



# LEARN BY DOING WEBINAR PART III

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COST REPORTS & ACCOUNTING

# OVERVIEW

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- The role of the Production Accountant
  - Let's look at cashflow
    - Coding costs
- What is a cost report?



# COST REPORTING & ACCOUNTING

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Creative approved



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Broadcast License



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Financing Agreements



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SPENDING YOUR HARD RAISED \$\$\$



# SOME WORDS OF ADVICE...

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Start talking and working with a  
production accountant ASAP



# A Comment About The Repayment Of Development Funds...

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- If you move into production, you are obligated to repay the broadcaster and the CMF for any development amounts.
- A broadcaster will deduct any development funds from their broadcaster license.  
This will be reflected in their long form agreement.
- CMF will ask you to confirm the total of their dev contributions and you will be expected to issue a cheque before they will move to issuing their long form.





# WHAT'S THE ROLE OF A PRODUCTION ACCOUNTANT?

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They set up the production 'books':

- Inputs production budget into the accounting system
- Works with the producer to ensure development loans are repaid
- Creates a cashflow chart to estimate interest payments
  - Ensure all costs are coded/tracked properly
- Create an issue cost reports (daily, weekly, or monthly)



# WHAT'S THE ROLE OF A PRODUCTION ACCOUNTANT? (Cont...)

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- Track and trigger monies from various funders (or the bank deal if needed)
- Track location and union deposits (before and after principal photography)
  - If required, provide post-production accounting
    - If required, provide audit prep



# WHAT'S THE ROLE OF A PRODUCTION ACCOUNTANT? (Cont...)

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A Production Accountant is...

- An essential part of the team
- Key to a smooth operation
- Your financial “eyes” and “ears”

How they set up your books is crucial to the accurate tracking of all costs in dev, prod and post.





# WHAT'S A CASHFLOW CHART?

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- Parts of a cashflow (outflows/inflows)
- Used to track expenditures (outflow) and when money is needed (inflow)
- Needed if you're setting up a bank deal. Used to calculate the amount + length of borrowing in relation to interest
- Represents the entire timeline: Prep, Prod, Post, and the Audit.

# EXAMPLES OF CASHFLOW CHARTS

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- Let's look at the CMF cashflow template
- Let's look at a sample cashflow with figures



# HOW ARE COSTS “CODED”?

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- Budget account codes provide a guide for assigning invoices and expenses
- Costs can be assigned additional codes to indicate labour (ie 1000) or non-labour (ie 1400) cost.
- Depending on the production, a production accountant can assign a code to represent a province (01=BC, 02=ON) or whether a cost is Canadian or non-Canadian.

Preliminary or final: \_\_\_\_\_

Budget dated: 15-Nov-21

Exchange rate (if appl.): \_\_\_\_\_

Title: \_\_\_\_\_

Series title: Season 1

Production company: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Telephone: \_\_\_\_\_

Executive Producer(s): \_\_\_\_\_

Medium/Format: \_\_\_\_\_

Producer(s): \_\_\_\_\_

Length: 15 min x 10 eps

Director(s): \_\_\_\_\_

Location/Studio: \_\_\_\_\_

Writer(s): \_\_\_\_\_

Pre-prod. period: \_\_\_\_\_

Production Manager: \_\_\_\_\_

Shooting period: \_\_\_\_\_

Production Accountant: \_\_\_\_\_

Post-prod. period: \_\_\_\_\_

Union(s): WGC

Delivery: \_\_\_\_\_

Budget prepared by: \_\_\_\_\_

Date of script: \_\_\_\_\_

Budget prepared on (date): \_\_\_\_\_

Version no.: \_\_\_\_\_

Budget  
approved by:

Name	Signature	Date

Account	Category	Page	Total
01.00	Story rights/Acquisitions	1	0
02.00	Script	1	63,164
03.00	Development costs	2	10,500
04.00	Producer(s)	3	57,429
05.00	Director(s)	3	77,750
06.00	Stars	4	0
TOTAL "A" – ABOVE THE LINE			208,843



