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Classification and coding structure of accounting entries

By UNSD and Eurostat

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Classification and coding structure of accounting entries

Introduction

1.   It was recognised at the outset of the 1993 SNA update process that the 1993 SNA codes are not suitable for data transmission and the need to change them was established as one of the clarification issues. In addition, the classification hierarchy also needed to be changed to accommodate changes to the structure of the accounts that resulted from clarifications and consistency issues that flowed from the implementation of the recommendations on the 44 issues.

2.   The ISWGNA in cooperation with the Editor proposed a revised classification and coding structure of the accounting entries, taking into account considerations such as the changes to the accounts structure and the suitability for data transmission. Although, the need to change the 1993 SNA codes was widely recognised as inevitable, concerns were raised about the new codes assigned to consumption of fixed capital, the transactions in the distribution and redistribution of income accounts and the sector codes for general government.

3.   This paper describes the methodology followed by the ISWGNA in constructing the new codes and the concerns raised about them.

THE LOGIC BEHIND THE 2008 SNA CODES

Background

4.   The ISWGNA in cooperation with the Editor revised the classification and coding structure of the accounting entries, taking into account the changes to the accounts structure. The revised codes are listed in Annex 2 of this paper. Careful consideration was also given to issues, such as data transmission (leading to more detailed coding), and allowing various combinations of transactions codes and asset codes, which is particularly useful to identify items in the accumulation accounts and balance sheets.

The main changes between the 1993 SNA and the 2008 SNA codes

5.   From the beginning the ISWGNA agreed to keep changes to the minimum. The basic hierarchy of the 1993 SNA was preserved and the new codes follow the classification hierarchy which resulted from the update recommendations. There are three guiding principles underlying the new codes, namely: a) they should reflect the inherent structure of the accounting system; b) they should be suitable for use in a data transmission programmes; and c) they should facilitate data retrieval.

Transaction and asset codes

6.   The following are the main changes:

   a)   The 1993 SNA codes were identical for transactions in assets, revaluation and asset levels, making them unsuitable for data transmission. Because the codes for other volume changes were quite different, there was no way to establish the links between opening and closing balance sheets in terms of codes. The new coding system uses a two part code to resolve the problem, but with one part close to the existing asset codes.
   b)   The composition of the other changes in the volume of assets accounts was made more structured in the 2008 SNA with a complete change in codes. The code for consumptions of fixed capital (CFC) and transactions in non-produced assets were changed as they seem out of place under the "other flows" category (K-codes). The best place for the CFC code was considered to be amongst the P codes with other forms of consumption, and alongside gross fixed capital formation (GFCF) and net fixed capital formation (NFCF) (which is now shown explicitly in the code list). It seems natural to have the difference between these latter aggregates with them and part of the same code category. Although the goods and services account shows the supply and use of products one could split GFCF into NFCF and CFC to show how much fixed assets have been used up in the period. In addition, there is provision for mixed income to be shown gross and net so the code for CFC needs to be subdivided into the part relating to unincorporated household enterprises and the other.
   c)   Changes to the breakdown of non-financial assets and some financial assets were introduced in the 2008 SNA that could not be catered for within the 1993 SNA coding system.
   d)   Codes were added for the new transactions included within property income.
   e)   Extensive changes to the codes for current transfers were needed to cater for changes in the treatment of pensions, insurance and the inclusion of household remittances.
   f)   Changes to the codes for capital transfers were made to facilitate data transmission needs.
   g)   A specific code was introduced in the 2008 SNA for current transfers to have a counterpart for capital transfers and components of current transfers consistently on a two digit level.

Structure of the sector codes

7.   The codes for sectors were changed to allow for the identification of NPIs in all sectors, for greater detail in financial corporations and to facilitate data transmission needs. The underlying principles of the sector codes are as follows: all sector codes have a maximum of seven characters. The first is always S and the second always 1 except for the ROW. The third runs from 1 to 5 for NFCs through to NPISHs, representing the institutional sector. But there are always two positions that are sector specific, followed by the sixth character showing whether the sector is public, national private or foreign controlled and the seventh whether the units are NPIs or FPIs. With the NPI/FPI split indicated by the seventh character, and if we allow wild cards, then S1****1 will find all NPIs throughout all sectors; S1***3* would find all foreign controlled units and so on. The delineation of the government sub-sectors can also be easily identified. A

zero in a position means the sum of all possible values eliminating the need to specify many of the individual items explicitly, e.g. total NPIS and FPIs for all the financial sectors.

CONCERNS ABOUT THE 2008 SNA CODES

8.   Concerns were expressed in Europe about the proposed 2008 SNA codes, on the grounds that the changes go too far considering the objective to minimise the changes to cases where they are really necessary. These concerns were particularly emphasized by the European Statistical Programme Committee (SPC) and a European Task Force on SNA codes (TF). The SPC and the TF argued that changes to the codes should be kept to the minimum required by the 1993 SNA update; because new codes have important cost implications for both producers and users of national accounts data. Therefore, all changes to the codes that are, at least, not necessary should be avoided. More specific concerns are described below.

Codes for distributive transactions

9.   The 1993 SNA does not identify the aggregate "current transfers in cash" while it does for "capital transfers" and property income. The allocation of primary income account explains the role of primary income; the capital account includes the role of capital transfers; and the secondary distribution of income account explains the role of current transfers. By extension and on similar lines the 2008 SNA text uses the concept of current transfers in cash and draws this parallel in the secondary distribution of income account. Since the codes follow the hierarchy used in the text, a code for current transfers in cash seemed desirable not just for expository reasons but also for ultimate data retrieval. Hence, "current transfers in cash" was created at the one-digit level, with all its constituents lower in the hierarchy. Social transfers in kind are shown separately at the one-digit level because it explains the redistribution of income in kind.

10.   The introduction of the code (D5) for current transfers in cash raised serious concerns in a number of countries in Europe. This position has in particular been emphasized by the SPC at their last meeting on 22 May 2008.

11.   It is argued that the introduction of the heading "Current transfers in cash" with the code "D5" reduces the rationality of the codification of the "social" aspects of the distributive transactions by splitting current transfers and social transfers in kind into two separate categories on the same hierarchy level.

12.   In the distribution of income account, each of the main headings identifies a specific area namely: compensation of employees (D1), taxes on production and imports (D2), subsidies (D3) and property income (D4).

