



Tower Theatre

**NOTES ON
BUDGETING AND
EXPENSES**

April 2020

Who Are These Notes For?

These notes are intended for all members of production teams responsible for expenditure on a production.

How Do We Set A Budget?

We all want to put on productions in the best possible way, and this will always involve spending money, but everyone needs to be cost-conscious as the Company is self-funding. The aim is to encourage creative ideas and help everyone involved to put on the show in the way they have visualised.

There is no “fixed” budget for every production; the Artistic Director and Financial Director will agree, or not, the budget submitted by each show at, or after, the show’s Production Meeting. (If you can share the cost of something with another show, it can be split between 2 budgets).

Each production is expected to decide, within reason, what it needs and prepare proposals accordingly. Members of the production team must set their own priorities and in their joint artistic and commercial judgement use money to maximum effect. However, there is a limit to what the Tower can afford, and at times the Artistic and Financial Directors may have to say no.

The Tower does not allocate a fixed budget in advance to each show as they vary tremendously in terms of what they require. Telling everyone that the average budget is, say, £1,000, does not mean that everyone has £1,000 to spend and many shows should need a lot less.

For our London shows the average spent in the year to July 2019 was:

Set	£419
Lighting/Video	£3
Sound	£0
Costumes & Wigs	£163
SM/Props.	£193
Transport	£85
Special publicity	£64
Programme Printing	£50
Royalties	£663
Rehearsal Space Hire	£6

The average total (excluding royalties) was £982, but within this the range between productions was from £358 up to £3,182.

So, it is difficult to give fixed guidance, but please discuss in advance with the Artistic and Financial Directors if there is any major anticipated expense or a production budget is over £1,000 – excluding royalties..

The Budget Production Meeting

The production budget meeting is the system we use to decide how much money to spend on a particular show.

- It is important that you have a meeting at least six weeks before your get-in.
- It should take place after most of the design process is complete but before it is set in stone.

- The meeting should include the Director, the Stage Manager, the H&S Officer, the Set Designer, Lighting Designer, Costume Designer, Sound Designer, and a representative from the Artistic Team.
- The agenda is to set and jointly agree priorities for the whole production so money is spent wisely and to maximum effect; balancing creativity and reasonable expenditure.
- Estimates from each Designer and Stage Manager will be considered by the Artistic Director/AAD attending the meeting and the overall budget agreed. Each designer should have an idea of the costs required for their aspect of the production. Any “extraordinary” items that may be hard to source or expensive should be identified and approved early on in the process, as should any expenditure that puts the show budget above the agreed amount.

The purpose of the meeting is to complete the –

- Production Costs Estimates proforma and agree the specific budget for your show. (A budget form is included in the Stage Managers Notes and in Appendix 1). This must be VAT inclusive. It will then be approved by the Financial Director and you are expected to stick to this budget. A completed copy should be given to the Office.
- Production Risk Assessment proforma

The meeting is an important part of the process of putting a show on; allow at least 1½ hours.

What to put in the budget

Most shows will need to consider the cost of

- Set materials
- Furniture hire
- Props (including any food and drink)
- Costume materials
- Costume hire
- Lighting consumables (gel, gaffer tape etc)
- Transport costs to and from the Arches

On some shows, you may need to consider the cost of

- Hire of scripts, scores or band parts
- Musicians’ expenses
- Special effects (pyrotechnics etc.)
- Lighting/sound hire
- Extra publicity and photographs, above the standard level

For hired items, don't forget the cost of delivery and collection if you are unable to do this yourselves.

Claiming Expenses

All incidental expenses must be receipted and, at the end of the production, the receipts collated and listed in detail on a Claims form (these are kept in the Office) then passed to the Office for authorisation. Expenses must be submitted shortly after a production closes. The Tower reserves the right not to pay any claim submitted more than one month after a production’s last night.

Any expense submitted that is not in line with the submitted production budget may not be reimbursed.

All receipts should be numbered with corresponding numbers on the claims form and the receipts themselves.

The following items cannot be claimed

- Scripts
- Haircuts
- Personal travel expenses (except for petrol for van hire)
- Teas (food, coffee etc) other than where required as a prop - the cast and crew must pay for these themselves.
- Clothing - unless Wardrobe has specifically authorised a member of the cast to purchase an item of clothing, the costs are not recoverable. Cast members are expected to supply their own tights, hairpieces, hairnets, modern accessories, etc.
- If in doubt as to whether an item is recoverable, check first with the Tower office.

The following items are either charged to the overall Tower funds or will have already been taken into account by the Artistic Team

- Play royalties and Performing Right Society fees for playing recorded music
- Replacement lamps for stage lighting
- Basic publicity and programmes

In general the company does not issue floats to Stage Managers or other members of the production team to cover cash expenses. In exceptional circumstances, Stage Managers may request a float to cover expenses, which must be approved by the Financial Director. If a float is issued, receipts must be provided to account for all expenditure otherwise the company will request the return of the float.

Placing Orders

Make sure you keep your receipts if you want to be reimbursed. Submit a Claims Form (available from the office) with corresponding receipts to the office. Payment is made by bank transfer, so you must include bank details on the form if we do not already have them.

Invoices from Companies

Some companies may invoice the office directly, e.g. for hires and companies we have accounts with. If so, reference your order with the name of the production so the office can attribute the expenditure to your show. Remember to include this figure in your budget breakdown and inform the office that company X will be submitting an invoice for £?? on such and such a date.

General Stock Items

There is no general budget for stock items such as paint, screws, wood, gels etc. It is the responsibility of the relevant Designer to check stock levels and purchase as needed, against their production budget. If something is needed for a show, it must be included in their estimate. However, if the cost of materials can be shared with the next/another show because they want the same item(s), then the bill can be split.

The argument that an item is likely to be re-used in future and so a particular production should not bear the whole cost is unlikely to be accepted.

Appendix 1

PRODUCTION COSTS ESTIMATE FORM

PRODUCTION:	
PRODUCTION MEETING DATE	
DIRECTOR	
STAGE MANAGER	
ARTISTIC TEAM REP	

	Estimated Cost
Set Construction	
Materials/Paint	
Furniture Hire	
Material Hire	
Transport Hire	
Lighting/Video	
Consumables	
Hire	
Sound	
Consumables	
Hire	
Wardrobe	
Materials	
Hire	
Cleaning	
Music	
Fees	
Hire	
Stage Management	
Props Purchase	
Props Hire	
Sundries	
Stage Management	
Show photos	
Additional publicity	
Rubbish removal	
Approved by:	
Date:	