

iv. Donated services

Members of the Foundation's Board of Directors attend Board and other Foundation meetings without monetary compensation. Members of the National Advisory Board which advises the Foundation on regional matters, donate their services in a like manner. The Foundation uses unpaid volunteers from the music industry to evaluate proposed sound recording projects. The value of the time donated by these individuals is not recorded in the accounts as it would be difficult to measure its fair market value.

v.) Income taxes

Pursuant to the Income Tax Act (Canada), FACTOR is classified as a non-profit organization and is, therefore, not subject to income tax.

3. DUE TO FACTOR MUSICACTION CANADA

Amounts due to FACTOR Musicaction Canada consist of the following:

	1997	1996
Expenses incurred on the behalf of FMC	\$ 6,763	\$ 6,008
Allocation of net administration fee	<u>371,979</u>	<u>372,203</u>
	378,742	378,211
Less: administration revenue earned	<u>381,142</u>	<u>380,611</u>
	<u>\$ (2,400)</u>	<u>\$ (2,400)</u>

4. COMMITMENTS

a) Loans

Loan commitments to artists, producers and record companies at March 31, 1997 totalled \$2,076,198 (1996 - \$1,927,844). Because certain conditions must be met before such loans may be paid out, these amounts have not been recorded as a liability.

b) Leases

FACTOR is committed under the terms of various operating leases to payments in the next five fiscal years as follows:

1998	\$45,890
1999	15,560
2000	13,670
2001	8,000
2002	<u>-</u>
	\$ 83,120

**SCHEDULE OF LOANS AND AWARDS
YEAR ENDED MARCH 31, 1997**

	1997	1996
Sound recording	\$1,604,270	\$ 2,513,317
Music videos	415,390	535,280
International marketing	232,932	198,630
Business development	208,332	155,408
International touring	170,841	178,082
Specialized music distribution	67,049	64,000
Contribution to regional affiliates	48,000	45,000
Radio programs	<u>30,837</u>	<u>17,492</u>
	<u>\$2,777,651</u>	<u>\$3,707,209</u>

**SCHEDULE OF ADMINISTRATIVE EXPENSES
YEAR ENDED MARCH 31, 1997**

	1997	1996
Salaries	\$ 266,253	\$252,476
Travel and entertainment	46,544	30,802
Rent	45,336	45,336
Publicity and promotion	45,161	36,840
Stationery and office supplies	35,085	14,184
Employee benefits	25,050	24,752
Office equipment acquisitions (note 2)	20,604	20,493
Equipment rental	19,205	22,387
Courier and postage	17,644	17,699
Legal and audit	16,956	21,472
Telephone	11,903	7,153
Maintenance and repairs	6,236	6,981
Staff education	5,883	3,726
Dues and periodicals	3,780	2,371
Insurance	3,365	2,873
Bank charges	<u>103</u>	<u>672</u>
	<u>\$ 569,108</u>	<u>\$ 510,217</u>

Board of Directors

FACTOR's Board of Directors consists of the following Broadcaster and Music Industry Professionals. From the inception of the foundation all Directors have served on a voluntary basis. For the fiscal year commencing April 1, 1996, the following individuals served on the Board.



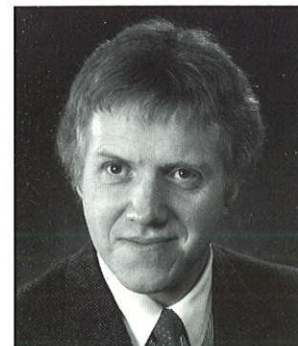
Jason Sniderman
President FACTOR
Vice-President
Roblan Distributing Ltd.



J.J. Johnston
Vice-President FACTOR
V-P Programming
Standard Radio/Mix 99.9



Pegi Cecconi
Treasurer
CIRPA - Appointee
Vice-President
Anthem Entertainment



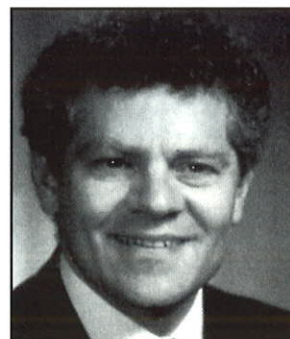
Doug Ackhurst
Secretary FACTOR
Vice-President-Sports
Broadcasting
Telemedia Comm. Inc.



Duff Roman
Past-President FACTOR
Vice-President
Industry Affairs
CHUM Limited



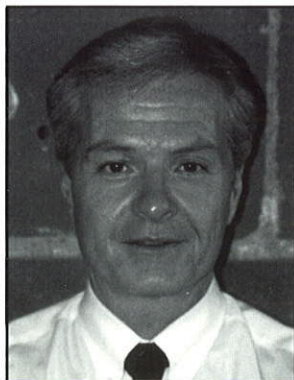
Brian Chater
CIRPA-Appointee
President
Canadian Independent
Record Production Assn.



Sandy Sanderson
Executive Vice-President
& General Manager Toronto
Radio Operations, Nat'l
Program Director
Rogers Broadcasting Ltd.



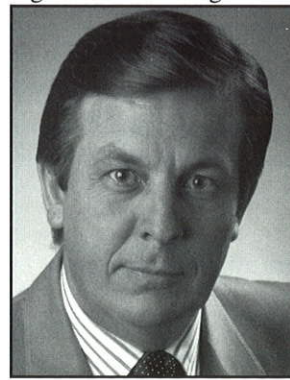
Terry McBride
President
Nettwerk Productions



John Redmond
CMPA - Appointee
VP & General Manager
Polygram Music Publishing



Sheri Jones
President
Jones & Co.



Hal Blackadar
General Manager
CFNY

FACTOR
The Foundation to
Assist Canadian Talent on
Records

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2nd Floor
Toronto, Ontario
M5A 2N4

Voice: 416-368-8678

Fax: 416-363-5021

E-Mail:

factor@factor.ca

Web Page:

http://www.factor.ca



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Toronto, Ontario M5A 2N4
416-368-8678

Web Page: <http://www.factor.com>
E-mail: factor@factor.ca