Approved by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan

August 21, 2015

№126

**Methodology for the formation of the Financial account**

1. **General provisions**
2. This Methodology for the formation of a financial account (hereinafter - the Methodology) was developed on the basis of the recommendations of an international expert within the framework of the KAZSTAT project to strengthen the national statistical system of the Republic of Kazakhstan for 2012-2016 and refers to a statistical methodology formed in accordance with international standards and approved in in the manner prescribed by law.
3. The methodology was developed taking into account the principles and recommendations of the System of National Accounts 2008, prepared by the International Monetary Fund (IMF), the Organization for Economic Co-operation and Development (OECD), the Statistical Office of the European Communities (Eurostat), the United Nations (UN) and the World Bank.
4. This Methodology is intended for use by the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan in order to form a financial account in accordance with international standards and is used exclusively for the purposes of the System of National Accounts (hereinafter - SNA).
5. The financial account, compiled by sectors of the economy, characterizes the results of the functioning of the economy related to the production of goods and services, education, distribution, redistribution and use of income and foreign economic activity, with financial results. It reflects the mechanism of redistribution of financial resources between the creditor and borrower sectors, reveals the role of financial assets in these operations and shows, due to changes in the value of which specific financial assets, net lending has formed or net debt has increased.
6. The purpose of constructing a financial account is to determine obligations or claims to the rest of the world and their change, as well as the financial condition of the economy of Kazakhstan, taking into account the degree of financial dependence on the rest of the world. It is possible to determine which institutional sector of Kazakhstan's economy has significantly affected the current financial condition of the country.

**2. Methodological basis of the financial account**

1. This Methodology uses concepts in the meanings defined in the Law of the Republic of Kazakhstan dated March 19, 2010 "On State Statistics", as well as the System of National Accounts 2008, prepared by the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD), the Statistical Bureau of the European Communities (Eurostat), the United Nations (UN) and the World Bank.
2. The financial account records transactions involving financial assets and liabilities between institutional units, between institutional units and the rest of the world (SNA - 2008, paragraph 11.2).
3. An institutional unit is an economic unit that is capable, on its own behalf, of owning assets, incurring liabilities and participating in economic activities and entering into transactions with other units (SNA - 2008, paragraph 4.2).
4. Institutional units are grouped into five institutional resident sectors (forming the overall economy (S1)). These institutional sectors include non-financial corporations (S11), financial corporations (S12), general government (S13), households (S14), and non-profit institutions serving households (S15).
5. Financial intermediaries are the main participants in financial account transactions. They are institutional units belonging to the financial corporations sector. Financial intermediaries incur liabilities on their own behalf for the purpose of acquiring financial assets through financial transactions in the market (SNA - 2008, paragraph 4.101). Financial corporations include all resident corporations that are engaged in the provision of financial services to other institutional units, including insurance services and pension funds.
6. The term "corporation" includes corporations organized as legal entities, as well as cooperatives, limited liability partnerships, notional resident units, and quasi-corporations.
7. Financial assets consist of financial claims, shares or other equity interests in corporations, gold bullion held as a reserve asset by the monetary authorities (SNA - 2008, paragraphs 3.36, 11.8).
8. A liability arises when one unit (the debtor) is bound under some conditions to provide a payment or series of payments to another unit (the creditor) ( SNA - 2008, paragraphs 3.5, 3.33, 11.5).
9. The structure of the financial account has a T-shape. The left side of the account reflects the net acquisition of financial assets, which is gross acquisition less disposals. The right side of the account displays the net incurrence, which is the incurrence minus the settlement of obligations. Operations with financial instruments (financial assets and financial liabilities) are reflected in the financial account through their changes, which are expressed as both positive and negative values.
10. There are eight categories of financial instruments according to SNA - 2008. They are given in Appendix 1 to this Methodology.
11. Annex 2 to this Methodology provides an example of a financial account for the economy as a whole and for the rest of the world by category of financial assets and the balancing item “net lending (+) / net borrowing (-). The balancing item is equal to the change in net worth due to financial transactions.
12. The economy as a whole is the economy of a country, defined as the total set of resident institutional units.
13. The rest of the world covers all non-resident institutional units that engage in transactions with, or have other economic links with, resident units of a given country.
14. Codes F1 - F8 and B9 are used in SNA - 2008 for financial transactions with the specified financial instruments. For the balancing item of the financial account “net lending (+) / net borrowing (-)”, code B9 is used.
15. Definitions of various categories and subcategories of financial assets and liabilities in accordance with SNA - 2008, as well as sources of information are presented in Appendix 3 to this Methodology. When compiling the account, data from administrative sources are used in the manner prescribed by the legislation in the field of state statistics.
16. The balancing item net lending/net borrowing is the difference between net acquisition of financial assets and net incurrence of liabilities. It is compiled by resident institutional sectors for the economy as a whole and for the rest of the world. Individual sectors are net creditors or net debtors, which are related to the economy as a whole, or, conversely, to the rest of the world. For example, a negative value in the general government item "net lending (+)/net borrowing (-)" means that government spending exceeds revenue. This means incurring liabilities (such as the sale of government bonds) or disposals of financial assets (such as reducing the number of bank deposits) that provide cash to offset excess spending over income.
17. The government's net lending (+) / net borrowing (-) is equal to the difference between the net acquisition of financial assets and the net incurrence of liabilities. Both articles provide details on how the government meets its borrowing needs. The financial account demonstrates the importance of transactions using various financial instruments.
18. Based on available data reflecting transactions in financial assets and liabilities, net acquisitions of financial assets and net incurring of liabilities are calculated by sector. Net acquisition of financial assets and net incurrence of liabilities is obtained for the economy as a whole by aggregating industry data into categories, subcategories and subitems of financial instruments. Subsequently, net lending (+)/ net borrowing (-) values are calculated by sector, for the economy as a whole and for the rest of the world, as follows:

Net lending (+) / net borrowing (-)

=

Net acquisition of financial assets

-

Net commitment

1. Summing up net lending (+) / net borrowing (-) for the various sectors resident in the country results in net lending (+) / net borrowing (-) for the economy as a whole. The amount of net lending to the economy corresponds to the amount of net borrowing to the rest of the world and vice versa.