13.   The 1993 SNA follows the same pattern and identifies: current taxes on income, wealth (D5), social contributions and benefits (D6) and other current transfers (D7). This classification is meaningful, and in particular all that relates to "social" aspects of the distributive transactions belongs to D6.

14.   The assignment of the codes in the 2008 SNA follows the transactions entries in the sequence of accounts, which lead to splitting the "social" aspects of the distributive transactions

according to their in cash or in kind characteristics. Chapter 8 of the 2008 SNA, called redistribution of income accounts, follows this rationale by splitting current transfers in cash (D5) and social transfers in kind (D6) mainly because D5 is recorded in the secondary distribution of income account and D6 in the redistribution of income in kind account. However, the view of the SPC is that the nature (social/non social, tax/non tax) of the transaction should be used to classify the transaction at the first level reflecting its analytical value.

15.   According to the SPC the disadvantage of the new classification is that current taxes on income, wealth, social contributions and benefits (except social transfers in kind) and other current transfers now all belong to the new heading current transfers in cash (D5). This category becomes a huge grouping of transactions with different characteristics. On the contrary, social transfers in kind – which has a limited impact in terms of percentage of GDP – is separately coded as (D6), isolating it from other social transactions.

16.   The SPC proposal is not to change the text of chapter 8 in the 2008 SNA, but only the codes.

17.   The text of paragraph 8.77 can be amended to read: "net social contributions (D61) is the first category of social contributions and benefits (D6)".

Code for consumption of fixed capital

18.   Further to the specific comments from countries, the SPC considered that the CFC should continue to be shown as K1 rather than P6. This would keep the meaning of "P" as "product" with reference to goods and services accounts. One could also argue, as in the 1993 SNA, that CFC is similar to the other accumulation entries K codes; the only difference with the other K flows is that CFC is current in nature. If CFC is classified as K1, then P6 and P7 could continue to be used for exports and imports respectively.

19.   At its meeting of 24 October 2008 in Luxembourg, the TF proposed a compromise for the CFC code. They propose to use P51c for CFC rather than P6 as was initially proposed in the 2008 SNA. This is consistent with the codes of GFCF (P51g) and NFCF (P51n) making it possible to calculate net capital formation starting from gross capital formation. If consumption of fixed capital is classified as P51c, then P6 and P7 could continue to be used for exports and imports respectively.

Sector codes for the general government

20.   The TF members also raised concerns about the sector codes for general government and suggested that the following issues should be put to the AEG.

21.   The 1993 SNA provides for two alternative classifications for the sector codes of general government as shown below.

S.13 General government

General government classification alternative (1)

S.1311 Central government.
S.1312 State government
S.1313 Local government
S.1314 Social security funds
S.13141 Central government social security funds
S.13142 State government social security funds
S13143 Local government social security funds

General government classification alternative (2)
S.1321 Central government[a]
S.13211 Central government
S.13212 Central government social security funds
S.1322 State government[a]
S.13221 State government
S.13222 State government social security funds
S.1323 Local government[a]
S.13231 Local government
S.13232 Local government social security funds
/a Including social security funds of this level of government.

22. The reason for two alternative classifications is that for some countries (in particular most European countries) the classification of social security funds at the sub-national level is not relevant, whereas for some other countries it seems to be. The advantage of the 1993 SNA codification is that it allows any user to easily make this distinction: when the third digit is 1, social security funds are not disaggregated at the sub-national level, but when the third digit is 2, social security funds are disaggregated at the sub-national level.

23. The codification that is proposed in the 2008 SNA aims at merging the two alternative classifications in the following way:

S13   General government
S1301   General government social security
S1302   General government excluding social security
S130201   General government non-profit institutions
S131   Central government
S1311   Central government social security
S1312   Central government excluding social security
S131201   Central government non-profit institutions
S132   State government
S1321   State government social security
S1322   State government excluding social security
S132201   State government non-profit institutions
S133   Local government

S1331	Local government social security
S1332	Local government excluding social security
S133201	Local government non-profit institutions

24.   It is argued that this proposal does not solve the problem of comparability and, moreover, could confuse users. For instance: code S133 could include or exclude social security funds, whether the particular country has social security at the local government level or not. Because the user cannot make this distinction directly (contrary to the logic of 1993 SNA codes), it may lead to international comparisons that actually do not make sense.

25.   The view of the TF is that the 2008 SNA proposal for the sector codes of general government is, at least, not necessary. Moreover, the 1993 SNA sector codes for general government (S13) according to the two alternatives classifications depended mainly on the size or importance of social security funds within a country and on the way in which they are managed. Therefore, the TF proposes that the sector codes for general government as presented in 1993 SNA should be re-introduced, as they are much more logical to users.

Sector codes in general

26.   The TF also criticized the underlying principles of the sectors codes as presented in paragraph 7 of this paper, where all sector codes have a maximum of 7 positions, each position having a particular meaning. Having up to seven positions creates longer codes than what is necessary.

27.   In particular, the TF also indicated that the distinction between FP and NP institutions at the most disaggregated level of classification may be difficult to implement in practice, because most countries will not have appropriate statistical information..

ALTERNATIVE PROPOSALS

28.   Annex 1 of this paper provides an outline of the proposed changes to the 2008 SNA codes. Table 1 shows the codes for the distributive transactions, Table 2 the product codes and Table 3 the sector codes for general government.

Distributive transactions

29.   In table 1 there are five options. The first option represents the 2008 SNA proposal. As compared to the 1993 SNA, a code "D5" has been introduced for current transfers in cash. "D5' includes current taxes on income, wealth, etc (D51), net social contributions (D52), social benefits other than social transfers in kind (D53) and other current transfers (D54). Social transfers in kind are presented as "D6", with the rationale that they are not recorded in the same account (redistribution rather than secondary distribution account).

30.   Option 2 is the European proposal, which follows the results of the discussions of the SPC and the TF. Option 2 presents a sequence of codes much closer to the 1993 SNA codes. No code is attributed to current transfers in the numbering sequence of the distributive transactions. But "current transfers" are identified by a specific code "DCT". The 1993 SNA code "D6" for social

contributions and benefits is reintroduced, grouping "D61" net social contributions, "D62" social benefits other than social transfers in kind and "D63" social transfers in kind. Current transfers "DCT" correspond to the sum of current taxes on income, wealth, etc (D5), social contributions and benefits (D6) and other current transfers (D7), (i.e. DCT = D5+D6+D7). Therefore, the codes D5, D6 and D7 stay the same as in the 1993 SNA. In addition, the Europeans suggested renaming transaction "D523" (in 2008 SNA) called "Household actual social contributions" as "Other actual social contributions", in order to reflect the fact that all social contributions are paid by households. "Other" would mean employees, self-employed and non-employed - as opposed to employers.