	"B" – PRODUCTION		
10.00	Cast	5	0
11.00	Background Performers (Extras)	6	0
12.00	Production labour	7	53,750
13.00	Production Design/Art Department labour	8	0
14.00	Construction labour	8	0
15.00	Set Dressing labour	9	0
16.00	Props labour	9	0
17.00	Special Effects labour	10	0
18.00	Animal Wrangling labour	10	0
19.00	Wardrobe labour	11	0
20.00	Makeup/Hair labour	11	5,500
21.00	Video Technical crew	12	0
22.00	Camera labour	13	60,000
23.00	Electrical labour	13	0
24.00	Grip labour	14	0
25.00	Production Sound labour	14	25,000
26.00	Transportation labour	15	0
27.00	Fringe benefits	15	0
28.00	Production office expenses	16	9,400
29.00	Studio expenses	17	0
30.00	Location office expenses	17	0
31.00	Location expenses	18	0
32.00	Unit expenses	19	750
33.00	Travel & Living expenses	19	55,150
34.00	Transportation	20	10,640



Account	Category	Page	Total
35.00	Construction materials	21	0
36.00	Art supplies	21	0
37.00	Set dressing	21	0
38.00	Props	22	0
39.00	Special effects	22	0
40.00	Animals	22	0
41.00	Wardrobe supplies	23	0
42.00	Makeup/Hair supplies	23	0
43.00	Videotape studio	24	0
44.00	Mobile video unit	24	0
45.00	Camera equipment	25	34,000
46.00	Electrical equipment	25	0
47.00	Grip equipment	26	5,000
48.00	Sound equipment	26	12,700
49.00	Second unit	27	0
50.00	Videotape stock	27	3,800
51.00	Production laboratory	28	0
52.00	Voice recording – Animation	29	0
53.00	Production unit – Animation	29	0
54.00	Art & Design unit – Animation	30	0
55.00	2D Animation unit	31	0
56.00	3D Animation unit	32	0
57.00	Live Animation (MOCAP) unit	33	0
58.00	Fringe benefits – Animation	33	0
59.00	Animation materials & supplies	34	0
<b>TOTAL PRODUCTION “B”</b>			<b>275,690</b>

	<b>"C" – POST-PRODUCTION</b>		
60.00	Post Production - Edit labour	35	71,300
61.00	Editing equipment	36	6,200
62.00	Video post production (picture)	37	31,600
63.00	Video post production (sound)	38	0
64.00	Film post production (picture)	39	0
65.00	Film post production (sound)	40	120,000
66.00	Music	41	60,000
67.00	Titles/Stock footage/Visual effects	42	3,000
68.00	Versioning	42	6,500
69.00	Amortization (series)	43	0
	<b>TOTAL POST-PRODUCTION "C"</b>		<b>298,600</b>
	<b>TOTAL "B" + "C"</b> <b>(PRODUCTION AND POST PRODUCTION)</b>		<b>574,290</b>
	<b>"D" – OTHER</b>		
70.00	Unit publicity	44	20,500
71.00	General expenses	45	30,087
72.00	Indirect costs	45	72,229
	<b>TOTAL OTHER "D"</b>		<b>122,816</b>
	<b>TOTAL "A" + "B" + "C" + "D"</b>		<b>905,949</b>
80.00	Contingency	45	28,715
81.00	Completion guarantee	45	0
	<b>GRAND TOTAL</b>		<b>934,663</b>

**Title: 0**

Series: Season 1

Prodco: 0

Date of budget: 15-Nov-21

Medium/Format: 0

Length: 0

Location/Studio: 15 min x 10 eps

**02.00 SCRIPT**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
02.01	Writer(s) - television doc series - outline and script (15 min x 10 eps)	1	10	---	3,718.00	37,180
02.05	Consultant(s) story consultants	1	10	---	750.00	7,500
02.25	Researcher - searches/clearances	1	10	---	1,000.00	10,000
02.90	Fringes - WCG @16.75%	1	0.17	%	44,680	7,484
02.95	Transcriptions of research interviews	5	2	---	100.00	1,000
<b>02.00</b>	<b>TOTAL - SCRIPT</b>					<b>63,164</b>



**03.00 DEVELOPMENT COSTS**

Account	Description	Total
03.01	Preliminary breakdown/Budget	2,000
03.02	Series Bible - graphic layout, casting profile, lookbook.	2,000
03.03	Consultant(s), pre-casting	1,500
03.05	Researchers, field support	3,000
03.06	Writing - outline and casting pkg	1,500
03.25	Office expenses	500
03.95	Other	0
<b>03.00</b>	<b>TOTAL - DEVELOPMENT COSTS</b>	<b>10,500</b>

**04.00 PRODUCER(S)**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
04.01	Executive Producer(s) - 10% B+C	1	1	Allow	57,429.00	31,179
04.05	Producer(s) - 10% B+C	1	15	Week	1,750.00	26,250
04.93	Kit Fees	1	1	---	0.00	0
04.95	Other	1	1	---	0.00	0
<b>04.00</b>	<b>TOTAL - PRODUCER(S)</b>					<b>57,429</b>

