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**A MODEL SURVEY  
FOR AUDIOVISUAL SERVICES**

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## **A model survey for audiovisual services**

### **Introduction**

During the fifth meeting (Paris) of the Voorburg Group on service statistics, Statistics Canada had proposed a model survey on computer services. At the sixth meeting of the group (Helsinki), a certain number of countries have presented the results of operations achieved in the framework of such a model survey. These experiments will be renewed and will be the subject of communications to the seventh meeting (Williamsburg). At the end of the Helsinki meeting, it was also decided that the experiment on the model should be extended to other fields, telecommunications (Canada will make proposals, with the collaboration of France and the Netherlands) and audiovisual services (France will make proposals, with the collaboration of Finland and Sweden).

During the fifth meeting (Paris), the French Commission on Service Accounts had made proposals for explanatory notes as to the product classification for audiovisual services.

The present project uses on one hand, the work of statistics Canada (which it follows rather strictly) and, on the other hand, the proposal of the French Commission of Service Accounts which has been now somewhat modified in the light of the experience of a survey launched in April 1991 on the enterprise data for 1990.

An advanced paper was provided, in January 1992, to Finland and Sweden. Their remarks and commentaries have been taken into account to improve the present issue.

The two reference papers are reproduced in volume I of the publication of the papers prepared for the 1990 meeting of the Voorburg Group (respectively, pages 45 and sq. and pages 149 and sq.).

The spirit of these papers is however recalled briefly hereafter, and remarks referring to audiovisual services are also provided.

#### **The model survey (Statistics Canada)**

1. The model describes eleven modules for data collection on services. The survey has been built for testing the classes of CPC and ISIC, as well as for measuring, among others, the following elements :

- brut and net values of productions by service enterprises ;
- exports of goods and services by service enterprises ;
- production and exports of services by non service enterprises ;
- imports of services ;
- own account production of services.

2. As to production, exports and imports of audiovisual services by enterprises the main activity of which is not audiovisual services, it seems that the problem is not as important as for computer services : one does not propose to create a module for that purpose. The audiovisual sector is a rather "closed" sector and there exist obligatory entrance "checkpoints" (producers, distributors).

3. It should be noted that accounting modules proposed by Statistics Canada have to be used everywhere and therefore do not refer to accounting norms ; this implies, for example as to expenditures, that each heading be itemized in great details so that the coverage of the heading be understood unambiguously ; but the itemization has the only purpose to be "universal" and not the purpose of collecting data in great details. Countries where accounting norms exist may therefore regroup some items, except, of course, for items specific to audiovisual services where details are expected to be provided.

4. At last, as to the CPC, Statistics Canada has made some refinements and provides detailed explanatory notes in an annex ; the same procedure has been followed.

### **The product classification of audiovisual services (French Commission on Service Accounts)**

#### The CPC for audiovisual services

This classification separates production and distribution on one side, projection and, at last, radio and television :

#### 9611 Motion picture and video tape production and distribution services

96111 Services in connection with promotion or advertising

96112 Services in connection with motion picture or video tape production

96113 Services in connection with motion picture or video tape distribution

#### 9612 Motion picture projection services

96121 Motion picture projection services

96122 Video tape projection services

#### 9613 Radio and television services

96131 Radio services

96132 Television services

96133 Combined programme making and broadcasting services

#### Commentaries

#### 9611 Motion picture and video tape production and distribution services

As the monetary amounts dealt with in such services are rather big, it is thought that more details should be looked for.

So, as to production and distribution, it seems preferable to separate motion picture works on one side and other audiovisual works on the other side. Similarly, as to production, it seems preferable to make a specific case for advertising (this is very useful for national accounts operations, in particular).

## 9612 Motion picture projection services

No remark.

## 9613 Radio and television services.

As to broadcasting (radio, television, but also motion picture), this is very peculiar since, on one hand, there are products (movie projection in movie theatres, fiction or news or variety works broadcasting) and, on the other hand, there are revenues (movie theatre entrances, television taxes, pay television receipts, advertising receipts, copyright incomes, ...) ; but, there is generally not a strict correspondance between detailed products and detailed receipts.

On the product side (broadcasting), there are only expenditures (cost of the emission) and, thus, eventually, a production cost, but there are no costs at market prices, since the products are not invoiced individually. Revenues are of various and numerous origins and are used to cover the product costs. But they are global : there is no simple and direct relationship between product and revenue, except if all products and all revenues are taken altogether.

In fact, as to audiovisual, it is not possible to link a given income to a given product, and, when accounting type surveys are carried out, one can only collect data on revenues. A detailed classification of products is therefore useless ; the CPC is indeed not detailed, while monetary amounts exchanged in the field under review are of major importance.

But it is possible to make a survey classification, based on revenues, i.e. on effective flows.

At the result level, one obtains a product breakdown which is not detailed and in conformity with the CPC, and a breakdown by type of revenues which is more detailed and permits describing the financing flows. The latter approach through financing flows is of major importance as to audiovisual services, for economic analysis and national accounts as well as for the professionnals in the sector.

The proposed survey classification, which is presented hereafter, attempts to differentiate as to products (in the usual meaning of the word) and as to type of financement, as to distribution channels. At last, a distinction is made between motion picture works, on one side, and television and videotape works, on the other side.

### **Proposal for a survey classification**

Explanatory notes are provided in annex.

