



Association of American Literary Agents

ROYALTIES COMMITTEE

DESCRIPTION: ROYALTY STATEMENTS CHECKLIST

The Royalties Committee of the AALA works to help member agents understand royalty reporting and, with membership input, make suggestions to publishers for improvements to accounting as the industry changes, without providing explicit deal terms or contractual guidance. The Committee has developed a royalty statement checklist that members can use as a reference guide in reading and understanding how sales and earnings are reported by publishers, and to clarify items publishers might not report fully or present in a readable way.

ROYALTY STATEMENT CHECKLIST

What to look for when reviewing a royalty statement

Publishers are obligated to provide authors and agents with detailed accounting statements and remit royalty payments on a timely basis (by ACH where possible) and on schedule and send clearly identified remittance notes upon making payment.

Publishers should also provide a Client and Agency portal for accessing and downloading royalty statements, as well as providing sales and sub-rights reports and historical sales information where earnings can be reviewed on an ongoing basis.

The Royalties Committee has compiled the following list of specific things to look for in reviewing any royalty statement for understanding and tracking your client's sales and earnings.

Cover/Summary Page:

Current units and current earnings, separated by format (i.e. hardcover, paper, ebook, digital and physical audio)

Cumulative units and cumulative earnings by format

Sub rights current and cumulative earnings

Total earnings to date

Advance installments paid (with deductions and author charges)

Royalty earnings previously paid

Current amount due (or unearned advance)

Statement Detail Pages:

Current units by format and royalty rate and type of sale (i.e club/special/premium/export)

Cumulative units by format and royalty rate and type of sale



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Price and publication date for each format or release

Reserve held (in units and/or earnings) with separate rates on escalators

Reserve released (in units and/or earnings)

Sub rights line items – payer named, current income, cumulative income (with units sold)

Lifetime sales for historical or inactive formats/editions

Units in print with reconciliation sheet for returns/damages