**3. Principles of building a financial account**

1. When compiling a financial account, the following basic principles are observed:
2. presentation of transactions in financial assets and liabilities for all categories of financial instruments except for gold bullion as a component of monetary gold held by financial authorities as a reserve asset. Gold bars are treated as a financial asset even though the owner has no claims on other designated units. There is no corresponding liability for gold bars;
3. balancing transactions with financial assets and liabilities, when summed across all resident sectors and the rest of the world sector (horizontal consistency);
4. the presentation of financial assets in the financial account according to their degree of liquidity, and liabilities according to their various maturities.
5. The input data can be checked against several items: horizontal consistency, checking the totals of the main balancing items and vertical consistency.
6. Horizontal consistency is achieved by equalizing the total amount of transactions in financial assets to the total amount of transactions in liabilities. According to the balance of operations presented for any type of transactions or assets, as the sum of uses/changes in the assets of the institutional sectors are equal to the sum of the resources/changes in the liabilities of the institutional sectors. This relationship holds at the national level for all sectoral datasets. As an example, for the “debt securities” category, the value of securities issued by all resident institutional sectors and the rest of the world is equal to the value of securities purchased by all resident sectors and the rest of the world.
7. Verification of the totals for major balancing items is done by checking with the data of the National Bank of the Republic of Kazakhstan available on their website.
8. Vertical alignment: The financial account balancing item (net lending (+)/net borrowing (-)) is vertically aligned with the corresponding capital account balancing item. While small discrepancies appear in the case of the institutional sectors “financial corporations” and “general government”, this does not apply to the balancing item of net lending/net borrowing for households or non-financial corporations.
9. There are two main reasons for the vertical discrepancies: the lack of sufficient and sufficiently consistent source data, and the lack of coordination among those institutions involved in the compilation of national accounts. The data used for compiling the national accounts are consistent with those of government agencies providing administrative data. However, additional coordination and collaboration between the relevant institutions is required to address the identified discrepancies and reduce their magnitude.
10. As a result of the compilation of the account, a policy note is being prepared, which briefly analyzes the transactions of the sectors, the relationship with the capital account and possible discrepancies in the net lending/net borrowing balancing item.

**4. Data sources used to build a financial account**

1. There are three ways to get the data used to build a financial account:
2. directly from the data provided by the respective institutional unit;
3. indirectly for an institutional unit through its analogue;
4. through the use of tool-by-tool microdatabases.
5. The sources of data used to build a financial account include:

1) monetary and financial statistics;

2) balance of payments statistics;

3) securities statistics;

4) government finance statistics;

5) statistics of corporate balance sheets.

1. Monetary and financial statistics refers to data from financial corporations (S12). Such data cover the statistics of second-tier banks (STB) and mortgage companies (S122 subsector). There are no money market funds in Kazakhstan (S123). Monetary financial institutions (S121 and S122) accept deposits or issue securities, issue loans and invest in securities for their own account.
2. For annual balance sheet data for insurance corporations (S128) and pension funds (S129), data from the National Bank of the Republic of Kazakhstan are used. The main liabilities of insurance companies and pension funds are their technical reserves or pension contributions, while their assets cover financial investments in securities, listed shares and deposits. Other financial assets are received by policyholders, other financial intermediaries and reinsurers.
3. The remaining financial corporations (S124 to S127) are not subject to direct data collection. These include non-monetary market investment funds (subsector S124), financial intermediaries other than insurance corporations and pension funds (subsector S125); financial intermediaries (subsector S126); and captive financial institutions and moneylenders (subsector S127). In part of these units, their consolidated balance sheets are used.
4. Since balance sheet data is reflected in inventories, financial transactions are calculated from them as follows:

Financial transactions = balance at the end of the year

- balance at the beginning of the year

- revaluation

– other changes in the volume of assets and liabilities

1. To compile the financial account for the rest of the world, the official statistics of the National Bank of the Republic of Kazakhstan on the balance of payments are used, from which transactions are calculated.
2. The balance of payments statistics are based on a functional approach that differentiates between direct investment, investment in securities, financial derivatives, other investment, and reserve assets. In order to fully and consistently integrate balance of payments data into the report for the rest of the world, SNA-2008 and the Balance of Payments and International Investment Position Manual (hereinafter - BPM) provide guidance on how to relate SNA accounts for the rest of the world to the balance of payments account. and international investment position.
3. Statistics on the issue of securities is compiled in Kazakhstan from the database on the issue and purchase of securities of the Central Securities Depository, as well as the Unified Registrar. This information, collected on a monthly basis, is a tool to complete the financial account by institutional sector, in particular the non-financial corporations and household sectors. The information covers all securities issued by resident sectors in Kazakhstan. The data is generated on the acquisition of securities, broken down by individuals (households) and legal entities (corporations).
4. The official statistics of the Ministry of Finance of the Republic of Kazakhstan on the execution of the state budget are used to form a financial account in the part of the public administration sector.
5. To calculate data on the sector of non-financial corporations, the annual statistical bulletin of the Committee on Statistics “Financial and economic activities of large and medium-sized enterprises in the Republic of Kazakhstan”, posted on the official Internet resource, is used.