## 9611 Motion picture and video tape production and distribution services

### 96111 Services in connection with promotion or advertising

#### 96111A Production on order of advertising movies

[Production on order of movies for advertising (the conception of the scenario is not included here but with advertising creation) ; the invoice is made on the basis of an estimate of outlays : there is non commercial risk]

#### 96111B Production on order of other movies (industry, training..)

[Production on order of movies for industry (demonstration, public relations, ...) or for training ; as for the preceding item, the

scenario is provided in the bill of quantities ; there is an estimate of outlays ; there is no commercial risk]

#### 96112 Services in connection with motion picture or video tape production

[As indicated hereabove, first a distinction is made between motion pictures and other audiovisual works ; secondly, a distinction is made with regards to the type of user (movie theatre or television) except for external exchanges (the user is not known) ; at last provision is made for the type of revenue]

96112A Revenues of producers from distributors on motion pictures.

[This is the classical flow of movie producers' incomes : the movie theatre gives a part of its revenues to the distributor who, in turn, gives a part to the producer]

96112B Pre-sales of rights on motion pictures to resident television companies

[This covers production incomes, but the addressee is the television company ; "resident" is used in its usual sense of a company localised on the national territory ; the user television company participates in the financing of the motion picture works during its phase of realisation]

96112C Sales of rights on motion pictures to resident television companies

[Same remarks as for 96112B but the company does not participate in the financing : it purchases broadcasting rights on completed and commercialised works]

96112D Pre-sales and sales of rights on motion pictures to resident editors of video cassettes and videodisks.

[Same remarks as above ; this refers to a separate dissemination channel]

96112E Pre-sales of rights on motion pictures to non resident companies

[One cannot prejudge or know the dissemination channel : movie theatre, television or video]

96112F Sales of rights on motion pictures to non resident entities.

96112G Production of motion pictures added to fixed assets.

[Own account production of motion picture works ; there is no revenue and the works are added, at cost price, to fixed assets]

96112H Revenues linked to the exploitation of movie programmes in derived forms (derived rights)

96112I Revenues of producers from distributors of television works.

96112J Pre-sales of rights on television or video programmes to resident companies

[Programmes in inventories are programmes which can be broadcast several times (series, telefilms, documentaries,...) ; they are different from "programmes in flows" (games, varieties, ...) which, in principle, are only broadcast once ("shooting set" works). The separation between pre-sales and sales is similar to the one used for motion picture works]

96112K Sales of rights on television or video programmes to resident companies

[See 96112J]

96112L Pre-sales of rights on television or video programmes to non-resident companies

[See 96112E]

96112M Sales of rights on television or video programmes to non resident entities.

96112N Production of television "programmes in flow"

[There is no need to separate pre-sales and sales since these are works made on order]

96112O Production of television and video works added to fixed assets

[A priori, this concerns only "programmes in inventories" ; same remark as for motion pictures : there is no revenue, but there are production expenditures, which are added to the fixed assets accounts]

96112P Revenues linked to derived sources of exploitation of TV programmes (derived rights)

[Sales of label rights for reproduction on clothes, toys,...]

96112Q Technical services for movie shooting and of recording studios

[Services of provision of shooting sets and recording studios ; may include technical personnel]

96112R Technical services for post-production

[Operations of sonorisation, dubbing, and completion, including special effects]

96112S Other production revenues (remake rights,...)

96113 Services in connection with motion picture or video tape distribution.

[Distribution consists in the commercialisation of works, completed by a producer for his own account, to users (theatres, television, video) either as a counterpart of payment of diffusion rights, or on the basis of a share in the future revenues (distributors' part) ; the distributor has the task of making copies and of performing the commercial function (selection of outlets, advertising) ; the contract which links the distributor to the producer is made on the basis of the sharing of up-going revenues (producer's part)].

The survey classification breakdown follows the same principle as for production : separation of motion picture from television and video, at the product as well as at the user's level.

96113A Revenues from the distribution motion pictures from movie theatres on the national territory

[This is the traditional circuit : the distributor gets the distributor's share and pays the producer's share]

96113B Revenues from the distribution motion pictures from resident television companies

[Same revenues as for 96113A, but the users are the television companies]

96113C Revenues from the distribution motion pictures from resident editors of video cassettes and videodisks.

96113D Revenues from the distribution motion pictures from non resident companies.

96113E Share on movie rentals distributed by other distributors

[This case has to be included in order to avoid double counting]

96113F Revenues from transfers, concessions or distribution of television and video works to resident companies.

96113G Revenues from transfers, concessions or distribution of television and video works to non resident companies.

96113H Revenues linked to the commercialisation of audiovisual and motion pictures in hand.

[Management of rights in catalogue of audiovisual and motion pictures products, transfer of these rights to television and video companies and distributors]

## 9612 Motion picture projection services

### 96121 Motion picture projection services

96121A Revenues from entrances to movie theatres

[Revenue of displaying movies in theatres ; it is the "theatre revenue", a part of which is re-paid to the distributors or to the producers]

96121B Provision of advertising space

[This is a by-product linked to the preceding but it is not included with advertising products : movie theatres sell advertising space to advertising picture management companies, but they have no advertising activity ; the corresponding expenditure is not final but intermediary and, as such, has to be isolated for the construction of input-output tables]

### 96122 Video tape projection services

96122A Revenues from projections in private places (salons, expositions,...)