31.   Option 3 is an alternative proposal which slightly amends option 1 by recognising that the heading "Current transfers in cash" could be changed to "Current transfers" to include "Social transfers in kind". Consequently it is suggested to retain the code "D5". The code for "Social transfers in kind" is then changed to "D55" and the label for "Other current transfers" is changed to "Other current transfers in cash". By using the code "D55" for "Social transfers in kind", the coding system adheres to the principle of the classification hierarchy that resulted from the updated recommendations on distributive transactions for the 2008 SNA. In addition, it recognises that "Social transfers in kind" is part of "Current transfers".

32.   Option 4 is an alternative proposal which satisfies the need to distinguish taxes on income, wealth etc. (D51) on the one digit level on par with taxes on production and imports (D2). Therefore the code for taxes on income, wealth, etc. is changed from "D51" to "D5". A new category "social transfers and other current transfers in cash" is created with the code "D6". The code for net social contributions (D52) and social benefits other than social transfers in kind (D53) change to "D61" and "D62" respectively. The code "D54" changes to "D63" and the label changes from "Other current transfers" to "Other current transfers in cash". The codes for "Social transfers in kind", "Change in pension entitlements" and "Capital transfers" from "D6", D7" and "D8" to "D7", "D8" and "D9" respectively.   This option adheres to the principle of the classification hierarchy that resulted from the updated recommendations on distributive transactions for the 2008 SNA.

33.   Option 5 is an alternative proposal which slightly amends option 2 in order to recognise that although most codes are kept unchanged, the content of some D headings is not the same as in 1993 SNA. As the content of "D61", "D62" and "D63" has changed in 2008 SNA as compared to the 1993 SNA, it is proposed not to confuse the meaning of sub-headings like "D611" which would not have the same content as in 1993 SNA, therefore it is suggested that the new breakdown could start from "D615", "D625" and "D635". The reason for starting with "5" could be mentioned in the 2008 SNA.

Consumption of fixed capital

34.   Table 2 shows the options for the "P" codes. The alternative proposals satisfy the need to retain the 1993 SNA codes for "Exports of goods and services" (P6) and "Imports of goods and services" (P7). The first option represents the 2008 SNA proposal. CFC has been attributed the code P6 (rather than K1 as in the 1993 SNA), therefore exports of goods and services become P7, and imports of goods and services become P8.

35.   Option 2 proposes to change the code for "CFC" from "P6" to "P519". By using the code "P519" for "Consumption of fixed capital" also adheres to the principle of improving the codes of the other changes in the volume of assets accounts and that the best place for the CFC code was considered to be amongst the P codes with other forms of consumption, and alongside GFCF and NFCF.

36.   Option 3 proposes to change the code for "CFC" from "P6" to "P51c", which is consistent with the codes of GFCF (P51g) and NFCF (P51n).

Sector codes for general government

37.   Table 3 shows the two alternative proposals for the general government sector codes of the 1993 SNA and the corresponding 2008 SNA sector codes. The aim of the 1993 SNA codification is to allow any user to distinguish the classification of social security funds at the sub-national level in a straightforward way. When the third digit is 1, social security funds are not disaggregated at the sub-national level, but when the third digit is 2, social security funds are disaggregated at the sub-national level.

38.   The 2008 SNA codes for the general government sector follow the underlying principles presented in paragraph 7 of this paper. Table 3 shows the flexibility introduced by the 2008 SNA sector codes structure to distinguish the classification of social security funds at the sub-national level. The three sector option (where social security in included at every level) is S131, S132 and S133; and where it is not the case the the four level option is S1311, S1321, S1331 and S1302 is used. For any countries that have the complete two-way split, this unique way of coding means they get included with either spilt.

Sector codes in general

39.   The sector codes follow the underlying principles presented in paragraph 7 of this paper. An alternative proposal to the codes in general, is to drop the distinction of "For profit institutions" (FP) and "Non- profit institutions" (NP) to have sector codes with 6 digits instead of 7 digits or to reconsider the logic behind the seven positions.

QUESTIONS TO THE AEG:

The AEG members are invited to offer their views on the following proposals:

1.   **Codes for distribution transactions:**

Option 1: 2008 SNA

Option 2: European proposal

Option 3: Amends options 1 by changing the label for code "D5" from "current transfers in cash" to "Current transfers", change the label "Other current transfers" (D54) to "Other current transfers in cash" and change the code for "Social transfers in kind" from "D6" to "D55"

Option 4: Amends options 1 by changing the code for "Current taxes on income, wealth etc. from "D51" to "D5" and introducing a label "Social transfers and other current transfers in cash" with the code "D6". The code for "Social transfers in kind" changes from "D6" to "D7".

Option 5: Amends options 2 by changing the codes "D611", "D621" and "D631" to "D615", "D625" and "D635"

2. Codes for consumption of fixed capital:

Option 1: 2008 SNA

Option 2: Amends options 1 by changing the code for CFC from "P6" to "P519" and the 1993 SNA codes for "Exports of goods and services" (P6) and "Imports of goods and services" (P7) are retained.

Option 3: Amends options 1 by changing the code for CFC from "P6" to "P51c" and the 1993 SNA codes for "Exports of goods and services" (P6) and "Imports of goods and services" (P7) are retained.

3.   **Sector codes for general government**

Option 1: European proposal

Option 2: 2008 SNA

4.   **Sector codes in general**

Option 1: 2008 SNA as described in paragraph 7 of this paper

Option 2: To drop the distinction of "For profit institutions" (FP) and "Non- profit institutions" (NP) to have sector codes with 6 digits.