**5. A practical approach to compiling a financial account using various sources of information**

1. Compilation of the financial account is carried out according to the algorithm shown in Appendix 4 to this Methodology.
2. In the process of constructing a financial account, direct data are complemented by data obtained indirectly in relation to the relevant sectors involved. Some of the statistics are collected for the purposes of conducting monetary or fiscal policy on a “from whom to whom” basis (and thus are the data source).
3. The use of "proxy" data is necessary for the household, NPOSH , non-financial corporations, and some sub-sectors of financial corporations sectors for which comprehensive direct data collection systems do not exist.
4. Monetary statistics are the most detailed statistical source from which data are collected for the respective units or sectors. Data on deposits, debt securities and loans from financial institutions are available along with appropriate breakdowns by relevant sector, maturity and currency.
5. Data for the rest of the world is collected by using relevant information from the balance of payments data.
6. Public finance statistics is formed from the report on the execution of the state budget. This report on the execution of the state budget does not show information "from whom to whom". A comparison of public finance statistics with monetary statistics is carried out. Monetary statistics provide data on loans broken down by relevant borrowing sectors, the government being one of them. At the same time, such assets of monetary institutions are shown as public debt in government finance statistics. Articles from two types of statistics must be identical. They do not correspond for a number of reasons, for example, the respective institutions were not correctly classified in the monetary statistics or the government authorities reported incomplete data.
7. The procedure for correcting data depends on the quality of each data source and the hierarchy of sources set by the compiler of the information. The sector used for adjustment is the nonfinancial corporations sector because the main reason for the discrepancy is the misclassification of loans provided by monetary institutions to the general government sector and nonfinancial corporations acting as borrowers. Enterprises may indicate incorrect data when filling out statistical forms.
8. Below we will consider an example of recording financial transactions on the Loans instrument in each sector of the economy (a detailed table of recording transactions is shown in Appendix 5 to this Methodology):
9. Non-financial corporations sector ( S 11).

According to the statistical bulletin "Financial and economic activity of large and medium-sized enterprises in the Republic of Kazakhstan", there is no data on loans in the active part. But according to the data of the rest of the world sector, the amount is 1. These are loans received by the non-financial sector from the rest of the world sector. This amount is included in the assets of the rest of the world sector, and in the liabilities of the non-financial sector.

1. Financial corporations sector (S12).

The data of consolidated balance sheets of financial institutions are used. The amount of short-term loans issued by the National Bank of the Republic of Kazakhstan to second-tier banks during the year was 2. In this case, transactions of the financial corporations sector with the financial corporations sector itself (the National Bank of the Republic of Kazakhstan with second-tier banks), i. operations within the same sector.

1. General government sector (S13).

For calculations, data on state budget expenditures on a cash basis are used, namely the item “Other domestic budget loans” in the amount of 5, issued to the sector of non-financial corporations. This article of state budget expenditures includes loans issued by JSC "KazAgro", JSC NWF "Samruk Kazyna". In this case, transactions of government bodies with the sector of non-financial corporations are reflected.

1. Household sector (S14).

The financial corporations sector records total loans taken by households for a total of 8. In this case, the transactions of the household sector with the financial corporations sector are recorded. This amount is reflected in the active part of the financial sector, and in household liabilities.

1. Sector NPOSH (S15).

This sector does not issue loans. But according to the financial corporations sector, there are NPOSH loans received, which are equal to (-2) - these are obligations to the financial corporations sector on short-term loans. The amount will be reflected in the passive part of the NPOSH sector, and in the active part of financial corporations.

1. Rest of the world sector (S2).

The data of the report "Financial liabilities to the rest of the world" are used. Quarterly data are translated into national currency using quarterly average exchange rates. Then the total amount for all quarters for all types of instruments is found. From the amounts received, the sum of the 7th sector of financial corporations is taken - the sum of changes in the balances of loans issued for the year. The amount will be reflected in the claims to the rest of the world of the financial corporations sector and in the liabilities of the financial corporations sector to the rest of the world.

Note: A distinctive feature of building a financial account for the rest of the world is that claims on the rest of the world are considered from the side of the domestic economy, and therefore all amounts of claims on the rest of the world are reflected in the active part of the financial account.

**6. Data validation and balancing**

1. Data verification and balancing starts with a matrix table, which will be used to draw up a financial account. It is prepared in accordance with the template for stocks and flows of financial assets and liabilities.
2. The guidelines provide an overview of what stock and transaction data should be reported. Appendix 6 to this Methodology provides a template for stocks and flows of financial assets and liabilities.
3. Horizontal balancing is about maintaining equivalence for each operation; flows and stocks balance out when summed across all resident sectors and the rest of the world.
4. The accounts are horizontally aligned so that total use equals the sum of resources and the sum of changes in assets must equal the sum of changes in liabilities. All transactions and positions are horizontally reconciled: the balance of transactions, presented for any type of transaction or asset as the sum of uses/changes in institutional sector assets, is equal to the sum of resources/changes in institutional sector liabilities. This ratio is compiled at the national level for all national sectoral datasets, bearing in mind that all data included in the matrix are unconsolidated. Partially consolidated datasets included in the matrix result in inconsistencies.
5. A set of horizontal accounting constraints is considered as a system of linear equations. Balancing in this context is the process of solving a system for which the necessary condition is that the number of equations is at least equal to the number of unknown variables.
6. The equation is defined in such a way that all issues of long-term debt securities are equal to the sum of issues of all resident institutional sectors. Such an equation for issuances (balance of commitments (I) of long-term debt securities (F32) across sectors other than households, including non-profit institutions serving households) is:

I (F32(S1)) = I (F32(S11)) + I (F32 (S121 ... S129)) + I (F32(S131 ... S1314))

