

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

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

Your name:	Peter van de Ven
Your country/organization:	Netherlands / Statistics Netherlands
Contact (e.g. email address):	pven@cbs.nl

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:

<p>In some cases, changes have been made that do not (directly) relate to the recommendations for changes to the 1993 SNA. In some cases, these changes are for the better. In other cases, however, I would prefer leaving the 1993 SNA unchanged. Among others, this relates to the following:</p> <ul style="list-style-type: none">• Para. 12.10 and some of the subsequent text in the 1993 SNA gives a nice listing of and introduction to the more detailed description of all relevant items. This is missing in the new draft.• There seems to be a lot of new text related to changes in classification of assets and liabilities. What is the rationale for the inclusion of this new text?

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:

No comment. Furthermore, please note the general remark under part I.

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:

No problem.

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:

It depends on the volume of the information. If it is quite small, including it into the printed version can not be a problem.

Part III. Other specific comments

Section 2: The heading 'Appearance and disappearance of assets other than by transactions is too general. It does also include items under section 3 etc.

Para. 12.23 and 12.29: Double, at least partly?

Para. 12.25 and 12.27: Double?

Para. 12.36: In our opinion, one should make possible the recording of marketing assets evidenced by a recognition in the business accounts, not only marketing assets evidenced by sale/purchase.

Para. 12.37: It may be useful to include a small example here.

Para. 12.41: It is stated here that write-downs that reflect the actual market values should be recorded in the revaluation account. In our opinion, write-downs always reflect a reduction of the (market) value of an asset. Interpreted as such, para. 12.41 is inconsistent with para. 12.40.

Para. 12.44: ???

Para. 12.62 (including heading above para. 12.62): One should add 'n.e.c.' here.

Para. 12.65: It is not clear how this paragraph relates to other changes in the volume of assets.

Para. 12.66-69: It could be clarified here (or more generally elsewhere) how to deal with changes in the discount rate.

Para. 12.69: It is suggested that ABO is affected by expectations about future promotions. As we understand it, this can not be true. Furthermore, there still is the question of whether or not allowing for flexibility (ABO versus PBO) regarding the valuation of the relevant entitlements.

Para. 12.71-76: It is not clear how to deal with e.g. the change from an unincorporated enterprises to an incorporated enterprise. As I see it, this is not a change in classification and structure, but a transaction in financial and non-financial assets. The example in para. 12.73 seems to suggest otherwise.

Para. 12.97: The fourth item should also include holding gains (and losses) on assets acquired and disposed of within the accounting period.

Para. 12.100: Wouldn't it be preferable to use the price index that is most relevant for each institutional sector?

Para. 12.114: "... on assets ..." should be replaced by "... on assets with fixed monetary value ...".

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>