Annex 1 Proposed changes to the 2008 SNA codes

Table 1 Distributive codes[1]

	Option 1	Option 2	Option 3	Option 4	Option 5
	2008 SNA	**Europe**			
Transactions					
Current transfers in cash	**D5**	**No code**		**No code**	
Current transfers		**DCT**	**D5**		**DCT**
Current taxes on income, wealth, etc.	**D51**	D5	**D51**	D5	**D5**
Taxes on income	D511	D51		D51	
Other current taxes	D519	D59		D59	
Social contributions and benefits		**D6**			**D6**
Social transfers and other transfers in cash				**D6**	
Net social contributions	**D52**	**D61**	**D52**	**D61**	D61
Employers' actual social contributions	D521	D611		D611	D615
Employers' actual pension contributions	D5211	D6111			
Employers' actual non-pension contributions	D5212	D6112			
Employers' imputed social contributions	D522	D612		D612	D616
Employers' imputed pension contributions	D5221	D6121			
Employers' imputed non-pension contributions	D5222	D6122			
Household actual social contributions	D523	D613		D613	D617
Household actual pension contributions	D5231	D6131			
Household actual non-pension contributions	D5232	D6132			
Household social contribution supplements	D524	D614		D614	D618
Household pension contribution supplements	D5241	D6141			
Household non-pension contribution supplements	D5242	D6142			
Social insurance scheme service charges(-)					
Social benefits other than social transfers in kind	**D53**	**D62**	**D53**	**D62**	D62
Social security benefits in cash	D531	D621			D625
Social security pension benefits	D5311	D6211			
Social security non-pension benefits in cash	D5312	D6212			
Other social insurance benefits	D532	D622		D622	D626
Other social insurance pension benefits	D5321	D6221			
Other social insurance non-pension benefits	D5322	D6222			
Social assistance benefits in cash	D533	D623		D623	D627
Other current transfers	**D54**	**D7**			**D7**
Other current transfers in cash			**D54**	**D63**	
Net non-life insurance premiums	D541	D71		D631	
Net non-life direct insurance premiums	D5411	D711			
Net non-life re-insurance premiums	D5412	D712			
Non-life insurance claims	D542	D72		D632	
Non-life direct insurance claims	D5421	D721			
Non-life re-insurance claims	D5422	D722			

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[1] For options 3 to 5 only the codes for the main items are shown; it is assumed that their constituents will follow lower in the numbering hierarchy

	Option 1	Option 2	Option 3	Option 4	Option 5
	2008 SNA	**Europe**			
Transactions					
Current transfers within general government	D543	D73		D633	
Current international cooperation	D544	D74		D634	
Miscellaneous current transfers	D545	D75		D635	
Current transfers to NPISHs	D5451	D751			
Current transfers between resident and non-resident households	D5452	D752			
Other miscellaneous current transfers	D5459	D753			
Social transfers in kind	**D6**	**D63**	**D55**	**D7**	**D63**
Social transfers in kind - non-market production	D61	D631			
Social transfers in kind - purchased market production	D62	D632			
Change in pension entitlements	**D7**	**D8**	**D6**	**D8**	**D8**
Capital transfers	**D8**	**D9**	**D7**	**D9**	**D9**
Capital transfers, receivable	**D8r**	**D9r**	**D7r**	**D9r**	**D9r**
Capital taxes	D81r	D91r			
Investment grants	D82r	D92r			
Other capital transfers	D89r	D99r			
Capital transfers, payable	**D8p**	**D9p**	**D7p**	**D9p**	**D9p**
Capital taxes	D81p	D91p			
Investment grants	D82p	D92p			
Other capital transfers	D89p	D93p			

Table 2 Product codes

	Option 1	Option 2	Option 3
	2008 SNA		**Europe**
Transactions			
Output	**P1**		
Market output	P11		
Output for own final use	P12		
Non-market output	P13		
Intermediate consumption	**P2**		
Final consumption expenditure	**P3**		
Individual consumption expenditure	P31		
Collective consumption expenditure	P32		
Actual final consumption	**P4**		
Actual individual consumption	P41		
Actual collective consumption	P42		
Gross capital formation	**P5**		
Gross fixed capital formation	P51g		
Net fixed capital formation	P51n		
Acquisitions less disposals of fixed assets	P511		
Acquisitions of new fixed assets	P5111		
Acquisitions of existing fixed assets	P5112		
Disposals of existing fixed assets	P5113		
Costs of ownership transfer on non-produced assets	P512		
Changes in inventories	P52		
Acquisitions less disposals of valuables	P53		
Consumption of fixed capital (-)	**P6**	**P519**	**P51c**
Consumption of fixed capital on gross operating surplus (-)	P61		
Consumption of fixed capital on gross mixed income (-)	P62		
Exports of goods and services	**P7**	**P6**	**P6**
Exports of goods	P71		
Exports of services	P72		
Imports of goods and services	**P8**	**P7**	**P7**
Imports of goods	P81		
Imports of services	P82		

Table 3 Sector codes for general government

	1993 SNA[2]	2008 SNA	
		Alt 1	Alt 2
General government	S.13	S13	S13
General government classification alternative (1)			
General government excluding social security		S1302	
Central government	S.1311	S1312	
State government	S.1312	S1322	
Local government	S.1313	S1332	
Social security funds	S.1314	S1301	
Central government social security funds	S.13141	S1311	
State government social security funds	S.13142	S1321	
Local government social security funds	S13143	S1331	
General government classification alternative (2)			
Central government[a]	S.1321		S131
Central government	S.13211		S1312
Central government social security funds	S.13212		S1311
State government[a]	S.1322		S132
State government	S.13221		S1322
State government social security funds	S.13222		S1321
Local government[a]	S.1323		S133
Local government	S.13231		S1332
Local government social security funds	S.13232		S1331

/a Including social security funds of this level of government.

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[2] The 2008 SNA codes did away with the point digits reflected in the 1993 SNA codes to facilitate data transmission. When taking the point digit into account the 1993 SNA sector codes also consists of 7 digits.

Annex 2: List of 2008 SNA codes

A.   Introduction

The entries in the accounts are divided into types designated by one or two letters as follows:
- a.   S codes relating to sectors,
- b.   P codes relating to transactions in products
- c.   NP codes relating to transactions in non-produced assets
- d.   D codes relating to distributive transactions
- e.   F codes relating to transactions in financial assets and liabilities
- f.   K codes relating to other changes (non-transactions) in assets
- g.   B codes relating to balancing and net worth items,
- h.   L codes relating to balance sheet entries
- i.   AN codes relating to non-financial assets (both produced and non-produced),
- j.   AF codes relating to stocks of financial assets and liabilities.

B.   Sector codes (S)

S1   Total economy

S11   Non-financial corporations

S110001	Non-financial corporations – NPIs
S110002	Non-financial corporations – FPIs
S11001	Public non-financial corporations
S110011	Public non-financial corporations – NPIs
S110012	Public non-financial corporations – FPIs
S11002	National private non-financial corporations
S110021	National private non-financial corporations – NPIs
S110022	National private non-financial corporations – FPIs
S11003	Foreign controlled non-financial corporations
S110031	Foreign controlled non-financial corporations – NPIs
S110032	Foreign controlled non-financial corporations – FPIs

S12   Financial corporations

S121   Central bank

S122   Deposit-taking corporations, except the Central Bank

S122001	Deposit-taking corporations – NPIs
S122002	Deposit-taking corporations – FPIs
S12201	Public deposit-taking corporations
S122011	Public deposit-taking corporations – NPIs
S122012	Public deposit-taking corporations – FPIs
S12202	National private deposit-taking corporations
S122021	National private deposit-taking corporations – NPIs
S122022	National private deposit-taking corporations – FPIs
S12203	Foreign controlled deposit-taking corporations
S122031	Foreign controlled deposit-taking corporations – NPIs
S122032	Foreign controlled deposit-taking corporations – FPIs

S123   **Money market funds**
S123001   Money market funds – NPIs
S123002   Money market funds – FPIs
S12301   Public money market funds
S123011   Public money market funds – NPIs
S123012   Public money market funds – FPIs
S12302   National private money market funds
S123021   National private money market funds – NPIs
S123022   National private money market funds – FPIs
S12303   Foreign controlled money market funds
S123031   Foreign controlled money market funds – NPIs
S123032   Foreign controlled money market funds – FPIs

S124   **Non-MMF investment funds**
S124001   Non-MMF investment funds – NPIs
S124002   Non-MMF investment funds – FPIs
S12401   Public non-MMF investment funds
S124011   Public non-MMF investment funds – NPIs
S124012   Public non-MMF investment funds – FPIs
S12402   National private non-MMF investment funds
S124021   National private non-MMF investment funds – NPIs
S124022   National private non-MMF investment funds – FPIs
S12403   Foreign controlled non-MMF investment funds
S124031   Foreign controlled non-MMF investment funds – NPIs
S124032   Foreign controlled non-MMF investment funds – FPIs

S125   **Other financial intermediaries, except insurance corporations and pension funds**
S125001   Other financial corporations – NPIs
S125002   Other financial corporations – FPIs
S12501   Public other financial corporations
S125011   Public other financial corporations – NPIs
S125012   Public other financial corporations – FPIs
S12502   National private other financial corporations
S125021   National private other financial corporations – NPIs
S125022   National private other financial corporations – FPIs
S12503   Foreign controlled other financial corporations
S125031   Foreign controlled other financial corporations – NPIs
S125032   Foreign controlled other financial corporations – FPIs

S126   **Financial auxiliaries**
S126001   Financial auxiliaries – NPIs
S126002   Financial auxiliaries – FPIs
S12601   Public financial auxiliaries
S126011   Public financial auxiliaries –NPIs
S126012   Public financial auxiliaries – FPIs
S12602   National private financial auxiliaries
S126021   National private financial auxiliaries – NPIs
S126022   National private financial auxiliaries – FPIs
S12603   Foreign controlled financial auxiliaries
S126031   Foreign controlled financial auxiliaries – NPIs
S126032   Foreign controlled financial auxiliaries – FPIs

S127   **Captive financial institutions and money lenders**
S127001   Captive financial institutions – NPIs
S127002   Captive financial institutions – FPIs
S12701   Public captive financial institutions
S127011   Public captive financial institutions – NPIs
S127012   Public captive financial institutions – FPIs
S12702   National private captive financial institutions
S127021   National private captive financial institutions – NPIs
S127022   National private captive financial institutions – FPIs
S12703   Foreign controlled captive financial institutions
S127031   Foreign controlled captive financial institutions – NPIs
S127032   Foreign controlled captive financial institutions – FPIs

S128   **Insurance corporations**
S128001   Insurance corporations – NPIs
S128002   Insurance corporations – FPIs
S12801   Public insurance corporations
S128011   Public insurance corporations – NPIs
S128012   Public insurance corporations – FPIs
S12802   National private insurance corporations
S128021   National private insurance corporations – NPIs
S128022   National private insurance corporations – FPIs
S12803   Foreign controlled insurance corporations
S128031   Foreign controlled insurance corporations – NPIs
S128032   Foreign controlled insurance corporations – FPIs

S129   **Pension funds**
S129001   Pension funds – NPIs
S129002   Pension funds – FPIs
S12901   Public pension funds
S129011   Public pension funds – NPIs
S129012   Public pension funds – FPIs
S12902   National private pension funds
S129021   National private pension funds – NPIs
S129022   National private pension funds – FPIs
S12903   Foreign controlled pension funds
S129031   Foreign controlled pension funds – NPIs
S129032   Foreign controlled pension funds – FPIs

S13   **General government**
S1301   General government social security
S1302   General government excluding social security
S130201   General government non-profit institutions
S131   Central government
S1311   Central government social security
S1312   Central government excluding social security
S131201   Central government non-profit institutions
S132   State government
S1321   State government social security
S1322   State government excluding social security

S132201	State government non-profit institutions
S133	Local government
S1331	Local government social security
S1332	Local government excluding social security
S133201	Local government non-profit institutions

S14   **Households**

S141	Employers
S142	Own account workers
S143	Employees
S144	Recipients of property and transfer income
S1441	Recipients of property income
S1442	Recipients of pensions
S1443	Recipients of other transfers

S15   **Non-profit institutions serving households**

S15002	National private
S15003	Foreign controlled

S2   **Rest of the world**

C.   **Product codes (P)**

P1   **Output**

P11	Market output
P12	Output for own final use
P13	Non-market output

P2   **Intermediate consumption**

P3   **Final consumption expenditure**

P31	Individual consumption expenditure
P32	Collective consumption expenditure

P4   **Actual final consumption**

P41	Actual individual consumption
P42	Actual collective consumption

P5   **Gross capital formation**

P5n	Net capital formation
P51g	Gross fixed capital formation
P51n	Net fixed capital formation
P511	Acquisitions less disposals of fixed assets
P5111	Acquisitions of new fixed assets
P5112	Acquisitions of existing fixed assets
P5113	Disposals of existing fixed assets
P512	Costs of ownership transfer on non-produced assets
P52	Changes in inventories
P53	Acquisitions less disposals of valuables

P6   **Consumption of fixed capital (-)**
P61   Consumption of fixed capital on gross operating surplus (-)
P62   Consumption of fixed capital on gross mixed income (-)

P7   **Exports of goods and services**
P71   Exports of goods
P72   Exports of services

P8   **Imports of goods and services**
P81   Imports of goods
P82   Imports of services

D.   **Transactions in non-produced assets (NP)**

NP   Acquisitions less disposals of non-produced assets
NP1   Acquisitions less disposals of natural resources
NP2   Acquisitions less disposals of contracts, leases and licences
NP3   Purchases less sales of goodwill and marketing assets

The codes used for transactions in non-produced non-financial assets can be further disaggregated if desired by appending the classification of non-produced non-financial assets, AN2, shown in section J.

E.   **Distributive transaction codes (D)**

D1   **Compensation of employees**
D11   Wages and salaries
D12   Employers' social contributions
D121   Employers' actual social contributions
D1211   Employers' actual pension contributions
D1212   Employers' actual non-pension contributions
D122   Employers' imputed social contributions
D1221   Employers' imputed pension contributions
D1222   Employers' imputed non-pension contributions

D2   **Taxes on production and imports**
D21   Taxes on products
D211   Value added type taxes (VAT)
D212   Taxes and duties on imports excluding VAT
D2121   Import duties
D2122   Taxes on imports excluding VAT and duties
D213   Export taxes
D214   Taxes on products except VAT, import and export taxes
D29   Other taxes on production

D3   **Subsidies**
D31   Subsidies on products
D311   Import subsidies
D312   Export subsidies
D319   Other subsidies on products
D39   Other subsidies on production

D4   Property income
Investment income
D41   Interest
D42   Distributed income of corporations
D421   Dividends
D422   Withdrawals from income of quasi-corporations
D43   Reinvested earnings on direct foreign investment
D44   Other investment income
D441   Investment income attributable to insurance policy holders
D442   Investment income payable on pension entitlements
D443   Investment income attributable to holders of investment fund units
D45   Rent

D5   Current transfers in cash

D51   Current taxes on income, wealth, etc.
D511   Taxes on income
D519   Other current taxes

D52   Net social contributions
D521   Employers' actual social contributions
D5211   Employers' actual pension contributions
D5212   Employers' actual non-pension contributions
D522   Employers' imputed social contributions
D5221   Employers' imputed pension contributions
D5222   Employers' imputed non-pension contributions
D523   Household actual social contributions
D5231   Household actual pension contributions
D5232   Household actual non-pension contributions
D524   Household social contribution supplements
D5241   Household pension contribution supplements
D5242   Household non-pension contribution supplements

Social insurance scheme service charges(-)

D53   Social benefits other than social transfers in kind
D531   Social security benefits in cash
D5311   Social security pension benefits
D5312   Social security non-pension benefits in cash
D532   Other social insurance benefits
D5321   Other social insurance pension benefits
D5322   Other social insurance non-pension benefits
D533   Social assistance benefits in cash

D54   Other current transfers
D541   Net non-life insurance premiums
D5411   Net non-life direct insurance premiums
D5412   Net non-life re-insurance premiums
D542   Non-life insurance claims
D5421   Non-life direct insurance claims
D5422   Non-life re-insurance claims

D543	Current transfers within general government
D544	Current international cooperation
D545	Miscellaneous current transfers
D5451	Current transfers to NPISHs
D5452	Current transfers between resident and non-resident households
D5459	Other miscellaneous current transfers

D6   **Social transfers in kind**
D61   Social transfers in kind - non-market production
D62   Social transfers in kind - purchased market production

D7   **Change in pension entitlements**

D8   **Capital transfers**

D8r   **Capital transfers, receivable**
D81r   Capital taxes, receivable
D82r   Investment grants, receivable
D89r   Other capital transfers, receivable

D8p   **Capital transfers, payable**
D81p   Capital taxes, payable
D82p   Investment grants, payable
D89p   Other capital transfers, payable

F.   **Transactions in financial assets and liabilities (F)**

F   **Net acquisition of financial assets/Net incurrence of liabilities**
F1   **Monetary gold and SDRs**
F11   Monetary gold
F12   SDRs

F2   **Currency and deposits**
F21   Currency
F22   Transferable deposits
F221   Inter-bank positions
F229   Other transferable deposits
F29   Other deposits

F3   **Debt securities**
F31   Short-term
F32   Long-term

F4   **Loans**
F41   Short-term
F42   Long-term

F5   **Equity and investment fund shares**
F51   Equity
F511   Listed shares
F512   Unlisted shares

F519	Other equity
F52	Investment fund shares/units
F521	Money market fund shares/units
F529	Other investment fund shares/units

F6	**Insurance, pension and standardised guarantee schemes**
F61	Non-life insurance technical reserves
F62	Life insurance and annuity entitlements
F63	Pension entitlements
F64	Claims of pension funds on sponsors
F65	Entitlements to non-pension benefits
F66	Provisions for calls under standardised guarantees

F7	**Financial derivatives and employee stock options**
F71	Financial derivatives
F711	Options
F712	Forwards
F72	Employee stock options

F8	**Other accounts receivable/payable**
F81	Trade credits and advances
F89	Other accounts receivable/payable

G.   Other flows (K)

Codes K1 to K6 relate to other flows in the changes in the volume of assets account. K7 codes show the holding gains and losses appearing in the revaluation account. The full list of codes for other flows is shown below.

K1	Economic appearance of assets
K2	Economic disappearance of non-produced assets
K21	Depletion of natural resources
K22	Other economic disappearance of non-produced assets
K3	Catastrophic losses
K4	Uncompensated seizures
K5	Other changes in volume n.e.c.
K6	Changes in classification
K61	Changes in sector classification and structure
K62	Changes in classification of assets and liabilities
K7	Nominal holding gains and losses
K71	Neutral holding gains and losses
K72	Real holding gains and losses

H.   Balancing and net worth items (B)

B1g	Value added, gross / Gross domestic product
B2g	Operating surplus, gross
B3g	Mixed income, gross
B4g	Entrepreneurial income, gross
B5g	Balance of primary incomes, gross / National income, gross
B6g	Disposable income, gross

B7g	Adjusted disposable income, gross
B8g	Saving, gross
B9	Net lending (+) / net borrowing (–)
B10	Changes in net worth
B101	Changes in net worth due to saving and capital transfers
B102	Changes in net worth due to other changes in volume of assets
B103	Changes in net worth due to nominal holding gains and losses
B1031	Changes in net worth due to neutral holding gains and losses
B1032	Changes in net worth due to real holding gains and losses
B11	External balance of goods and services
B12	Current external balance
B90	Net worth

I.   Balance sheet entries

For a single balance sheet, as for the financial account, the only codes necessary are those giving the details of assets by type, using AN and AF codes. However, an account can be drawn up showing the stock levels at the start (LS) and end (LE) of a period, and the total changes between them (LX). All three codes need to be qualified by asset types. The LX entries are the sum of the entries of P5, F and K codes for the assets in question for the period covered.

From the entries in the opening balance sheet a value of net worth (B90) can be calculated. The difference between this and the value of B90 in the closing balance sheet must be equal to the balance of all the LX codes, which must also be equal to the value for B10.

LS	Opening balance sheet
LX	Changes in balance sheet
LE	Closing balance sheet

J.   Non-financial assets (AN)

Transactions in non-financial assets are classified by the purpose for which the assets are acquired. All assets serve as a store of value but, with the exception of valuables that are solely a store of value, other non-financial assets are primarily acquired for use in production. The AN codes, given in full below, combine some elements of function with a descriptive code. A table, for example, could be part of AN113, machinery and equipment, or almost any of the inventory codes or even as a valuable.

The classification of non-financial assets is split initially between produced (AN1) and non-produced assets (AN2).   The three major subheadings for produced assets are fixed assets (AN11), inventories (AN12) and valuables (AN13). The three major sub-headings for non-produced assets are natural resources (AN21), contracts, leases and licences (AN22) and purchases less sales of goodwill and marketing assets (AN23).

The entry for AN116, costs of ownership transfer on non-produced assets, is anomalous. The flow exists and is treated as part of fixed capital formation that is the acquisition of fixed assets. However, when stock levels are itemised, the value of these costs of ownership transfer are included with the non-produced assets to which they refer and so are not shown as part of AN11. The item is included in the full list, shown below, for expository purposes only.

AN1   **Produced non-financial assets**

AN11   **Fixed assets by type of asset**
AN111   Dwellings
AN112   Other buildings and structures
AN1121   Non-residential buildings
AN1122   Other structures
AN1123   Land improvements
AN113   Machinery and equipment
AN1131   Transport equipment
AN1132   ICT equipment
AN1139   Other machinery and equipment
AN114   Weapons systems
AN115   Cultivated biological resources
AN1151   Animal resources yielding repeat products
AN1152   Tree, crop and plant resources yielding repeat products
(AN116   Costs of ownership transfer on non-produced assets)
AN117   Intellectual property products
AN1171   Research and development
AN1172   Mineral exploration and evaluation
AN1173   Computer software and databases
AN11731   Computer software
AN11732   Databases
AN1174   Entertainment, literary or artistic originals
AN1179   Other intellectual property products

AN12   **Inventories by type of inventory**
AN121   Materials and supplies
AN122   Work-in-progress
AN1221   Work-in-progress on cultivated biological assets
AN1222   Other work-in-progress
AN123   Finished goods
AN124   Military inventories
AN125   Goods for resale

AN13   **Valuables**
AN131   Precious metals and stones
AN132   Antiques and other art objects
AN133   Other valuables

AN2   **Non-produced non-financial assets**

AN21   **Natural resources**
AN211   Land
AN212   Mineral and energy reserves
AN213   Non-cultivated biological resources
AN214   Water resources
AN215   Other natural resources
AN2151   Radio spectra
AN2159   Other

AN22   Contracts, leases and licences
AN221   Marketable operating leases
AN222   Permits to use natural resources
AN223   Permits to undertake specific activities
AN224   Entitlement to future goods and services on an exclusive basis

AN23   Goodwill and marketing assets

K.   Financial assets (AF)

A1.35   As explained in section F, conceptually there is a one-to-one match between the codes shown for transactions in financial assets and liabilities (F codes) and those for stock levels or positions (AF codes) for the same assets and liabilities. In practice, though, balance sheet data may be less detailed and not exist beyond the first-level breakdown, shown below. If desired, however, the AF codes can be disaggregated in line with the detail provided for F codes.

AF   Financial assets/liabilities
AF1   Monetary gold and SDRs
AF2   Currency and deposits
AF3   Debt securities
AF4   Loans
AF5   Equity and investment fund shares/units
AF6   Insurance, pension and standardised guarantee schemes
AF7   Financial derivatives and employee stock options
AF8   Other accounts receivable/payable

L.   Supplementary items

An indication of how supplementary codes may be constructed and suggestions for the most common items follow. A general convention is that a supplementary code begins with X and is linked to the code of a standard item by building on the code of that item.

1.   Non-performing loans

The following codes apply to stocks and flows of non-performing loans mentioned in chapters 11 and 13. Since loans have the code AF4 and F4, the supplementary codes begin XAF4 for stocks and XF4 for flows.

The codes for stocks are:
XAF4_NNP   Loans: nominal value, non-performing
XAF4_MNP   Loans: market value, non-performing

and the associated flows
XF4_NNP Loans: nominal value, non-performing
XF4_MNP Loans: market value, non-performing

In both sets of codes, the underscore is a placeholder for the detailed codes for loans where relevant, for example, on the balance sheet
XAF41NNP   Short-term loans: nominal value, non-performing
XAF42MNP   Long-term loans: market value, non-performing

2.   Capital services

The following codes apply to capital services described in chapter 19.

XCS   Capital services
XCSC   Capital services – Corporations and general government
P61   Consumption of fixed capital
XRCXOC   Return to capital
                Other costs of capital
XCSU   Capital services – Unincorporated enterprises
P62   Consumption of fixed capital
XRU   Return to capital
XOU   Other costs of capital

3.   Pensions table

The following codes apply to the supplementary table described in part 2 of chapter 17. Different codes are proposed for the columns and rows of the table.

Columns
In the Column description the letter "W" corresponds to "non-government" and the numbers in these codes refer to the corresponding institutional sectors.

Liabilities recorded in the main sequence of accounts
Schemes where responsibility for the design and implementation lies outside general government
XPC1W   Defined contribution schemes
XPB1W   Defined benefit schemes
XPCB1W   Total

Schemes where responsibility for the design and implementation lies within general government
XPCG   Defined contribution schemes
General government employee defined benefit schemes
XPBG12   In the financial corporations sector
XPBG13   In the general government sector

Liabilities not recorded in the main sequence of accounts
XPBOUT13   In the general government sector
XP1314   Social security pension schemes
XPTOT   Total pension schemes
XPTOTNRH   Of which: Non-resident households

Rows

Opening balance sheet
XAF63LS   Pension entitlements

Transactions
XD52p   Social contributions relating to pension schemes
XD5211   Employer actual social contributions
XD5221   Employer imputed social contributions
XD5231   Household actual social contributions

XD5241   Household social contribution supplements
XD529   Other (actuarial) accumulation of pension entitlements in social security funds
XD53p   Pension benefits
XD6   Change in pension entitlements
XD591   Change in pension entitlements due to transfers of entitlements

Other economic flows
XK51   Changes in entitlements due to negotiated changes in scheme structure
XK7   Revaluations
XK52   Other changes in volume

Closing balance sheet
XAF63LE Pension entitlements

Related indicators
XP1   Output
XAFN   Assets held by pension schemes at end-year

4.   Consumer durables

Consumer durables are referred to in chapters 3 and 13. They are coded using X as a prefix plus DHHCE (durable household consumption expenditure) plus a one digit affix for subgroups and two digits for the items. The corresponding COICOP numbers are also provided.

COICOP	SNA codes	
	XDHHCE1	Furniture and household appliances
05.1.1	XDHHCE11	Furniture and furnishings
05.1.2	XDHHCE12	Carpets and other floor coverings
05.3.1	XDHHCE13	Major household appliances whether electric or not
05.5.1	XDHHCE14	Major tools and equipment for house and garden
	XDHHCE2	Personal transport equipment
07.1.1	XDHHCE21	Motor cars
07.1.2	XDHHCE22	Motor cycles
07.1.3	XDHHCE23	Bicycles
07.1.4	XDHHCE24	Animal drawn vehicles
	XDHHCE3	Recreational and entertainment goods
	XDHHCE31	Telephone and telefax equipment
	XDHHCE32	Equipment for the reception, recording and reproduction of sound and pictures
09.1.2	XDHHCE33	Photographic and cinematographic equipment and optical instruments (D)
09.1.3	XDHHCE34	Information processing equipment
09.2.1	XDHHCE35	Major durables for outdoor recreation
09.2.2	XDHHCE3	Musical instruments and major durables for indoor recreation
	XDHHCE4	Other durable goods
12.3.1	XDHHCE41	Jewellery, clocks and watches
06.1.3	XDHHCE42	Therapeutic medical appliances and equipment

5. **Foreign direct investment**

Supplementary items for foreign direct investment (FDI), referred to in, for example, chapters 11 and 13, can be coded with X as prefix plus the F or AF code plus a FDI suffix, for example:
XF42FDI for foreign direct investment transaction in long term loans
XAF42FDI for foreign direct investment stock of long term loans

6. **Contingent positions**

Supplementary codes for contingent positions, mentioned in chapters 11 and 12, can be coded with X as prefix plus the AF code plus a CP suffix, for example:
XAF11CP when the pledge of monetized gold may affects its usability as reserve asset

7. **Currency and deposits**

Supplementary for the classification of national and foreign denominated currency and deposits, as mentioned in chapter 11, can be coded with X as prefix plus the F or AF code plus a suffix NC indicating currency and deposits in national currency or an affix FC with and international currency code indicating currency and deposits in foreign currency, for example:

For transactions
XF21NC   for currency in national currency.
XF21FCEUR   for currency in Euro.
XF22NC   for deposits in national currency.
XF221FCEUR   for deposits in Euro.

For stocks
XAF21NC   for currency in national currency.
XAF21FCEUR   for currency in Euro.
XAF22NC   for deposits in national currency.
XAF221FCEUR   for deposits in Euro.

8. **Classification of debt securities according to outstanding maturity**

Chapter 11 suggests classifying debt securities according to outstanding maturity. This can be achieved by using an X prefix plus the AF code plus a suffix indicating a maturity date, for example:
XAF32Y20 for debt securities maturing in 2020.

9. **Listed and unlisted debt securities**

Supplementary items on debt securities can be coded with X as prefix plus the F or AF code plus a 1 for listed and 2 for unlisted, for example:

For transactions
XF321 for transaction in listed debt securities
XF322 for transaction in unlisted debt securities

For stocks
XAF321 for stocks of in listed debt securities
XAF322 for stocks of unlisted debt securities shares

10.   Long term loans with outstanding maturity of less than one year and long term loans secured by mortgage

Long term loans with outstanding maturity of less than one year and long term loans secured by mortgage can be coded with X as prefix plus the F of AF code plus an affix L1 indicating outstanding maturity of less than one year and a suffix LM indicating loans secured by mortgage, for example:

For transactions
XF42L1   for long term loans with outstanding maturity of less than one year
XF42LM   for long term loans secured by mortgage

For stocks
XAF42L1   for long term loans with outstanding maturity of less than one year
XAF42LM for long term loans secured by mortgage

11.   Listed and unlisted investment shares

Listed and unlisted investment fund shares can be coded with X as prefix plus the F or AF code plus 1 for listed and 2 for unlisted, for example:

For transactions
XF5291   for transaction in listed investment fund shares
XF5292   for transaction in unlisted investment fund shares

For stocks
XAF5291   for stocks of in listed investment fund shares
XAF5292   for stocks of unlisted investment fund shares

12. Arrears in interest and repayments

Arrears in interest and repayments can be coded with X as prefix plus the AF code plus an IA affix for interest arrears and PA affix for repayment arrears, for example:

XAF42IA   for interest arrears on long term loans; and
XAF42PA for repayment arrears on long term loans.

13. Personal and total remittances

Personal remittances and total remittances between resident and non-resident households, mentioned in chapter 8, can be coded with X as prefix plus the current transfer code plus a suffix PR for personal remittances and TR for total remittances, as follows:
XD5452PR   for personal remittances between resident and non-resident households
XD5452TR   for total remittances between resident and non-resident households