**05.00 DIRECTOR(S)**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
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05.01	Director (dgc rates. 10 days per, Prep shoot and edit)	2	5	Eps	6,000.00	60,000
05.60	Travel - flights	2	1	Allow	2,000.00	4,000
05.65	Living - hotel (2 dir x 25 days @ \$150/night)	2	25	Allow	150.00	7,500
05.92	Per diems - per day	2	25	day	125.00	6,250
05.93	Kit Fees	1	1	---	0.00	0
05.95	Other	1	1	---	0.00	0
<b>05.00</b>	<b>TOTAL – DIRECTOR(S)</b>					<b>77,750</b>



**12.00 PRODUCTION LABOUR**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
12.05	Production Manager	1	15	Week	1,750.00	26,250
12.40	Production Coordinator	1	10	Week	1,250.00	12,500
12.50	Production Accountant	1	1	Allow	15,000.00	15,000
12.95	Other	1	1	---	0.00	0
<b>12.00</b>	<b>TOTAL – PRODUCTION LABOUR</b>					<b>53,750</b>

**20.00 MAKEUP/HAIR LABOUR**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
20.01	Head Makeup Artist - key interview day for subjects, hire local	1	10	Day	500.00	5,000
20.93	Kit fees	1	10	Day	50.00	500
20.95	Other	1	1	---	0.00	0
<b>20.00</b>	<b>TOTAL – MAKEUP/HAIR LABOUR</b>					<b>5,500</b>

**22.00 CAMERA LABOUR**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
22.01	Directors of Photography 2 camera teams, 5 shows each, 5 shooting days per episode	2	25	Day	700.00	35,000
22.10	1st Assistant Camera	2	25	Day	400.00	20,000
22.95	Other - drone operator	1	10	Day	500.00	5,000
<b>22.00</b>	<b>TOTAL – CAMERA LABOUR</b>					<b>60,000</b>

**25.00 PRODUCTION SOUND LABOUR**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
25.01	Mixer/Sound Recordist	2	25	Day	500.00	25,000
25.95	Other	1	1	---	0.00	0
<b>25.00</b>	<b>TOTAL – PRODUCTION SOUND LABOUR</b>					<b>25,000</b>

**28.00 PRODUCTION OFFICE EXPENSES**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
28.01	Office rentals	1	10	Week	400.00	4,000
28.10	Photocopy	1	10	Week	50.00	500
28.15	Stationery/Office supplies	1	10	Week	50.00	500
28.20	Telephone/Cell/Fax	3	10	Month	100.00	3,000
28.21	Internet	1	6	Month	150.00	900
28.30	Courier/Postage	1	1	Fixed	500.00	500
28.95	Other	1	1	---	0.00	0
<b>28.00</b>	<b>TOTAL – PRODUCTION OFFICE EXPENSES</b>					<b>9,400</b>

**32.00 UNIT EXPENSES**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
32.95	Other - COVID supplies/testing if required	1	1	Allow	750.00	750
<b>32.00</b>	<b>TOTAL – UNIT EXPENSES</b>					<b>750</b>



**33.00 TRAVEL & LIVING EXPENSES**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
33.01	Fares: DP, Sound, PA	3	2	Allow	2,000.00	12,000
33.10	Accommodations - 3 crew x 50 nights	3	50	Allow	150.00	22,500
33.20	Per diem(s)	3	50	Day	125.00	18,750
33.35	Overweight baggage	1	4	Allow	350.00	1,400
33.40	Shipping	1	1	Allow	500.00	500
33.50	Customs/Brokerage	1	1	---	0.00	0
33.95	Other	1	1	---	0.00	0
<b>33.00</b>	<b>TOTAL – TRAVEL &amp; LIVING EXPENSES</b>					<b>55,150</b>

**34.00 TRANSPORTATION**

<b>Account</b>	<b>Description</b>	<b>No.</b>	<b>No. units</b>	<b>Unit</b>	<b>Rate/Amt</b>	<b>Total</b>
34.01	Production cars - rentals	2	1	Vehicles	3,000.00	6,000
34.40	Taxis to airport	2	1	---	300.00	600
34.45	Parking	1	1	Allow	500.00	500
34.47	Mileage allowance	2	3000	Allow	0.59	3,540
34.95	Other - rental insurance	1	1	---	0.00	0
<b>34.00</b>	<b>TOTAL – TRANSPORTATION</b>					<b>10,640</b>