1. To solve an equation, out of n variables, at least n-1 variables must be known. If n-1 variables are known, then variable n can be composed by summation or by difference. If fewer than n-1 variables are known, then additional statistical information must be collected to solve the equation. This is done by estimating the additional amount by sector or subsector.
2. Different time series are available for only one variable. Thus, series for the issuance of long-term debt securities by governments are taken from a direct source - government finance statistics, or from an indirect source, the sum of various portfolios of long-term debt securities of all (corresponding records) resident sectors and the rest of the world, issued by governments or from a third source, a securities database. In many cases, the direct source is the most reliable, as long as reliability and integrity are consistent.
3. The relevant example refers to net purchases (H) of long-term debt securities (F32) of all resident and non-resident institutional sectors, which are identical to total issuances (I):

H(F32(S1 + S2)) = H(F32(S11)) + H(F32(S121 ... S129)) + H(F32(S131 ... S1314)) + H(F32(S14)) + H(F32( S15)) + H(F32(S2)) = I(F32(S11)) + I(F32(S121 ... S129)) + I(F32(S131 ... S1314))

1. Direct data on debt portfolios from the accounts of financial corporations and governments are used, with the exception of non-financial corporations and households. Portfolio data is obtained from indirect sources such as counterparty information.
2. If some variables in the equation are obtained by the balance method by subtracting known variables from the total number of portfolios, additional data is applied. This method is used for long-term securities owned by households. The difference between the total number of portfolios and portfolios of the remaining sectors is used. Their identity implies that the issues of resident sectors and portfolios of long-term debt securities for resident and non-resident sectors are equal. However, these two values can be of different sizes. In this case, the total of one of the two is taken and the portfolio data for one sector must be corrected.
3. The source for data on issuance of securities and portfolios is the securities database linked to the statistics of securities portfolios (depository), provided that full coverage of securities is carried out. In addition, the data of the Registrar of Securities are applied in respect of non-government securities.
4. Work on the compilation of integrated accounts has been extended to vertical balancing, which takes into account the identity of non-financial and financial transactions in the system of accounts. This balancing includes reconciliation activities related to overall and sectoral net lending/net borrowing obtained from the capital account and from the financial account (B9).
5. Compilers of national accounts are also trying to achieve vertical consistency across all institutional sectors. Vertical alignment is needed for some key institutional sectors such as financial corporations, government and the rest of the world, while the other two sectors, households, including non-profit institutions serving households and non-financial corporations, are not fully aligned, even if they are are of high analytical interest. By harmonizing these sectors, vertical imbalances have been significantly reduced.
6. The accounts are vertically aligned such that, for each sector/subsector of the resident and for the rest of the world, the sum of all resources and changes in liabilities equals the sum of all uses and changes in assets. This may require removing asymmetries and using specific accounting restrictions for some institutional sectors or sub-sectors, such as general government, financial corporations and the rest of the world. Statistical differences of similar size but opposite sign are allowed for households and nonfinancial corporations.

**7. Discrepancies between net lending/net borrowing of the capital account and the financial account**

1. In many countries, the compilation of national accounts is shared between the statistical institute and the central bank; accordingly, the margin of error is predominantly shown as the difference between the net lending/net borrowing of the capital account and the financial account.
2. According to SNA-2008, the capital account includes such variables as saving, the balance of capital transfers and the acquisition of non-financial assets, while the financial account includes the net acquisition of financial assets and the net incurrence of liabilities.
3. The balancing item "net lending/net borrowing" is derived from both accounts. If there is a difference in the capital account between his savings and his non-financial investments, this inevitably leads to a corresponding differential between the net acquisition of liabilities and financial investments in the financial account.
4. Statistical differences in the net lending/net borrowing balancing item are acceptable for household and non-financial sector data.
5. There are two main reasons for the discrepancies: the lack of sufficient and sufficiently consistent source data, and the lack of coordination among those institutions involved in the compilation of national accounts. They all compile their data using statistical methods or detailed breakdowns. However, additional coordination and cooperation between the relevant institutions is needed to address the identified discrepancies and reduce their magnitude.

Appendix 1

to the Methodology for the formation of a financial account

Categories of financial instruments

|  |  |  |
| --- | --- | --- |
| No. | Name of financial instruments | Codes |
| 1. | Monetary gold and SDR | F1 |
| 2. | Cash currency and deposits | F2 |
| 3. | Debt securities | F3 |
| 4. | Loans | F4 |
| 5. | Share capital and shares of investment funds | F5 |
| 6. | Insurance, Pension and Standardized Guarantee Programs | F6 |
| 7. | Derivative financial instruments and employee share options | F7 |
| 8. | Other accounts receivable/payable | F8 |

appendix 2

to the Methodology for the formation of a financial account

Financial account by category

| Changes in assets | Operations and balancing items | Changes in liabilities and net worth |
| --- | --- | --- |
| Total | including: | including: | Total |
| Rest of the world (S2) | General economy (S1) | General economy (S1) | Rest of the world (S2) |
| + | + | + | Net acquisition of financial assets ( F ) |  |  |  |
|  |  |  | Net commitment (F) | + | + | + |
| + | + | + | Monetary gold and SDR ( F 1) | + | + | + |
| + | + | + | Cash currency and deposits ( F 2) | + | + | + |
| + | + | + | Debt securities (F3) | + | + | + |
| + | + | + | Loans (F4) | + | + | + |
| + | + | + | Share capital and shares of investment funds ( F 5) | + | + | + |
| + |  | + | Insurance, pension and standardized guarantee programs ( F 6) | + |  | + |
| + | + | + | Derivative financial instruments and employee share options ( F 7) | + | + | + |
| + | + | + | Other accounts receivable/payable ( F 8) | + | + | + |
|  |  |  | Net lending (+)/ net borrowing (-) ( B 9) | + | + | + |

