

**Comments on draft SNA chapter:
Chapter 12: Other changes in assets accounts**

**Deadline for comments: 12 February 2007
Send comments to: sna@un.org**

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This three-part template allows you to record your comments on draft chapter 12 easily and, at the same time, makes it easy for us to use your comments in considering revisions to the draft chapter. You may complete any one, any two, or all of the three parts of the template.

Save this template and send it as an attachment to the following e-mail address:
sna@un.org

Part I: General comments

In the space below, please provide any general comments, such as about the clarity with which the new recommendations were incorporated (30 words or less).

Comment:

Overall the text is clear, but there some passages, described below, which are not.

Part II: Comments on specific draft paragraphs or passages

In your review of draft chapter 12, you may wish to devote particular attention to the passages listed below. There is space after each issue for any comment you wish to make.

1. Sections B: As compared with the hierarchy of entries in the other changes in the volume of assets account in the 1993 SNA, the proposed list for the update has been restructured with the intention of making it easier to associate entries in the other changes in the volume of assets accounts with the entries in the other accumulation account chapters including the balance sheet.. Do you find this successful or are there other changes you would suggest?

Comment:

The structure seems logical.

12.8 This paragraph reads oddly. The opening sentence describes what the function of this account is, specifically to record changes in asset values due to factors other than transactions. One then expects to be told what the nature of these factors is. But the third sentence identifies transactions as a factor. The old paragraph 12.6, which this para replaces, is clearer and should be re-instituted.

Table 12.1 is all over the place and does not make sense.

12.27 This whole paragraph and its heading seem muddled. In addition, there is overlap between paragraphs 12.27 and 12.30.

Paragraphs 12.28 to 12.34 in the old SNA are clearer.

12.70 If there is provision for government to claim assets in the case of default, then there would be no need to have a provision for the expected excess of calls under the scheme. Hence, I think the text should read "If the guarantees cover a long period and there is NO provision for government to claim assets in the case of default..."

It might be useful to mention explicitly the holding gains that employee stock options attract between the vesting date and the exercise date.

2. Does it make sense to have information on the other changes in financial assets moved to this chapter instead of, as previously, having them in chapter 11? In the 1993 SNA, the information on the other changes in financial assets was covered in chapter 11, The Financial Account. Do you see any problems with moving this information to this chapter?

Comment:

I think it makes more sense to have all the items for an account together. No particular problems.

3. It is proposed to make the existing annex on the calculation of holding gains and losses an electronic annex, available to all users of the manual but not included in the printed version. Do you have comments on this proposal?

Comment:

Good idea to keep the manual to one volume.

Part III. Other specific comments

You are welcome to make other comments. Please do so by using Adobe Acrobat Version 6 or 7 to comments directly on the PDF of the draft chapter.

If you don't have Adobe Acrobat Version 6 or 7 and would like to make very detailed comments please send a message to sna@un.org requesting to receive a version of the draft chapter permitting you to comment. To optimize your commenting tools please download Adobe Reader 7.0 for free from <http://www.adobe.com/products/acrobat/readstep2.html>