**45.00 CAMERA EQUIPMENT**

<b>Account</b>	<b>Description</b>	<b>No.</b>	<b>No. units</b>	<b>Unit</b>	<b>Rate/Amt</b>	<b>Total</b>
45.10	Basic package rental	2	25	Day	450.00	22,500
45.25	Video/Teleprompter - for interviews	2	5	---	200.00	2,000
45.27	Hard Drives/Cards	4	10	---	100.00	4,000
45.85	Loss and damage	1	1	Allow	500.00	500
45.95	Other: drone	1	10	Day	500.00	5,000
<b>45.00</b>	<b>TOTAL – CAMERA EQUIPMENT</b>					<b>34,000</b>

**47.00 GRIP EQUIPMENT**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
47.10	Basic package rental	1	50	Day	100.00	5,000
47.95	Other	1	1	---	0.00	0
<b>47.00</b>	<b>TOTAL – GRIP EQUIPMENT</b>					<b>5,000</b>

**48.00 SOUND EQUIPMENT**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
48.10	Basic package rental	2	25	Day	250.00	12,500
48.30	Purchases - batteries, expendables	2	1	Allow	100.00	200
48.95	Other	1	1	---	0.00	0
<b>48.00</b>	<b>TOTAL – SOUND EQUIPMENT</b>					<b>12,700</b>

**50.00 VIDEOTAPE STOCK**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
50.01	<i>Original scenes:</i>					3,800
	Master	1	10	---	150.00	
	Backup	1	1	---	2,000.00	
	Audio recording stock/Hard drives	1	2	---	150.00	
	Audio FX cartridge(s)	1	1	---	0.00	
50.95	Other	1	1	---	0.00	0
<b>50.00</b>	<b>TOTAL – VIDEOTAPE STOCK</b>					<b>3,800</b>

**60.00 POST PRODUCTION - EDIT LABOUR**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
60.01	Post Production Supervisor	1	16	Week	800.00	12,800
60.10	Editor - 2 editors, 5 episodes each, 3 weeks offline (inclusive of addressing notes)	2	15	Week	1,750.00	52,500
60.12	Assistant Editor(s)	1	6	Week	1,000.00	6,000
60.95	Other	1	1	---	0.00	0
<b>60.00</b>	<b>TOTAL – POST PRODUCTION EDIT LABOUR</b>					<b>71,300</b>



**61.00 EDITING EQUIPMENT**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
61.10	Editing equipment (linear/non-linear)	2	15	Week	100.00	3,000
61.40	Post production office expenses	1	10	Fixed	100.00	1,000
61.50	Courier	1	1	Allow	200.00	200
61.95	Other - Dropbox	1	1	Allow	2,000.00	2,000
<b>61.00</b>	<b>TOTAL – EDITING EQUIPMENT</b>					<b>6,200</b>

**62.00 VIDEO POST PRODUCTION (PICTURE)**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
62.15	Online editing 1.5 days nline					7,500
	Equipment	1	15	Day	500.00	
	Additional machine(s)	1	1	---	0.00	
	Stock	1	1	---	0.00	
62.21	Colour correction 3 days per episode	1	30	Day	750.00	22,500
62.60	Backup/Protection copies	1	4	Day	400.00	1,600
62.95	Other	1	1	---	0.00	0
<b>62.00</b>	<b>TOTAL – VIDEO POST PRODUCTION (PICTURE)</b>					<b>31,600</b>

**65.00 POST PRODUCTION (SOUND)**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
65.01	Original effects recording	1	10	---	2,500.00	25,000
65.10	Narration/Voiceover/Dialogue	1	10	---	2,500.00	25,000
65.30	<i>Foley track:</i> Studio	1	10	---	1,500.00	15,000
	Materials	1	1	---	0.00	
65.45	<i>Mix</i> Original 5.1	1	10	---	5,000.00	55,000
	International M&E track	1	10	---	500.00	
65.95	Other	1	1	---	0.00	0
<b>65.00</b>	<b>TOTAL – FILM POST PRODUCTION (SOUND)</b>					<b>120,000</b>



**66.00 MUSIC**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
66.10	Composer(s)	1	10	---	2,000.00	20,000
66.20	Music consultant	1	1	Allow	7,500.00	7,500
66.25	Musicians	2	10	---	500.00	10,000
66.30	Spotting session(s)	1	10	---	500.00	5,000
66.40	Studio	1	10	---	250.00	2,500
66.70	<i>Music rights: 2 songs per episodes?</i>					10,000
	Synchronization	1	10	Allow	500.00	
	Master recording	1	10	Allow	500.00	
66.71	Music Clearances Coordinator	1	1	Allow	5,000.00	5,000
66.95	Other	1	1	---	0.00	0
<b>66.00</b>	<b>TOTAL – MUSIC</b>					<b>60,000</b>

