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Preparation of the Final Financial Reporting

According to Art 2.4. letter i) of the Grant Agreement, the Lead Grantee should transmit a final financial reporting that requires the final financing plan and the final production cost report.

The final financial reporting must be sent to the Council of Europe Secretariat within 3 months after the first delivery to the linear or non-linear audio-visual media service.

It must be established and certified by a chartered accountant[[1]](#footnote-1), an auditor or a statutory auditor independent[[2]](#footnote-2) from the Grantees.

The final financial reporting must include a Global Final Financial Reporting (Appendix I) and a Final Financial Reporting of each co-producing country (Appendix II).

**General requirements**

The final financial reporting should:

* be presented on the professional letter-head of the company or person providing certification;
* indicate the professional body with which they are registered (or failing this provide a separate certificate);
* include a statement signed by the company or person providing the certification specifying the final production cost report per country;
* confirm that:

1. the examination was carried out according to the principles of generally accepted international standards and specifying the standards used;
2. the examination was carried out in such a way as to ensure that the financial records did not include financial errors;
3. the financial records give an accurate and fair view of the financial status of the project.
4. the company or person providing the certification is independent from the production companies involved in the project and has not been involved itself in the development, production or exploitation of the project;
5. the certification was established in conformity with the applicable laws and rules applicable to the co-producers involved in the project.

**Detailed requirements**

1. The final financing plan should:

* reflect all the financing sources paid or provisioned in the accounts of the Lead Grantee and the Grantees in relation to the series.

1. The final production cost report should:
   * show for each budget sub-head and per country the variation between the cost shown in the production budget annexed to the Council of Europe Grant Agreement and the audited costs;
   * show the eligible costs covered by the Council of Europe as indicated in APPENDIX III of the Grant Agreement;
   * be prepared in local currency and in euros, using the same exchange rate as that used in the production budget annexed to the Council of Europe Grant Agreement;
   * be prepared in English or in French (including the statement of the company or person providing the certification) or be accompanied by a translation into one of these language;
   * stipulate that they are exclusive of VAT;

and must respect the following general principles (non-exhaustive list):

* + all items included in the final production cost report should be justified by official documents (invoices, receipts or contracts) and be recorded in the company accounts under the title of the series project:
  + similarly, expenses relating to “barter” agreements, deferrals, in-kind contributions, etc. should be documented, correspond to the actual services rendered, and be recorded in the company accounts at a realistic market value;
  + by definition, the amount shown under the heading ‘Contingency’ in the production budget has either been spent during the production of the series (and thus figures under other budgetary sub-heads) or has not been spent and is thus not a production cost. As a result, no contingencies should appear in the final costs;
  + in order to be included in the final costs, expenses not yet paid (accruals) must be subject to an accounting entry. By their nature provisions should not figure in the final costs. The Council of Europe reserves the right to request complimentary explanations if unpaid expenses represent a significant proportion of the final costs;
  + overheads are accepted in the final costs, including where they are calculated as a percentage of the total cost, in so far as they are in line with industry standards in the country in question. Nonetheless, clarifications should be provided where overheads are particularly high (number of projects undertaken by the company, number of permanent employees, expenses relating to such overheads, etc.);
  + where certification is carried out on behalf of several co-producers from different countries, the company or the person establishing the certification should include in Appendix the audit reports carried out in the respective countries.

The Council of Europe reserves the right to request a more detailed breakdown of production costs and to undertake audits of production accounts (either directly or through a third party).

It is highly recommended to use the reporting templates available in the appendix.

Appendix I- Global Final Financial Reporting

Appendix II – Final Financial Reporting by co-producing country

**Appendix I – Global Final Financial Reporting**

*To be presented on the professional letterhead of the auditor*

**Global Final Financial Reporting**

**final financing plan and the final production cost report of the series entitled:** [series title]

**reference number:** [indicated on Council of Europe grant agreement]

1. **Information on the Auditor**

1.1 Name of the Auditor: [Surname + Name]

Name of the Auditing Company: [Name of the company of the auditor]

Address: [Auditing Company’s office address]

Country: [Country of registration of the Auditor]

Email address: [contact email address]

Professional body to which the Auditor belongs: [organization name]

Registration number in this professional body: [registration number]

1.2 The Auditor certifies that:

(s)he is authorized to exercise and certify accounts as a registered accounting professional (chartered accountant, auditor or statutory auditor…) in her/his country of registration;

(s)he is independent of the co-production companies and other financiers or companies involved in the series;

(s)he was not involved in the accounting and management of the development, production and exploitation of the series .

The Auditor acknowledges that (s)he has been provided with a copy of the Council of Europe Grant Agreement and a copy of the Call for Projects [year].

1. **Final Production Cost Report**

On the basis of the per-country audits provided to the Auditor and appended to this document, the final production cost of the series is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Production Company** | **Co-producing Country** | **Amount**  **in EUR** | **Amount in Currency[[3]](#footnote-3)** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Final Production Cost** | |  |  |

1. **Final Financing Plan**

On the basis of the per-country audits provided to the Auditor, the final financing plan of the series per co-producing country is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Co-producing country 1/ Name of the production company** | | | |
| **Name of the financing source** | **Amount in EUR** | **Amount in Currency** | **% Total Financing** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total co-producing country 1** |  |  |  |
|  |  |  |  |
| **Co-producing country 2 / Name of the production company** | | |  |
| **Name of the financing source** | **Amount in EUR** | **Amount in Currency** | **% Total Financing** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total co-producing country 2** |  |  |  |
|  |  |  |  |
| **Co-producing country 3 / Name of the production company** | | |  |
| **Name of the financing source** | **Amount in EUR** | **Amount in Currency** | **% Total Financing** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total co-producing country 3** |  |  |  |
|  |  |  |  |
| **Total Financing** |  |  | **100%** |

1. **Additional comments of the Auditor**

Please provide below explanations or comments on any items above.

Date:

Signature of the Auditor:

Stamp:

Appendix II –Final Financial Reporting by co-producing country

*To be presented on the professional letterhead of the auditor*

**FINAL FINANCIAL REPORTING BY CO-PRODUCING COUNTRY**

**final financing plan and the final production cost report of the series entitled:** [Series title]

**For the co-producing country:** [Country]

**reference number:** [indicated on the Council of Europe grant agreement]

1. **Information on the Auditor**

1.1 Name of the Auditor: [Surname + Name]

Name of the Auditing Company: [Name of the company of the auditor]

Address: [Auditing Company’s office address]

Country: [Country of registration of the Auditor]

Email address: [contact email address]

Professional body to which the Auditor belongs [organization name]

Registration number in this professional body: [registration number]

1.2 The Auditor certifies that:[[4]](#footnote-4)

(s)he is authorized to exercise and certify accounts as a chartered accountant, auditor or statutory auditor in her/his country of registration;

(s)he is independent of the co-production company and other financiers or companies involved in the series;

(s)he was not involved in the accounting and management of the development, production and exploitation of the series.

The Auditor acknowledges that (s)he has been provided with a copy of the Council of Europe Grant Agreement and a copy of the Call for Projects [year].

1. **Information on the audited company**

The Auditor verifies and certifies the accounts of the following co-producing company for the series: [Production Company Name]

1. **Information on the audit procedures**

3.1 The Auditor certifies that1:

the examination was carried out according to established international or national audit standards. Please indicate the reference of the standards applied if the above-mentioned ISA standards were not used:

|  |
| --- |
|  |

the examination was carried out in such a way as to ensure that the financial records did not include factual errors;

the financial records give a complete, accurate and fair view of the financial status of the series and comply with the social and fiscal laws applicable to the country of establishment of the audited company mentioned in §2;

based on the financial review, all items included in the final production cost and finance plan are justified by official documents (bills, receipts, contracts, signed purchase orders…), registered in the company’s accounts and are exclusive of VAT (except when non recoverable) and include all applicable rebates or discounts as well as miscellaneous income deducted from the series ‘production costs (sales of props, costumes, exchange gains, insurance or bond reimbursements, etc.);

limited or capped expenses (overheads, producer’s fees, financing fees, interest charges, marketing & promotion expenses, costs invoiced by related companies, etc.) correspond to the legislation or the regulations (national, regional) applicable to the audited company and to the series;

the final production cost does not include contingencies.

3.2 The exchange rate(s) used to establish the financial status of the series is/are the same as that used in the production budget and the financing plan annexed to the Council of Europe Grant Agreement[[5]](#footnote-5) and is/are the following: 1€= [amount and currency 1]

1€= [amount and currency 2[[6]](#footnote-6)].

1. **Final Production Cost report**
   1. The Auditor certifies that the implementation period of the series project ended on [date], i.e. the date of the first delivery to the linear or non-linear audiovisual media service recipient, after which the expenses are no longer considered as part of the eligible production cost of the series.
   2. The Auditor certifies that the final production costs for the series registered in the accounts of the producer(s) mentioned in §2 are as follows:

* Final production cost in EUR: [Amount of the final production cost in EUR]
* Final production cost in national currency: [Amount of the final production cost in national currency]
  1. The Auditor certifies that the costs indicated as eligible in Appendix III to the Grant Agreement and covered by the Council of Europe Grant were incurred after [date of the deadline for submission of the Call for Projects][[7]](#footnote-7).
  2. The Auditor shall append in Appendix I a final production cost report:
* The final production cost report should foresee a column for eligible costs covered by the grant.
* prepared in English or in French;
* signed by the Auditor.

4.4 The final production cost includes the following non-monetary contributions - in-kind contributions, “barter” agreements and deferred costs:

|  |  |  |  |
| --- | --- | --- | --- |
| **Account Number[[8]](#footnote-8)** | **Description**  *(Description of in-kind contributions, deferred costs, barter, etc.)* | **Amount**  **EUR** | **Amount Currency** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total** |  | **- €** |  |

4.5 The final production cost includes the following provisions i.e. expenses which, at the end of production date (see §4.1) have not yet been paid but are justified by official documents and registered in the company’s accounts:

|  |  |  |  |
| --- | --- | --- | --- |
| **Account Number**5 | **Description** | **Amount**  **EUR** | **Amount Currency** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total** |  | **- €** |  |

1. **Final Financing Plan**

5.1 The Auditor certifies that the final financing plan below reflects all the financing sources paid or provisioned in the accounts of the company mentioned in §2 above in relation to the Series.

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of the financing source** | **Contractual amount in EUR** | **Contractual amount in Currency** | **Outstanding balance in EUR** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total Financing** |  |  |  |

1. **Additional comments of the Auditor**

Please provide below explanations or comments on any items above.

Date:

Signature of the Auditor:

Stamp:

*Please note that Council of Europe reserves the right to request a more detailed breakdown of production costs and to undertake audits of the Series’ accounts (directly or through a third party).*

1. Auditors or professional accountants approved to certify accounts are normally affiliated to national professional organisations (see <https://www.ifac.org/who-we-are/membership>). The name of the professional organisation of affiliation and the registration number or reference of that organisation should be shown on the form to ensure clear identification of the auditor performing the audit. [↑](#footnote-ref-1)
2. In line with the International Standards of Auditing (ISA), the Council of Europe interprets auditor independence to mean that the auditor may not be involved in any activity related to the project and/or the companies involved in the development, production and distribution of the series audited. Nevertheless, the regulations applied by national public film funds in terms of auditor independence may prevail, but such a case should be mentioned as a comment in the form. [↑](#footnote-ref-2)
3. The exchange rate to be used is that fixed by the Council of Europe and published on the Pilot Programme website (Call [2023](https://coepilotseries.smapply.io/protected/r/FkmBTc_C-GJ6iD28zx8OmMjdxwM6qbz1XFuiwusn6cabsI4GcKCG2xMJ93pfInCNtNqpukKOBQnVjenr1SvH3w==/CoE_PilotSeries_OfficialExchangeRate_Call2023.pdf), [2024](https://rm.coe.int/exchange-rates-taux-de-change-23-02-24/1680aea178)) [↑](#footnote-ref-3)
4. Please check the boxes where applicable throughout the document and provide an explanation in the comments section (§6) if necessary. [↑](#footnote-ref-4)
5. The exchange rate to be used is that fixed by the Council of Europe and published on the Pilot Programme website (Call [2023](https://coepilotseries.smapply.io/protected/r/FkmBTc_C-GJ6iD28zx8OmMjdxwM6qbz1XFuiwusn6cabsI4GcKCG2xMJ93pfInCNtNqpukKOBQnVjenr1SvH3w==/CoE_PilotSeries_OfficialExchangeRate_Call2023.pdf), [2024](https://rm.coe.int/exchange-rates-taux-de-change-23-02-24/1680aea178)) [↑](#footnote-ref-5)
6. Add as many exchange rates as necessary. [↑](#footnote-ref-6)
7. The implementation period of the series project starts the day of the deadline for submission of applications and ends the day of the 1st delivery to the linear or non-linear audiovisual media service recipient. Only costs incurred during the implementation period are eligible. As regards projects whose principal photography started prior to the date of the deadline for submission of the applications, or prior to the date of signature of the grant agreement, only those costs incurred after the deadline for submission of the applications will be eligible. [↑](#footnote-ref-7)
8. *Account number or reference in the production cost report.* [↑](#footnote-ref-8)