## 9613 Radio and TV services

### 96131 Radio services

96131A Radio duty received

[Radio taxes received by public radio companies. Only such companies are thus concerned]

96131B Revenues from sales of advertising space

[As for movie theatres, this is not a secondary activity to be classified within advertising activities ; revenues from sales of advertising space are used to cover production costs]

96131C Revenues linked to sponsorship and mecenate

96131D Other revenues from radio services : voluntary assessments, sales of programmes, ...

96132 Télévision services

96132A Television tax received

As for radio, this concerns only public companies

96132B Revenues from sales of advertising space

[Revenues linked to sponsorship and mecenate are excluded, see 96132E]

96132C Subscription and pay television, "pay per view"

[Revenues from subscriptions and uses, besides the obligatory television tax]

96132D Subscription and payment to cable network

[Revenues from subscriptions and uses of connexion to the cable network]

96132E Revenues linked to sponsorship and mecenate

[The payer finances all or part of a recreative or cultural presentation ; mecenate is separated from sponsorship by the fact that it has a cultural vocation]

96132F Revenues from teleshopping

96132G Other revenues television or cable network

96133 Combined programme making and broadcasting services

96133A Commercialisation by television companies of "programmes in flow" produced on own account

[Revenues from other television companies or other users on sales of broadcasting rights of television works (news cast, for exemple) produced on own account. The production of the emission has no revenue counterpart : only, the sale of usage rights creates revenues. This can only refer to "programmes in flow", since revenues from "programmes in inventories" are classified in pre-sales (96112J) and sales (96112K) of television productions, and the own account production of "programmes in inventories" is classified in 96112O].

96133B Commercialisation by radio companies of own account produced works



[Revenues from other radio companies or other users, from sales of broadcasting rights of radio works (news cast, from exemple) produced on own account].

*NOTE : One should also make room (in section 2 of module 1) for several secondary activity rubrics such as sales of sweets, ice creams and drinks by theatres.*

## Summarised classification

### 9611 Motion picture and video tape production and distribution services

#### 96111 Services in connection with promotion or advertising

96111A Production on order of advertising movies

96111B Production on order of other movies (industry, training,...)

#### 96112 Services in connection with motion picture or video tape production

96112A Revenues of producers from distributors on motion pictures.

96112B Pre-sales of rights on motion pictures to resident television companies

96112C Sales of rights on motion pictures to resident television companies

96112D Pre-sales and sales of rights on motion pictures to resident editors of video cassettes and videodisks.

96112E Pre-sales or sales of rights on motion pictures to non resident entities

96112F Sales of rights on motion pictures to non resident companies.

96112G Production of motion pictures added to fixed assets.

96112H Revenues linked to the exploitation of movie programme in derived forms (derived rights).

96112I Revenues of producers from distributors on television works

96112J Pre-sales of rights on television or video programmes to resident companies

96112K Sales of rights on television or video programmes to resident companies

96112L Pre-sales of rights on television or video programmes to non-resident companies

96112M Sales of rights on television or video programme to non-resident companies

96112N Production of television and video "programmes in flow"

96112O Production of television and video works added to fixed assets

96112P Revenues linked to derived sources of exploitation of programmes (derived rights)

96112Q Technical services for movie shooting and of recording studios

is it  
...?

96112R Technical services for post-production

96112S Other production revenues (remake rights,...)

96113 Services in connection with motion picture or video tape distribution.

96113A Revenues from distribution motion pictures from movie theatres on the national territory

96113B Revenues from distribution motion pictures from resident television companies

editors

96113C Revenues from distribution motion pictures from resident of video cassettes and videodisks.

96113D Revenues from distribution motion pictures from non resident companies.

96113E Share on movie rentals distributed by other distributors

96113F Revenues from transfers, concessions or distribution of television and video works to resident companies.

96113G Revenues from transfers, concessions or distribution of television and video works to non resident companies.

96113H Revenues linked to the commercialisation of audiovisual and motion pictures rights in hand.

9612 Motion picture projection services

96121 Motion picture projection services

96121A Revenues from entrances to movie theatres

96121B Provision of advertising space

96122 Video tape projection services

96122A Video tape projection services

9613 Radio and TV services

96131 Radio services

96131A Radio duty received

96131B Revenues from sales of advertising space

96131C Revenues linked to sponsorship and meceneate

96131D Other revenues from radio services : voluntary assesments, sales of programmes, ...

## 96132 Télévision services

96132A Television tax received

96132B Revenues from sales of advertising space

96132C Subscription and pay television, "pay per view"

96132D Subscription and payment to cable network

96132E Revenues linked to sponsorship and mecenate

96132F Revenues from teleshopping

96132G Other revenues television or cable network

## 96133 Combined programme making and broadcasting services

96133A Commercialisation by television companies of "programmes in flow" produced on own account

96133B Commercialisation by radio companies of own account produced works

### **Proposal for a survey classification of expenditures (module 3)**

In the questionnaire of Statistics Canada, the module 3 is called "purchases of goods and services for resale" ; as to audiovisual, one does not refer to purchases for resale stricto sensu but rather to specific expenditures which are to be isolated.

- Back-payment on revenues from entrances to distributors.

{This item concerns movie theatres which pay back a part of their revenues to the distributors ; it may also concern the "lead" co-distributors if they receive the total distributor's share and then re-pay their parts to other co-distributors}.

- Back-payment of the producer's share to the producers

{This item concerns distributors who pay back a part of their "distributor's share" (in total, including rights paid by television and video companies) to the producers ; as well as hereabove, it may also concern the co-producers}.

- Expenditures on rentals or purchases of motion pictures by television or video companies

{The corresponding revenues are classified in rubrics 96112B, 96112C and 96112D and also, 96113B and 96113C, in particular, if the purchase of rights is for one broadcast only. What is included in this rubric varies according to national accounting and fiscal practices. Purchases of rights may be considered either as current expenditures or as investments (in total or in part)}

- Expenditures on rentals or purchases of television works to "stock" by television or video companies

{The corresponding revenues are classified in rubrics 96112I, 96112J, 96112K. As was the case above, the content of the present item depends on national accounting and fiscal practices. Purchases of rights on "programmes in inventories" may be considered either as current operating expenditures or as investments}.

- Expenditures on purchase of television and radio works "in flow" by radio, television and video companies

One may think that purchases of "programmes in flows" or radio programmes are always considered as operating expenditures. As for revenues, this corresponds to headings 96112U, 96133A and 96133B.

*NOTE : It is necessary to add to module 3 a question on the accounting practice and, if the case occurs, ask for purchases of rights added to fixed assets.*

### **Own account production (module 11)**

In the future SNA, literary and artistic creation will be considered as Capital Formation. It is thus necessary to know the production costs of motion picture and audiovisual works which are added to fixed assets (revenue items 96112G and 96112O) in order to process them in National Accounts.

For this purpose, the producers of works (only services in connection with motion picture or TV and video production) should be required to break down their revenues in items 96112G and 96112O into :

- wages and salaries (including social benefits) ;
- purchases of goods and services, and changes in users' inventories ;
- taxes linked to production ;
- transfer to amortisations.

### **Employment**

Movie and audiovisual works' producers as well as television companies employ many people on a non permanent basis. They should be required to provide not only the total employed persons but also the number of persons employed on a permanent basis ; as the number of persons employed varies greatly from one period to another, it appears to be useful, for wage earners, to ask for the number of persons employed during each trimester.

### **Scope of the survey, in term of activities covered**

In terms of ISIC Rev.3, the scope is the following :

9211 Motion picture and video production and distribution  
 9212 Motion picture projection  
 9213 Radio and television activities

### **Remarks on the projects and on French survey practices**

The project may seem to be very ambitious as to the detailed revenue breakdowns. In fact, in France, a very similar classification has been in use during the last ten years and it has been verified that enterprises provide correct answers. But it is essential that items be correctly presented and make use of the language of the professionals in the audiovisual field. For that purpose, French statistician had and have to meet rather often with representatives of the professionals.

Furthermore, in France, two types of questionnaires are used.

One is aimed at enterprises in ISIC class 9213 only (radio and television activities). It includes products in CPC class 9613 as well as in class 96112.

The second questionnaire is aimed at enterprises in ISIC classes 9211 and 9212 and includes products in CPC classes 9611 and 9612.

Revenues in heading 9613 are less detailed than they are in this project, and in particular, there is no distinction among revenues from advertising, subscriptions, ... according to the user (radio or television company or cable-operator). A supplementary module is introduced in order to obtain the main activity (radio, television, cable operating,...) ; the same detailed level is this obtain for tabulation and the questionnaire is made less heavy.

## DATA COLLECTION MODULES

## MODULE 1. REVENUES FROM THE SALE OF GOODS AND SERVICES AND OWN ACCOUNT PRODUCTION

This section is concerned with the revenue generated by this organization from the sale of goods and services both to the domestic and the export market, and the own account production. For the purpose of this survey, transactions with related parties (sales at market prices or transfers at internal prices) should be included. Please exclude from the amounts reported any taxes collected by this organization on behalf of the government.

VALUE

### Section 1 Revenues from services in connection with promotion or advertising

96111A Production on order of advertising movies \_\_\_\_\_

96111B Production on order of other movies (industry training..) \_\_\_\_\_

### Section 2 Revenues and own account production from services in connection with motion picture production

96112A Revenues of producers from distributors on motion pictures. \_\_\_\_\_

96112B Pre-sales of rights on motion pictures to resident television companies \_\_\_\_\_

96112C Sales of rights on motion pictures to resident television companies \_\_\_\_\_

96112D Pre-sales and sales of rights on motion pictures to resident editors of videocassettes and videodisks. \_\_\_\_\_

96112E Pre-sales of rights on motion pictures to non resident entities \_\_\_\_\_

96112F Sales of rights on motion pictures to non resident entities \_\_\_\_\_

96112G Production of motion pictures added to fixed assets. \_\_\_\_\_

96112H Receipts linked to exploitation of movie in a derived form (derived rights) \_\_\_\_\_

### Section 3 Revenues and own account production from services in connection with television and videoprogrammes production

96112I Revenues of producers from distributors on television works ... \_\_\_\_\_

96112J Pre-sales of rights on TV or video "programmes in inventories" to resident companies \_\_\_\_\_

96112K Sales of rights on television or video programmes to resident companies \_\_\_\_\_

96112L Pre-sales of rights on television or video programmes to non-resident entities \_\_\_\_\_



6112M Sales of rights of television or video programmes to non resident entities \_\_\_\_\_

96112N Production of television and video "programmes in flow" \_\_\_\_\_

96112O Production of television and videoworks added to fixed assets \_\_\_\_\_

96112P Revenues linked to derived sources of exploitation of TV programme(derived rights) \_\_\_\_\_

#### Section IV Revenues from other services in connection with production

96112Q Technical services for movie shooting and of recording studios \_\_\_\_\_

96112R Technical services for post-production \_\_\_\_\_

96112S Other production revenues (remake rights,...) \_\_\_\_\_

#### Section V Revenues from services in connection with motion picture distribution

96113A Revenues from the distribution, motion picture works to movie theatres on the national territory \_\_\_\_\_

96113B Revenues from the distribution motion picture works to resident television companies \_\_\_\_\_

96113C Revenues from the distribution motion picture works to resident editors of video cassettes and videodisks. \_\_\_\_\_

96113D Revenues from the distribution motion picture works to non resident entities. \_\_\_\_\_

96113E Share on movie pictures rentals distributed by other distributors \_\_\_\_\_

#### Section VI Revenues from services in connection with TV and video tape distribution

96113F Revenues from transfers, concessions or distribution of television and video works to resident entities. \_\_\_\_\_

96113G Revenues from transfers, concessions or distribution of television and video works to non resident entities. \_\_\_\_\_

96113H Revenues linked to the commercialisation of audiovisual and motion picture rights in hand. \_\_\_\_\_

#### Section VII Revenues from motion picture projection services

96121A Revenues from entrances to movie theatres \_\_\_\_\_

96121B Provision of advertising space \_\_\_\_\_

96122A Video tape projection services \_\_\_\_\_

63100 Retail trades of sugar confectionery and beverage \_\_\_\_\_

Section VIII Revenues from radio services

96131A Radio duty received	_____
96131B Revenues from sales of advertising space	_____
96131C Revenues linked to sponsorship and mecenate	_____
96131D Other revenues from radio services : voluntary assessments, sales of programmes, ...	_____

Section IX Revenues from television services

96132A Television tax received	_____
96132B Revenues from sales of advertising space	_____
96132C Subscription and pay television, "payment per view"	_____
96132D Subscription and payment to cable network	_____
96132E Revenues linked to sponsorship and mecenate	_____
96132F Revenues from teleshopping	_____
96132G Other revenues television or cable network	_____

Section X Revenues from combined programme making and broadcasting services

96133A Commercialisation by television companies of "programmes in flow" produced on own account	_____
96133B Commercialisation by radio companies of own account produced works	_____

Section XI Revenues for other services (not included above)

. ROYALTIES AND PATENT FEES RECEIVED (except "derived rights" included above)	_____
. SERVICES TO RELATED PARTIES NOT INCLUDED ABOVE (RESEARCH AND DEVELOPMENT CHARGES, MANAGEMENT FEES, ETC.)	_____
. OTHER GOODS AND SERVICES (please specify)	_____
TOTAL - SECTIONS I TO XI	_____
. OPERATING SUBSIDIES	_____
GRAND TOTAL - OPERATING REVENUES	_____

## MODULES 2 AND 3 : GOODS AND SERVICES USED IN THE OPERATIONS.

This section is concerned with the expenses incurred by this organization for goods and services used in the regular conduct of its business. For the purpose of this survey, transactions with related parties (purchases at market prices or transfers at

internal prices) should be included. Please exclude capital expenditures and income taxes.

**A - PURCHASES OF GOODS AND SERVICES FOR RESALE**  
(sugar confectionary and beverage...) \_\_\_\_\_

**B - PURCHASES OF RIGHTS ON MOTION PICTURE AND TV VIDEO WORKS**

- Back-payment on revenues from theater entrances to distributors \_\_\_\_\_
- Back-payment of the producer's share to the producers \_\_\_\_\_
- Expenditures on rentals or purchases of motion pictures by TV or videocompanies \_\_\_\_\_
- Expenditures on rentals of television works "in inventories" by television and video companies \_\_\_\_\_
- Expenditures on purchases of television works "in flow" by television and video companies \_\_\_\_\_

**C - WAGES, SALARIES AND EMPLOYEE BENEFITS**

- a) Wages and salaries \_\_\_\_\_
- b) Employee benefits \_\_\_\_\_

**D - BUSINESS SERVICES**

- a) Computer services for own use (CPC 84) \_\_\_\_\_
- b) Professional services legal, auditing, management consulting, etc. (CPC 86) \_\_\_\_\_
- c) Advertising and sales promotion (CPC 871) \_\_\_\_\_
- d) Photographic services (CPC 875) \_\_\_\_\_
- e) Insurance (CPC 812) \_\_\_\_\_

**E - RENTAL AND LEASING OF MACHINERY (CPC 83)** \_\_\_\_\_

**F - TELECOMMUNICATION SERVICES (CPC 752)** \_\_\_\_\_

*1000  
1000  
1000*

**G - MATERIALS AND SUPPLIES FOR OWN USE**

a) Operating supplies \_\_\_\_\_

b) Office and other supplies \_\_\_\_\_

**H - OCCUPANCY COSTS**

a) Rental and leasing of land and buildings (CPC 82) \_\_\_\_\_

b) Utilities (CPC 17) \_\_\_\_\_

**I - PROPERTY AND OTHER NON-COMMODITY INDIRECT TAXES**

a) Property and school taxes \_\_\_\_\_

b) Permits, licenses and other non-commodity indirect taxes \_\_\_\_\_

**J - ROYALTIES AND PATENT FEES PAID** \_\_\_\_\_**K - SERVICES FROM RELATED PARTIES (not included above)** \_\_\_\_\_**L - DEPRECIATION** \_\_\_\_\_**M - OTHER OPERATING, ADMINISTRATIVE AND GENERAL EXPENSES**  
(please specify) \_\_\_\_\_**TOTAL - CURRENT OPERATING, ADMINISTRATIVE AND EXPENSES**  
(A TO M) \_\_\_\_\_

*(1) If your expenditures on rentals or purchases of motion pictures or audiovisual works is excluded from the "goods and services used in the operations" but added to the immobilisations, cf. module 2 bis.*

**MODULE 2bis EXPENDITURES ON RIGHTS ON MOTION PICTURES AND AUDIOVISUALS WORKS ADDED TO FIXED ASSETS**

If your expenditures (and not own account production) on rights on motion pictures audiovisuals works are added to fixed assets (capital expenditures) :

- Expenditures on rentals or purchases of motion pictures  
by radio, TV or video companies \_\_\_\_\_

- Expenditures, on rentals or purchases of audiovisual  
works by radio, TV or video companies \_\_\_\_\_

**TOTAL** \_\_\_\_\_

#### MODULE 4. INVENTORIES

This section is concerned with the change in the level of the various types of inventories held by your organization during the period covered by this report

	Opening	closing
a) Goods purchased for resale	.....	.....
b) Goods purchased for use in the operation	.....	.....
c) Other inventories	.....	.....

#### MODULE 5. SUPPLEMENTARY QUESTION CONCERNING THE BASIS OF ACCOUNTING

A). Did your report revenues (module 1) on an accrual or cash basis ?

accrual basis .... cash basis .... please go to next question

B). If you were unable to report revenues (module 1) on an accrual basis, please provide an estimate of

	Opening	closing
a) Value of work in progress	.....	.....
b) Value of accounts receivable	.....	.....

## MODULE 6. EXPORTS

This section is concerned with exports of goods and services. If this organization has foreign clients, please provide an estimate of the proportion of total sales to non-residents for each of the following products. Sales or transfers to foreign related parties should be included.

	% of revenues declared in module 1	or value
A Services in connection with motion pictures for promotion or advertising	.....	.....
B Services in connection with motion picture production	.....	.....
C Services in connection with TV and video programme production	.....	.....
D Other services in connection with production	.....	.....
E Services in connection with motion picture distribution	.....	.....
F Services in connection with TV and video tape distribution	.....	.....
G Radio services	.....	.....
H Television services	.....	.....
I Commercialisation by TV companies of "programmes in flow" produced on own account	.....	.....
J Commercialisation by radio companies of own account produced works	.....	.....
K Other goods and services (please specify.)	.....	.....
TOTAL EXPORTS	.....	.....

**MODULE 7 - IMPORTS**

This section is concerned with imports of goods and services. If this organization has foreign suppliers, please provide an estimate of the purchase value of the following imported goods and services.

	value
A Services in connection with motion pictures for promotion or advertising	.....
B Services in connection with motion picture production	.....
C Services in connection with TV and video programme production	.....
D Other services in connection with production	.....
E Services in connection with motion picture distribution	.....
F Services in connection with video TV and tape distribution	.....
G Radio services	.....
H Television services	.....
I Commercialisation by TV companies of "programmes in flow" produced on own account	.....
J Commercialisation by radio companies of own account produced works	.....
K Other goods and services (please specify..)	.....
<b>TOTAL IMPORTS</b>	.....

**MODULE 8 : VACANT**

## MODULE 9 : EMPLOYMENT NUMBERS

	MALES	FEMALES	TOTAL
Working proprietors and partners - Full Time	.....	.....	.....
- Part Time*	.....	.....	.....
Wage earners ont December 31st - Full time	.....	.....	.....
- Part Time*	.....	.....	.....
TOTAL	.....	.....	.....

*\* No definition of part-time is provided as it differs between countries. Each country define part-time according to its own conventions.*

## AVERAGE NUMBER OF WAGE-EARNERS PER TRIMESTER

	1st trimester	2nd trimester	3rd trimester	4th trimester
Permanent	.....	.....	.....	.....
non permanent (consual worker)	.....	.....	.....	.....
TOTAL	.....	.....	.....	.....

} pour 3



# MODULE 10. FIXED ASSETS, ADDITIONS AND DISPOSALS

Include all fixed assets shown on your book of accounts and all assets operated by your business under finance lease arrangements. Exclude expenditures on maintenance and on intangible assets such as goodwill

	ADDITION DURING THE YEAR	DISPOSAL DURING THE YEAR	BOOK VALUE AT THE END OF THE YEAR
Land	.....	.....	.....
Building-Residential	.....	.....	.....
- Non-residential	.....	.....	.....
Other construction	.....	.....	.....
Motor vehicles and other transport equipment	.....	.....	.....
Furniture and fittings	.....	.....	.....
Computer equipment	.....	.....	.....
Other plant, machinery and equipment	.....	.....	.....
All other fixed assets (specify main additions during the year)	.....	.....	.....
TOTAL	.....	.....	.....

## MODULE 11. EXPENDITURES ON OWN ACCOUNT PRODUCTION

This module deals with units having own account production of motion picture or audiovisual works which are added to immobilisations (items 96112F and 96112L in module 1). It is requested, in the present module, to provide a breakdown of the value of production added to immobilisations (at cost price) according to :

- wages and salaries (including social benefits)	_____
- purchases of goods and services, and changes in user's inventories	_____
<b>TOTAL</b> (must equal the total of values of items 96112G and 96112O in module 1)	_____
- taxes linked to production	n.d.
- transfer to amortisations	n.d.
<b>GRAND TOTAL</b>	n.d.