**67.00 TITLES/STOCK FOOTAGE/VISUAL EFFECTS**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
67.01	<i>Titles:</i>					3,000
	Opening/Closing	1	1	Fixed	2,500.00	
	Graphics	1	1	Fixed	500.00	
	Textless	1	1	---	0.00	
	Shooting	1	1	---	0.00	
67.95	Other	1	1	---	0.00	0
<b>67.00</b>	<b>TOTAL – TITLES/STOCK FOOTAGE/VISUAL EFFECTS</b>					<b>3,000</b>

**68.00 VERSIONING**

Account	Description	No.	No. units	Unit	Rate/Amt	Total
68.90	Captioning	1	10	---	150.00	1,500
68.92	Described video	1	10	---	500.00	5,000
68.95	Other	1	1	---	0.00	0
<b>68.00</b>	<b>TOTAL – VERSIONING</b>					<b>6,500</b>

**70.00 UNIT PUBLICITY**

<b>Account</b>	<b>Description</b>	<b>No.</b>	<b>No. units</b>	<b>Unit</b>	<b>Rate/Amt</b>	<b>Total</b>
70.01	Unit Publicist	1	1	Allow	10,000.00	10,000
70.10	Production website	1	1	Fixed	1,500.00	1,500
70.12	Production social media/SEO	1	1	Fixed	2,000.00	2,000
70.20	Set Photographer - 5 of the locations, local hire	1	5	Day	1,000.00	5,000
70.65	Electronic press kit (EPK)	1	1	---	2,000.00	2,000
70.95	Other	1	1	---	0.00	0
<b>70.00</b>	<b>TOTAL – UNIT PUBLICITY</b>					<b>20,500</b>



**71.00 GENERAL EXPENSES**

<b>Account</b>	<b>Description</b>	<b>Sub-Total</b>	<b>Total</b>
71.01	<i>Insurance:</i>		10,500
	Entertainment package	4,500.00	
	General comprehensive	2,000.00	
	Errors and omissions (E&O)	4,000.00	
	Union insurance requirements	0.00	
	Special coverage	0.00	
71.05	Medical fees		0
71.10	Legal fees		4,000
71.20	Post production accounting		8,000
71.25	Audit fee		6,000
71.30	Bank charges		1,587
71.95	Other		0
<b>71.00</b>	<b>TOTAL – GENERAL EXPENSES</b>		<b>30,087</b>



**72.00 INDIRECT COSTS**

<b>Account</b>	<b>Description</b>	<b>Total</b>
72.01	Corporate overhead (10% B+C)	57,429
72.10	Tax credit administration	7,000
72.20	Interim financing	7,500
72.30	Other financing	0
72.50	ISAN registration	300
72.95	Other	0
<b>72.00</b>	<b>TOTAL – INDIRECT COSTS</b>	<b>72,229</b>

**80.00 CONTINGENCY**

Account	Description		Total
80.01	Contingency	5.0% of B+C	28,715
80.00	TOTAL – CONTINGENCY		28,715

**81.00 COMPLETION GUARANTEE**

Account	Description		Total
81.01	Completion guarantee		0
81.00	TOTAL – COMPLETION GUARANTEE		0

# WHAT IS A COST REPORT?

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- It is a 'snap shot' in time (daily, weekly, monthly)
- It is an essential tool to help a producer see what monies have been spent (to a certain date) and what money are left still to spend.



# HOW TO READ A COST REPORT

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LET'S TAKE A CLOSE UP LOOK  
AT A COST REPORT





# CASHFLOW VS. FINANCING REVENUE

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A quick comment...



# THE IMPORTANCE OF CAST & CREW CONTRACTS

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- Include Cavco ID# if they are a key creative (Writer, Director, Prod Designer, DOP, Editor, Composer, 1st Lead, 2nd Lead)
- If they are using an incorporated company, request a copy of their shareholder ledger to determine 100% vs 65% labour

# Q&A

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Any final questions?



# AN IMPORTANT ANNOUNCEMENT

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## CISF BESPOKE BUSINESS CLINICS

- One-on-one clinics with a business professional.
- Clinics tailored to your specific needs.
- Open to BPOC creators with a project in development.





# LEARN BY DOING WEBINARS

MADE POSSIBLE WITH SUPPORT FROM:



CANADA  
MEDIA FUND

THANK YOU TO OUR PARTNERS:

