

SEQUENCE OF ACCOUNTS IN THE SYSTEM OF NATIONAL ACCOUNTS

The main purpose of National Accounts compilation is to create a complete framework of general indicators at different stages of economic development and to ensure interconnection between them. All stages of supply and use (production, primary distribution of income, secondary distribution of income, final consumption and accumulation, etc.) correspond to a special account or group of accounts. These accounts cover the movement of goods and services and revenue at all stages: from their production to use, as well as changes in non-financial and financial assets and liabilities.

In the sequence of accounts main accounts are split into **current** and **accumulation** accounts. Each account has two sides (**Resources** and **Uses** for Current Accounts; **Changes in Assets** and **Changes in Liabilities and Net Worth** - for Accumulation Accounts) and macroeconomic indicator as a balancing item. The balancing item of each account is the starting point for the next account.

The following accounts are presented in the National Accounts Portal:

The production account reflects operations related to the process of production of goods and services defined within the SNA. The Resources side of production account covers data on the total **Output** of goods and services and the uses side – **Intermediate Consumption** and **Value Added**. The balancing item in this account is the **Gross Value Added**.

The generation of income account shows the types of primary incomes by originating sources: **Compensation of employees, Mixed Income, Operating Surplus**, net taxes (taxes less subsidies) on production and imports.

The allocation of primary income account focuses on resident institutional units or sectors in their capacity as recipients of primary incomes rather than as producers whose activities generate primary incomes. This account reflects both primary and property incomes. Its balancing item is the **National Income**.

Gross National Income = Gross Domestic Product at market prices + Net primary income receivable from the rest of the world

The secondary distribution of income account shows how the National Income is transformed into disposable income by the receipt and payment of current transfers; The balancing item of this account is **Gross National Disposable Income**.

Gross National Disposable Income = Gross National Income + Net current transfers receivable from the rest of the world.

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The use of **Disposable income account** shows how disposable income is divided between final consumption expenditure and saving; The balancing item of this account is **Gross Saving**.

Gross Saving = Gross National Disposable Income – Final Consumption Expenditure (expenditures on final consumption of Households, NPISH and general government).

The **capital account** records acquisition less disposals of non-financial assets and measures the change in net worth due to saving and capital transfers. It's balancing item is Net Lending (+), Net Borrowing (-) - the amount available to an institutional unit or sector to fund another unit or sector or borrow from another unit or sector. It is defined as the excess or deficit of the financial sources over the expenditure: on net acquisition of non-financial assets. At the level of whole economy, Net Lending (+), Net Borrowing (-) shows the value of all resources paid to the rest of the world and vice versa.

Net Lending (+), Net Borrowing (-)

Gross Saving

- + Net capital transfers receivable from the rest of the world
- Gross capital formation
- Acquisition less disposals of non-produced non-financial assets

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INTEGRATED TRANSACTION ACCOUNTS OF 2008 SNA		
	USES / CHANGES IN ASSETS	RESOURCES / CHANGES IN LIABILITY & NET WORTH
PRODUCTION ACCOUNT	<p>INTERMEDIATE CONSUMPTION (P.2)</p> <p>GROSS DOMESTIC PRODUCT (B.1)</p>	OUTPUT (P.1)
GENERATION OF INCOME ACCOUNT	<p>COMPENSATION OF EMPLOYEES (D.1)</p> <p>(TAXES – SUBSIDIES) ON PRODUCTION & IMPORTS (D.2 – D.3)</p> <p>MIXED INCOME(B.3) +OPERATING SURPLUS (B.2)</p>	GROSS DOMESTIC PRODUCT (B.1)
PRIMARY DISTRIBUTION OF INCOME	<p>PROPERTY INCOME (D.4)</p> <p>GROSS NATIONAL INCOME (B.5)</p>	<p>MIXED INCOME (B.3) +OPERATING SURPLUS (B.2)</p> <p>COMPENSATION OF EMPLOYEES (D.1)</p> <p>(TAXES – SUBSIDIES) ON PRODUCTION & IMPORTS (D.2–D.3)</p> <p>PROPERTY INCOME (D.4)</p>
SECONDARY DISTRIBUTION OF INCOME	<p>TAXES ON INCOME & WEALTH PAYABLE (D.5)</p> <p>SOCIAL CONTRIBUTIONS & OTHER SOCIAL BENEFITS PAYABLE (D.6)</p> <p>OTHER CURRENT TRANSFERS PAYABLE (D.7)</p> <p>GROSS DISPOSABLE INCOME (B.6)</p>	<p>GROSS NATIONAL INCOME (B.5)</p> <p>TAXES ON INCOME & WEALTH RECEIVABLE (D.5)</p> <p>SOCIAL CONTRIBUTIONS & OTHER SOCIAL BENEFITS RECEIVABLE (D.6)</p> <p>OTHER CURRENT TRANSFERS RECEIVABLE (D.7)</p>
USE OF INCOME ACCOUNT	<p>FINAL CONSUMPTION EXPENDITURE (P.3), OF WHICH:</p> <p>HOUSEHOLD FCE; GOVERNMENT & NPISHS FCE</p> <p>GROSS SAVINGS (B.8)</p>	GROSS DISPOSABLE INCOME (B.6)

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CAPITAL ACCOUNT	<p>GROSS FIXED CAPITAL FORMATION (P.51)</p> <p>CHANGE IN INVENTORIES (P.52)</p> <p>ACQUISITION LESS DISPOSAL OF VALUABLES (P.53)</p> <p>ACQUISITION LESS DISPOSAL OF NON-PRODUCED NON-FINANCIAL ASSETS (K.2)</p> <p>NET LENDING / BORROWING (B.9)</p>	<p>GROSS SAVINGS (B.8)</p> <p>CAPITAL TRANSFERS RECEIVABLE MINUS CAPITAL TRANSFERS PAYABLE (D.9)</p>
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