## **EXPLANATORY NOTES ON THE FLOW CLASSIFICATION**

### **9611 Motion picture and video tape production and distribution services**

This heading concerns production and distribution of television and video tape works as well as motion pictures. Production can be made on own account (motion pictures, television and videotape works "in inventories", i.e. which can be exploited during a long period of time) or on a third party account (institutional movies or television works "in flow").

#### **96111 Services in connexion with promotion or advertising**

Production of institutional movies, made to order for enterprises or administration, for internal (professional training, organisation) or external (demonstration, public relations, ..., advertising) information. The producer, called "executive producer", has no financial or artistic responsibility. He has not the duty of gathering financial means, and his remuneration is established on the basis of an estimate; there is no commercial risk. The producer achieves the programme according to a scenario provided along with the estimate.

##### **96111A Production on order of advertising movies**

Production of institutional movies for advertising, for diffusion on television or in movie theatres. The conception of the scenario is not included in this heading but belongs to advertising creation.

##### **96111B Production on order of other movies (industry, training, ...)**

Production of institutional movies for training, demonstration, ... except movies for advertising.

#### **96112 Services in connexion with motion picture or video tape production**

The heading covers the production of works intended for exploitation in the audiovisual sector: movie theater, video tape, television.

##### **96112A Revenues of producers from distributors, on motion pictures**

The motion picture has been commercialised by a distributor, who re-pays to the producer his "producer's share", i.e. a percentage on receipts which has been agreed upon in advance.

##### **96112B Pre-sales of rights on motion pictures to resident television companies.**

In order to secure the financing of the motion picture, the producer can sell in advance (or pre-sell) rights of broadcast to television companies. In this heading, only resident companies are taken into account.

##### **96112C Sales of rights on motion pictures to resident television companies.**

Once the motion pictures is completed, the resident television company purchases rights of broadcast directly to the producer.

**96112D** Pre-sales and sales of rights on motion pictures to resident editors of video-cassettes and video-disks

Pre-sale (before achieving the realisation of the picture) or sale (during the commercialisation period) of rights of reproduction by the producer to the companies in the video sector.

**96112E** Pre-sales of rights on motion pictures to non resident entities.

Same as 96112B, as to the definition of pre-sale, but to non-resident entities, and, here, it is difficult to separate according to the user : distributor, television company or video-company

**961121F** Sales of rights on motion pictures to non resident entities

Same remarks as for 96112E

Remark : The sales of broadcast and reproduction rights to resident television and editing companies and to non resident entities can be made directly by the producer (96112C, 96112D and 96112F) but they can also be made through the distributors, for whom corresponding headings have to be created.

**96112G** Production of motion pictures, added to fixed assets

During the realisation period of a motion picture, there are no receipts, except, eventually, those coming from the pre-sales ; but, of course, there are production costs. The picture is then considered as an immobilised production, and added at its cost value to fixed assets. It is only some times later that this asset generates receipts (sales, producer's share...).

**96112H** Receipts linked to exploitation of movie programmes, in a derived form (derived rights)

This cover by receipts ; the derived rights correspond to the exploitation of pictures or of personages made popular through the presentation of movies generally intended for children ; the sale of various objects, of food products which use, for example, a personage popularised by a movie (Mickey) gives rise to the perception of dues by the owner of the "personnage", i.e. the producer of the motion picture.

**96112I** Revenues of producers from distributors of television works

The television works are commercialised through a distributor, who re-pay to the producer the "producer's share" ; headings I to L and O concern only works "in inventories".

**96112J** Pre-sales of right on television or video programmes to resident companies

See note on 96112B

**96112K** Sales of right on television or video programmes to resident companies

see note on 96112C

**96112L** Pre-sales of rights on television or video programmes to non-resident entities

See note on 96112E

96112M Sales of rights on television or video programmes to non-resident entities

See note non 96112F

96112N Production of television programmes "in flow"

A programme "in flow" is consumed at the very moment it is broadcast. It cannot be added to fixed assets. A programme "in flow" is either produced by the broadcaster itself (télévision company) on own account (news) and, thus, has no corresponding receipts (except for in the case of re-broadcast rights, see 96133A), or produced by independant producers, whose receipts are classified in the present heading (variety shows, games,...)

96112O Production of television and video works, added to fixed assets

See 96112G. If there are also pre-sales, the producer may add to fixed assets the production costs after deduction of pre-sales receipts ; this depends on the country and, also, on the practices of firms. Similarly, in case of co-production, only the producer's own share may be added to fixed assets.

96112P Revenues linked to derived sources of exploitation of television programmes (derived rights).

See note on 96112H

96112Q Technical services for movie shooting and for recording studios

Services of providing movie shooting sets and recording studio ; they may include the provision of technical personal.

96112R Technical services for post-production

Post production operations are the technical operations which permit the final completion of a motion picture, by producing a "mother mould" after the shooting, sonorisation, dubbing, completion, special effects, ...

96112S Other production revenues (remake rights,...)

This heading includes other products linked to production such as remake rights, rights to include a part of a programme into another programme,...

96113 Services in connexion with motion picture or video tape distribution

Distribution consists in the commercialisation of motion pictures and of television and video tape works "in inventories", realised on own account by producers, to users : movie theater owners, television broadcasters and video editors.

As their remuneration, distributors receive a commission from the users, on the basis of shaning future receipts (distributor's share) ; in turn, the distributor re-pay a part of the receipt to the producer (producer's share).

The headings make separations among works (movie picture, television and video works) and among users.

96113A Revenues from the distribution of motion pictures to movie theaters on the national territory

This are normal or "classical" revenues of distributors who commercialise motion pictures to resident movie theatres.

96113B Revenues from the distribution of motion pictures to resident television companies.

The object of motion pictures is to be shown in movie theatres, but they can also be presented on television ; the broadcasting company pay then broadcasting rights to distributors.

96113C Revenues from the distribution of motion pictures to resident editors of video cassettes and video disks.

Similary, motion pictures can be disseminated on video supports, provided that reproduction rights be paid to he distributors.

96113D Revenues from the distribution of motion pictures to non resident entities.

Distributors can sell dissimination rights to non residents, but it seems difficult to make a separation among users.

96113E Share on movie picture rentals distributed by other distributors.

In the case of co-distribution, there are two accounting possibilities (and they may be one or the other according to the country :

. the revenues go directly to each co-distributor : they are therefore included in headings 96113A to 96113D and this heading, 96113E, is empty ;

. the revenues go only to one of the co-distributors (thus taken into account in headings 96113A to 96113D) and then this distributor re-pay the other co-distributors, who will enter the revenues comming from the head-distributor in the present heading 96113E ; double-accounting can therefore be isolated.

96113F Revenues from transfers, concessions or distribution of television and video works to resident entities.

Revenues of the distributors of television of video works form resident entities. There is no distinction as to the users (television or video companies) ; if the amounts concerned were important, this decision should be reviewed.

96113G Revenues from transfers, concessions or distribution of television and video works to non resident entities.

See note on 96113F.

96113H Revenues linked to the commercialisation of motions pictures and audiovisual works in hand.

Companies, without being producers, may have in hand motion pictures or audiovisual works ; they act thus as distributors, but on their own account and not on a producer's account since they own the diffusion rights ; their ownership can cover up to the negative (original) copy or only exploitation rights, as long as these rights cover rather a long period of time.

9612 Motion picture projection services

### 96121 Motion picture projection services

Movie theatres revenues are of three types : box office revenues (sale of entrance tickets), advertising revenues and other theatre revenues (cloakrooms, sales of sweets, ice-creams, ...; bar sales);, which are not audiovisual revenues.

#### 92121A Revenues from entrances to movie theatres.

This is the box office revenue which may include tax levied for the "funds for supporting production".

#### 96121B Revenues from provision of advertising space

These revenues are not the counterpart of an advertising activity : movie theatres sell space to companies administrating advertising movies the activity of which is an advertising activity, or next advertising boards.

### 96122 Video tape projectors services

#### 96122A Video tape projectors services

### 9613 Radio and television services

There are several types of broadcastes, and to each one is associated one or several types of revenues ; public television and radio companies have revenues from specific television and radio duties and, eventually, from advertising ; advertising television and radio channels have incomes from various forms of advertising ; commercial television channels have revenues from subscription sales, or payments (pay TV) and eventually from advertising ; at last, revenues of local cable operating companies (or cable operators) come from subscriptions. Subsidies received by radio and television companies, whatever their source might be, are not included with the revenues studied here, but with other operations subsidies.

The radio or television duty, collected by a public or para-public entity from households and intended for participation in the financement of public operators is not taken into account here as such. One takes into account only the part of the public duty provided to public television and radio channels and considered by the latters as revenues.

### 96131 Radio services

#### 96131A Radio duty received

This heading concerns only public radio companies and takes account of the sole part of the duty they receive.

#### 96131B Revenues from sales of advertising space

Sale of advertising space ; as for movie theatres, this is not an advertising activity, but the revenues generated are used to cover production costs.

#### 96131C Revenues linked to sponsorship and patronage (mecaenate)

It is kind of advertising but not concretised by sale of space. The advertiser pay for all or part of a variety or cultural show, with the right of making his name (or his jingle !) heard during the broadcast.

96131D Other revenues from radio services : voluntary assessments, sales of programmes, ...

This covers voluntary assessments by auditors for programme purchases, ...

#### 96132 Television services

961321A Television tax received

See note on 96131A

96132B Revenues from sales of advertising space

See note on 96131B

96132C Subscription and pay television, "pay per view"

Television subscription is for the commercial sector (masked channel) what duty is for the public sector, with the difference that subscription is decided on a voluntary basis.

96132D Subscription and payment to cable networks

Subscription to cable networks which gives access to the programmes dissiminated by the cable company.

96132E Revenues linked to sponsorship and patronage (mecaenate)

See note on 96131C

96132F Revenues from "teleshopping"

Part levied by the television company on receipts linked to the broadcast of a teleshopping show

96132G Other revenues of television or cable networks

#### 96133 Combined programme making and broadcasting services

When a broadcaster (radio or television) produces an emission on own account (works in flow, for exemple on televised news), he may sell to other broadcasters the rights to re-broadcast.

96133A Commercialisation by television companies of programmes "in flow" produced on own account.

Re-broadcasting rights on works "in flow" produced on own account.

96133B Commercialisation by radio companies of works produced on own account  
See note on 96133A