

WORK ON HAND REPORT EXPLANATION AND INSTRUCTIONS FOR COMPLETION

Column

(1) ADJUSTED CONTRACT PRICE

Enter the dollar value of each individual project as shown in the contract itself. Include change orders and/or extras if they have been approved. GST or HST should be included if you are billing GST or HST.

(2) AMOUNT BILLED TO DATE INCLUDING HOLDBACK

Enter the aggregate dollar value of all invoices/billings (combined) submitted (including taxes) to the owner or contractor for the work you have performed to date on each individual project. Do not include "claims" or "disputed items." If desired, attach an explanation.

(3) COSTS INCURRED TO DATE

Enter the costs incurred to date on each individual project. These costs should include direct costs such as material, labour, and subcontracting costs (if applicable for portions of your work you have subbed out to other firms), as well as any other direct or indirect job costs.

(4) ESTIMATED COSTS TO COMPLETE

Enter the amount you estimate it will cost to complete the remaining work on the contract. This figure should be revised at least monthly to reflect developments which may occur causing changes in total estimated costs, not merely be a subtraction exercise. In the very early stages of a project, a re-evaluation of total estimated costs may be difficult and perhaps impractical.

(6) CURRENT ESTIMATED GROSS PROFIT

Based on how the project has run to date, how much does the Contract Price exceed the Costs Incurred to Date and Estimated Costs to Complete? The variables will usually change as the project progresses as the Estimated Costs to Complete are best guess estimates based on known results to date and other factors. (Column 1, minus Column 3, minus Column 4)

WORK IN PROGRESS/ DEFERRED REVENUE

The following calculations are made to determine whether there is a work in progress or deferred revenue amount at the report date. This figure should reconcile to the amount displayed on the balance sheet prepared at the same date.

(Column 3 divided by (Column 3 + Column 4)) = Percentage Complete

(Percentage Complete x Column 6) = Profit Earned To Date

(Column 2 - Column 3) - Profit Earned To Date) = if negative, this is an asset called work in progress,
if positive, this is a liability called deferred revenue