Appendix 3

to the Methodology for the formation of a financial account

Definitions of financial assets and sources of information

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Asset name** | **Definition** | **Fill format** | **Information sources** |
|  | Monetary Gold (F11) | Gold that is owned and held by the monetary authorities (or other entities under their effective control) as a reserve asset (SNA-2008, paragraph 11.45). | On the asset side:* financial corporations sector (S12);
* the rest of the world sector (S2).
 | National Bank of the Republic of Kazakhstan:report "Financial claims to the rest of the world", which takes into account indicators for the following items:- Monetary gold;- Stocks of SDRs ( SDR ) in the IMF;- Reserve position in the IMF. |
|  | Special Drawing Rights (SDR) ( F 12) | International reserve assets that are created by the International Monetary Fund (IMF) and distributed among its members in addition to the available reserve assets (SNA - 2008, paragraph 11.47). | On the asset side:* financial corporations sector (S12);
* the rest of the world sector (S2).

On the commitment side:* the rest of the world sector (S2);
* financial corporations sector (S12).
 |
|  | Cash currency (F21) | Banknotes and coins that have a fixed nominal value and are issued or authorized to be issued by a central bank or government (SNA - 2008, paragraph 11.52). | On the asset side:* all sectors (S1+ S2).

On the commitment side:* financial corporations sector (S12);
* the rest of the world ( S 2) in terms of foreign currency (like sectors that have the exclusive right to issue money).
 | National Bank of the Republic of Kazakhstan:reports of second-tier banks on financial transactions, report of the National Bank of the Republic of Kazakhstan on financial transactions, report on other financial organizations on financial transactions, consolidated annual balance sheet for insurance (reinsurance) companies, consolidated balance sheet of accumulative pension funds of the Republic of Kazakhstan, consolidated balance sheet for organizations engaged in investment portfolio management, investment management of pension assets of the Republic of Kazakhstan, brokerage and dealer activities in the securities market of the Republic of Kazakhstan.Statistics Committee:bulletin “Financial and economic activity of enterprises in the Republic of Kazakhstan”, balance of microcredit organizations of the Republic of Kazakhstan in the form of nationwide statistical observation “Activity of small enterprises in the Republic of Kazakhstan” index 2-MP. |
|  | Transferable deposits (F22) | All deposits that can be exchanged for banknotes and coins on demand at par value without penalties or restrictions, and can be used directly to make payments by check, wire transfer, postal order, debit, credit or other means of payment (SNA - 2008, paragraph 11.54 ). | On the asset side:* all sectors (S1+S2).

On the commitment side:* financial corporations sector (S12);
* general government sector (S13);
* the rest of the world sector (S2).
 | National Bank of the Republic of Kazakhstan:reports of second-tier banks on financial transactions, report of the National Bank of the Republic of Kazakhstan on financial transactions, report on other financial organizations on financial transactions, consolidated annual balance sheet for insurance (reinsurance) companies, consolidated balance sheet of accumulative pension funds of the Republic of Kazakhstan, report “financial claims to the rest of the world / financial obligations to the rest of the world”, Statistical Bulletin of the National Bank of the Republic of Kazakhstan, consolidated balance sheet for organizations engaged in investment portfolio management, investment management of pension assets of the Republic of Kazakhstan, brokerage and dealer activities in the securities market of the Republic of Kazakhstan.Statistics Committee:bulletin “Financial and economic activity of enterprises in the Republic of Kazakhstan”, balance of microcredit organizations of the Republic of Kazakhstan in the form of nationwide statistical observation “Activity of small enterprises in the Republic of Kazakhstan” index 2-MP. |
|  | Other deposits (F29) | Includes savings deposits, time deposits and non-negotiable certificates of deposit. This category also includes shares or similar certificates of deposit issued by savings and loan associations, building societies, credit unions. This also includes deposits with limited transferability, which are not included in the category of transferable deposits. Claims on the IMF that are components of international reserves and are not considered loans should be treated as other deposits (SNA - 2008, paragraph 11.59). | On the asset side:* all sectors (S1+S2).

On the commitment side:* financial corporations sector (S12);
* general government sector (S13);
* the rest of the world sector (S2).
 |
|  | Debt securities (F3) | Negotiable instruments that serve as evidence of debt (SNA-2008, para. 11.64). | On the asset side:* all sectors (S1+S2).

On the commitment side:* all sectors (S1+S2).
 | Central Securities Depository:summary information on operations with government and non-government securities. |
|  | Loans (F4) | Financial assets that arise when a creditor lends funds directly to a debtor and are in non-transferable form (SNA-2008, paragraph 11.72). | On the asset side:* sector of non-financial corporations (S11);
* financial corporations sector (S12);
* general government sector (S13);
* household sector (S14);
* the rest of the world sector (S2).

On the commitment side:* all sectors (S1+S2).
 | National Bank of the Republic of Kazakhstan:reports of second-tier banks on financial transactions, report of the National Bank of the Republic of Kazakhstan on financial transactions, report on other financial organizations on financial transactions, consolidated annual balance sheet for insurance (reinsurance) companies, consolidated balance sheet of accumulative pension funds of the Republic of Kazakhstan, report “financial claims to the rest of the world / financial obligations to the rest of the world”, Statistical Bulletin of the National Bank of the Republic of Kazakhstan, consolidated balance sheet for organizations engaged in investment portfolio management, investment management of pension assets of the Republic of Kazakhstan, brokerage and dealer activities in the securities market of the Republic of Kazakhstan.Statistics Committee:bulletin “Financial and economic activity of enterprises in the Republic of Kazakhstan”, balance of microcredit organizations of the Republic of Kazakhstan in the form of nationwide statistical observation “Activity of small enterprises in the Republic of Kazakhstan” index 2-MP.Ministry of Finance of the Republic of Kazakhstan: data of the report on the cash execution of the state budget. |
|  | Share capital and shares of investment funds ( F 5) | All instruments and documents supporting claims for the residual value of the assets of a corporation or quasi-corporation after all creditors' claims have been satisfied (SNA-2008, paragraph 11.83). | On the asset side:* all sectors (S1+S2).

On the commitment side:* sector of non-financial corporations (S11);
* financial corporations sector (S12);
* the rest of the world sector (S2).
 | Central Securities Depository:summary information on operations with government and non-government securities, shares and bonds |
|  | Listed shares ( F 511) | Securities in the form of shares listed on a stock exchange (SNA-2008, paragraph 11.86). | On the asset side:* all sectors (S1+S2).

On the commitment side:* sector of non-financial corporations (S11);
* financial corporations sector (S12);
* the rest of the world sector (S2).
 |
|  | Shares not listed ( F 512) | Securities in the form of shares not listed on a stock exchange (SNA-2008, paragraph 11.87). | On the asset side:* all sectors (S1+S2).

On the commitment side:* sector of non-financial corporations (S11);
* financial corporations sector (S12);
* the rest of the world sector (S2).
 |
|  | Other types of equity ( F 519) | Remaining share of shares. | On the asset side:* all sectors (S1+S2).

On the commitment side:* sector of non-financial corporations (S11);
* the rest of the world sector (S2).
 |
|  | Shares and shares of money market funds ( F 521) | Claim for a portion of the net asset value of an established money market fund (SNA-2008, paragraph 11.99). | On the asset side:* all sectors (S1+S2).

On the commitment side:* financial corporations sector (S12);
* the rest of the world sector (S2).
 |
|  | Shares and shares of non-money market funds ( F 522) | A requirement for a fraction of the net asset value of any other non-money market fund established (SNA-2008, paragraph 11.100). |
|  | Insurance, pension and standardized guarantee programs ( F 6) | Perform the function of redistributing income or wealth through financial institutions (SNA-2008, paragraph 11.103). | On the asset side:* sector of non-financial corporations (11);
* financial corporations sector (S12);
* general government sector (S13);
* household sector (S14).

On the commitment side:* financial corporations sector (S12).
 | National Bank of the Republic of Kazakhstan:consolidated balance sheet of insurance companies, reports on insurance premiums, as well as on insurance payments, Statistical Bulletin of the National Bank of the Republic of Kazakhstan. |
|  | Insurance technical reserves other than life insurance reserves ( F 61) | Advances in net insurance premiums (other than life insurance premiums) and reserves to cover outstanding claims. Consist of paid but not yet earned premiums (called unearned premiums) and claims that are due but not yet paid (called unpaid claims) ( SNA-2008, paragraph 11.105). | On the asset side:* sector of non-financial corporations (S11);
* financial corporations sector (S12);
* household sector (S14).

On the commitment side:* financial corporations sector (S12).
 |
|  | Life insurance and annuity entitlements ( F 62) | The amount of financial claims of policyholders on a life insurance or annuity business ( F 62) (SNA-2008, paragraph 11.106). | On the asset side:* household sector (S14).

On the commitment side:* financial corporations sector (S12).
 |
|  | Retirement entitlements ( F 63) | The amount of financial claims of both current and future retirees to their employer or to a fund selected by the employer for the payment of earned pensions in accordance with the terms of the employment contract between the employer and the employee (SNA-2008, paragraph 11.107). |
|  | Pension fund claims on pension fund managers ( F 64). | An employer may enter into a contract with a third party to manage the pension funds of its employees. If the agreement between the employer and the third party is such that the employer transfers the risks and liability of a funding shortfall to a third party in exchange for the right of the third party to retain the excess funds, then the third party becomes both the manager and administrator of the pension fund. This article reflects the requirements of the pension fund to its manager;This type of financial transactions does not take place in Kazakhstani practice. | On the asset side:* financial corporations sector (S12).

On the commitment side:* financial corporations sector (S12).
 |
|  | Non-retirement entitlements ( F 65) | Social benefits such as social benefits in case of disability, social benefits in case of loss of a breadwinner, social benefits in case of loss of work, in case of loss of income due to pregnancy and childbirth, with the adoption loss of income in connection with the care of a child when he reaches the age of one year. | On the asset side:* household sector (S14).

On the commitment side:* financial corporations sector (S12).
 | State Social Insurance Fund:report on the receipt and use of assets. |
|  | Provisions for the settlement of claims under standardized guarantees ( F 66) | Provisional Net Payments and Provisions Required to Cover Unsettled Standardized Guarantee Claims (SNA-2008, paragraph 11.110). | On the asset side:* financial corporations sector (S12);
* general government sector (S13).

On the commitment side:* financial corporations sector (S12).
 | National Bank of the Republic of Kazakhstan:consolidated balance sheet of insurance organizations, reports on insurance premiums, as well as on insurance payments. |
|  | Derivative financial instruments (F71) | Financial instruments that are linked to a specific financial instrument or measure or commodity, whereby specific financial risks can be traded in financial markets in their own capacity (SNA-2008, paragraph 11.111). | On the asset side:* sector of non-financial corporations (S11);
* financial corporations sector (S12);
* the rest of the world sector (S2).

On the commitment side:* sector of non-financial corporations (S11);
* financial corporations sector (S12);
* household sector (S14).
 | National Bank of the Republic of Kazakhstan:reports of second-tier banks on financial transactions, report of the National Bank of the Republic of Kazakhstan on financial transactions, report on other financial organizations on financial transactions, consolidated annual balance sheet for insurance (reinsurance) companies, consolidated balance sheet of accumulative pension funds of the Republic of Kazakhstan, report “financial claims to the rest of the world / financial obligations to the rest of the world”, Statistical Bulletin of the National Bank of the Republic of Kazakhstan, consolidated balance sheet for organizations engaged in investment portfolio management, investment management of pension assets of the Republic of Kazakhstan, brokerage and dealer activities in the securities market of the Republic of Kazakhstan .Central Securities Depository:summary information on operations with government and non-government securities, shares and bonds. |
|  | Options for the purchase of shares by employees ( F 72) | An agreement entered into on a specific date (grant date) whereby an employee may purchase a certain amount of the employer's shares at a specified price (strike price) or at a specified point in time (transfer date) or over a period of time (use period) that immediately follows the date of transfer ( SNA-2008 para 11.125). | On the asset side:* household sector (S14).

On the commitment side:* sector of non-financial corporations (S11);
* financial corporations sector (S12).
 |
|  | Other accounts receivable/payable ( F 8) | Amounts owed related to the payment of taxes, dividends, purchase and sale of securities, payment of rent, wages, and social security contributions, as well as interest accrued but not paid (SNA-2008, paragraph 11.127). | On the asset side:* all sectors (S1+S2)

On the commitment side:* sector of non-financial corporations (S11);
* general government sector (S13);
* household sector (S14);
* the rest of the world sector (S2).
 | National Bank of the Republic of Kazakhstan:reports of second-tier banks on financial transactions, report of the National Bank of the Republic of Kazakhstan on financial transactions, report on other financial organizations on financial transactions, consolidated annual balance sheet for insurance (reinsurance) companies, consolidated balance sheet of accumulative pension funds of the Republic of Kazakhstan, report “financial claims to the rest of the world / financial obligations to the rest of the world”, Statistical Bulletin of the National Bank of the Republic of Kazakhstan, consolidated balance sheet for organizations engaged in investment portfolio management, investment management of pension assets of the Republic of Kazakhstan, brokerage and dealer activities in the securities market of the Republic of Kazakhstan.Ministry of Finance of the Republic of Kazakhstan:data of the report on the cash execution of the state budget.State Social Insurance Fund:report on the receipt and use of assets. |

Appendix 4

to the Methodology for the formation of a financial account

Drawing up a financial account

|  |  |
| --- | --- |
|  | Identifying Data Sources (September) |
|  |  |
|  | Preparation of the layout of tables by subsectors, sectors of the economy and the final table of the financial account (October) |
|  |  |
|  | Transfer of data from information sources to the financial account table by subsectors of the economy (October - November) |
|  |  |
|  | Sum up all the amounts entered in the tables. Calculate totals for each balancing item (November) |
|  |  |
|  | Transfer of the received calculated data by sectors of the economy to the final table of the financial account (December) |
|  |  |
|  | Control calculation of the received results. Reconciliation of the totals of assets and liabilities of the financial account and the balance between them (December - January) |
|  |  |
|  | Horizontal balancing. Checking the balancing item "Net lending (+)/net borrowing (-)" in the "Total" column. The cell must contain 0, i.e. achievement of correspondence of the amount of assets to the amount of liabilities (January) |
|  |  |
|  | vertical balancing. Determination of the statistical difference between the capital account and the financial account in the balancing item "Net lending (+)/net borrowing (-)" (February) |
|  |  |
| No | In case of statistical discrepancy in the final line "Net lending (+), net borrowing (-)", repeat the above 8 steps with a full analysis of the correctness of the reflection of the amounts and their calculation |
|  | Yes |
|  | Create a financial account. Submit financial invoice for review and approval (March) |
|  |  |
|  | After verification and approval, submit for printing in the collection "National Accounts of Kazakhstan" and reflect in electronic format on the website of the Committee on Statistics and in the Database of the Administration of the President of the Republic of Kazakhstan (March) |

Appendix 5

to the Methodology for the formation of a financial account

Reflection of transactions in the financial account on the example of the article "Loans"

Sector of non-financial corporations

million tenge

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Total | Changes in assets | Name of article and sector | Changes in liabilities and net worth | Total |
| The rest of the world | Economy as a whole | Households and NPOSH | Public administration | financial corporations | Non-financial corporations | Non-financial corporations | financial corporations | Public administration | Households and NPOSH | Economy as a whole | The rest of the world |
| 1 | 1 |  |  |  |  |  | F4. Loans | 1 |  |  |  | 1 |  | 1 |
|  |  |  |  |  |  |  | F41. Short term - Rest of the world | 1 |  |  |  | 1 |  | 1 |
| 1 | 1 |  |  |  |  |  | F41. Short-term - Non-financial corporations |  |  |  |  |  |  |  |

Sector of financial corporations

million tenge

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Total | Changes in assets | Name of article and sector | Changes in liabilities and net worth | Total |
| The rest of the world | Economy as a whole | Households and NPOSH | Public administration | financial corporations | Non-financial corporations | Non-financial corporations | financial corporations | Public administration | Households and NPOSH | Economy as a whole | The rest of the world |
| 2 |  | 2 |  |  | 2 |  | F4. Loans |  | 2 |  |  | 2 |  | 2 |
| 2 |  | 2 |  |  | 2 |  | F41. Short-term - Financial sector |  | 2 |  |  | 2 |  | 2 |

General government sector

million tenge

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Total | Changes in assets | Name of article and sector | Changes in liabilities and net worth | Total |
| The rest of the world | Economy as a whole | Households and NPOSH | Public administration | financial corporations | Non-financial corporations | Non-financial corporations | financial corporations | Public administration | Households and NPOSH | Economy as a whole | The rest of the world |
| 5 |  | 5 |  | 5 |  |  | F4. Loans | 5 |  |  |  | 5 |  | 5 |
| 5 |  | 5 |  | 5 |  |  | F42. Long-term - Non-financial sector |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | F 42. Long-term - Government | 5 |  |  |  | 5 |  | 5 |

Household sector

million tenge

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Total | Changes in assets | Name of article and sector | Changes in liabilities and net worth | Total |
| The rest of the world | Economy as a whole | Households and NPOSH | Public administration | financial corporations | Non-financial corporations | Non-financial corporations | financial corporations | Public administration | Households and NPOSH | Economy as a whole | The rest of the world |
| 8 |  | 8 |  |  | 8 |  | F4. Loans |  |  |  | 8 |  |  | 8 |
|  |  |  |  |  |  |  | F41. Short-term - Financial corporations |  |  |  | 8 |  |  | 8 |
| 8 |  | 8 |  |  | 8 |  | F41. Short term - Households |  |  |  |  |  |  |  |

NPOSH sector

million tenge

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Total | Changes in assets | Name of article and sector | Changes in liabilities and net worth | Total |
| The rest of the world | Economy as a whole | Households and NPOSH | Public administration | financial corporations | Non-financial corporations | Non-financial corporations | financial corporations | Public administration | Households and NPOSH | Economy as a whole | The rest of the world |
| -2 |  | -2 |  |  | -2 |  | F4. Loans |  |  |  | -2 | -2 |  | -2 |
|  |  |  |  |  |  |  | F41. Short-term - Financial corporations |  |  |  | -2 | -2 |  | -2 |
| -2 |  | -2 |  |  | -2 |  | F41. Short term - NPOSH |  |  |  |  |  |  |  |

Rest of the world sector

million tenge

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Total | Changes in assets | Name of article and sector | Changes in liabilities and net worth | Total |
| The rest of the world | Economy as a whole | Households and NPOSH | Public administration | financial corporations | Non-financial corporations | Non-financial corporations | financial corporations | Public administration | Households and NPOSH | Economy as a whole | The rest of the world |
| 7 |  | 7 |  |  | 7 |  | F4. Loans |  |  |  |  |  | 7 | 7 |
|  |  |  |  |  |  |  | F41. Short-term - Financial corporations |  |  |  |  |  | 7 | 7 |
| 7 |  | 7 |  |  | 7 |  | F41. Short term - Rest of the world |  |  |  |  |  |  |  |

Appendix 6

to the Methodology for the formation of a financial account

Template for stocks and flows of financial assets and liabilities

|  | Economy as a whole | Non-financial corporations | financial corporations | Public administration | Households and NPOSH | The rest of the world |
| --- | --- | --- | --- | --- | --- | --- |
| S1 ( S11 + S12 + S13 + S14+S15 ) | S11 | S12 | S13 | S14+S15 | S2 |
| F 1. Monetary gold and SDR |  |  |  |  |  |  |
| F11. monetary gold |  |  |  |  |  |  |
| F12. SDR |  |  |  |  |  |  |
| F 2. Cash and deposits |  |  |  |  |  |  |
| of which: local currency |  |  |  |  |  |  |
| F21. cash currency |  |  |  |  |  |  |
| F22. Transferable deposits |  |  |  |  |  |  |
| F221. Interbank positions |  |  |  |  |  |  |
| F229. Other transferable deposits |  |  |  |  |  |  |
| F29. Other deposits |  |  |  |  |  |  |
| F3. Debt securities |  |  |  |  |  |  |
| of which: local currency |  |  |  |  |  |  |
| F 31. Short-term ( with a remaining maturity of one year or less) |  |  |  |  |  |  |
| F 32. Long-term ( with a remaining maturity of more than one year ) |  |  |  |  |  |  |
| F4. Loans |  |  |  |  |  |  |
| of which: local currency |  |  |  |  |  |  |
| F 41. Short-term ( with a remaining maturity of one year or less) |  |  |  |  |  |  |
| F 42 Long-term ( with a remaining maturity of more than one year) |   |  |  |  |  |  |
| F 5. Share capital and investment fund shares |  |  |  |  |  |  |
| F51. Share capital |  |  |  |  |  |  |
| F 511 Listed Shares |  |  |  |  |  |  |
| F 512. Unlisted Shares |  |  |  |  |  |  |
| F 519 |  |  |  |  |  |  |
| F 52. Shares/shares of investment funds |  |  |  |  |  |  |
| F 521. Shares/units of money market funds |  |  |  |  |  |  |
| F 522 |  |  |  |  |  |  |
| F 6. Insurance, Pension and Standardized Guarantee Programs |  |  |  |  |  |  |
| F 61. Insurance technical reserves other than life insurance reserves |  |  |  |  |  |  |
| F 62. Eligibility for life insurance and annuities |  |  |  |  |  |  |
| F 63. Rights to pension benefits |  |  |  |  |  |  |
| F 64 Pension fund claims on pension plan managers |  |  |  |  |  |  |
| F 65. Rights to non-retirement benefits |  |  |  |  |  |  |
| F 66. Provisions for the settlement of claims under standardized guarantees |  |  |  |  |  |  |
| F 7. Financial derivatives and employee share options |  |  |  |  |  |  |
| F71. Derivative financial instruments |  |  |  |  |  |  |
| F711. Options |  |  |  |  |  |  |
| F712. Forwards |  |  |  |  |  |  |
| F 72 |  |  |  |  |  |  |
| F 8. Other accounts receivable/payable |  |  |  |  |  |  |
| of which: in local currency |  |  |  |  |  |  |
| F 81. Commercial loans and advances |  |  |  |  |  |  |
| F 89. Other accounts receivable/payable (excluding commercial loans and advances) |  |  |  |  |  |  |