



Description

of the sources, methods and statistical treatments

used to compile quarterly sector accounts

of the Czech Republic

Prague, December 31th 2021

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Chapter 1 General description

1.1 Organisational aspects

Quarterly sector accounts are compiled in two departments in the Department of the National Accounts (DNA) and the Government and Financial Accounts Department (DGFA) under the Macroeconomic Section that includes four departments (another two departments engaged in price statistics and foreign trade). The two national accounts departments are divided into six units (see Scheme 1).

Responsibility is divided between staff responsible for the data sources and integrating them into the system of national accounts (NA) for the institutional sectors, as well as for individual methodological adjustments and the estimates, and the staff responsible for the individual items in particular their balancing in the system of the national accounts.

Czech statistical office (CZSO) closely cooperate with the Ministry of Finance, the Czech National Bank and other institutions by compiling of the NA, especially in the area of the data sources and providing other helpful information.

The work coordination on the QSA compilation process provides the Sector Accounts Unit (SAU). This unit is also responsible for the compilation of accounts for the institutional sectors of non-financial corporations, households and non-residents (Rest of the world sector). Furthermore, this unit provide estimates of non-observed economy except illegal activities. An essential part of these estimates is also compiling employment and compensation of employee's data. Other estimates are estimates of imputed rent, the balance of non-produced assets, and balance of foreigners and related estimate of remittances. An extension is also compiling the satellite accounts of non-profit institutions, public sector, and a satellite account of cooperatives and mutual companies. SAU is primarily focused on balancing of the income flows.

Responsibility for compilation of sectoral accounts for financial institution is on the Financial Accounts Unit (FAU). In addition, there is also the responsibility for balancing of financial transactions.

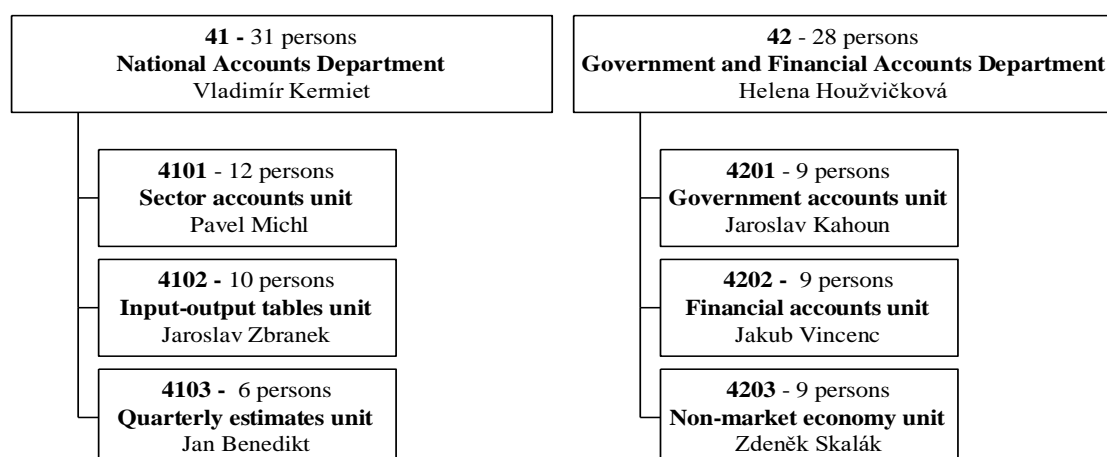
The accounts for the government sector are compiled in the Governments Accounts Unit (GAU). This unit also compile tables for notification of government deficit and debt.

Input Output Tables Unit (IOTU) prepares balances of non-financial assets and inventories including Gross fixed capital formation and Changes in Inventories for the Annual sector accounts. This unit also compiles Household final consumption and provides balancing of products and deflation.

The work is organized according to the prescribed schedule in advance, by developed processes and under defined responsibilities.

The two national accounts departments are divided into six units (see Scheme 1). In 2018 worked in both departments 59 workers, all with higher education, generally in the area of economics. The distribution of personnel in key areas of national accounts is given below:

Scheme 1 Organisation scheme of National Accounts Departments



1.2 Sources

Compilation of QSA:

- exploits all information both from quarterly national accounts (QNA) and quarterly sector accounts for S.13 and S.2 which are compiled ahead of time. Several indicators of QNA (P.1, P.2, P.3, P.5, P.6, P.7, D.1, D.2, D.3) are obtained as a sum of sector indicators. They are taken over without any changes;
- lies predominantly in addition:
 - sector breakdown of QNA indicators which are not obtained as a sum of sector sub-indicators;
 - indicators of non-financial accounts which are not part of QNA; these are distributive transactions and the item “Acquisitions less disposals of non-financial non-produced assets” (NP).
 - seasonal adjustment of some quarterly sector data.

Data sources used for compilation of QSA are divided into three groups: administrative, statistical and combined. The priority is given to administrative data sources. Also, data sources are direct and indirect. Direct data sources are preferred. In the case of the lack of direct information, indirect data sources are used for expert estimates and estimates obtained by modelling. Main data sources used in compilation of QSA are presented in the Table 1. Some of the data sources serve for compilation of a lot of indicators, sometimes of more than one sector. This is described in more detail in Chapter 2.

Table 1 Main data sources (DS) in 2018

Code	Name of the data source	Data supplier	Periodicity	Type of source	Type of coverage
DS 1	Annual statistical survey in business units (P 5-01)	CZSO	Annually	Statistical	Combined
DS 2	Annual questionnaire for selected government institutions (VI 1-01)	CZSO	Annually	Statistical	Combined
DS 7	Annual statement of financial (monetary) institutions (Pen 5-01)	CZSO	Annually	Statistical	Sample
DS 8	Quarterly statistical survey of other financial institutions accounting as corporations (Pen 3c-04)	CZSO	Quarterly	Administrative	Census

DS 9	Annual statistical survey of Insurance and Reinsurance Companies (Poř 5a-01)	CZSO	Annually	Statistical	Census
DS 10	Quarterly statistical survey of health insurance companies (ZDP 3-04)	CZSO	Quarterly	Statistical	Census
DS 11	Quarterly statistical survey of financial indicators (P 6-04)	CZSO	Quarterly	Statistical	Census
DS 12	Social security premiums	Ministry of Labour and Social Affairs	Monthly	Administrative	Census
DS 15	Income tax returns of individuals (DPFO)	Ministry of Finance	Annually	Administrative	Census
DS 16	Balance of Payment	Czech National Bank	Quarterly	Administrative	Combined
DS 18	Statement of revenue and expenditure (FIN 2-12 M)	Ministry of Finance	Monthly	Administrative	Census
DS 19	Cash-based statement for evaluation of budget execution (main activities of State organisation units and state funds) (FIN 2-04 U)	Ministry of Finance	Monthly	Administrative	Census
DS 20	Profit and loss account for semi-budgetary organisations, State organisation units, state funds and local government units	Ministry of Finance	Quarterly	Administrative	Census
DS 21	Balance sheets of OUS, TGD, semi-budgetary organization and State Funds	Ministry of Finance	Quarterly	Administrative	Census
DS 23	Profit and loss account in a detailed breakdown for large-scale and small-scale privatisation – the Privatisation fund	Ministry of Finance	Quarterly	Administrative	Census
DS 24	Profit and loss account of the Vine-growers Fund	Vine-growers Fund	Quarterly	Administrative	Census
DS 28	Interest from the state debt and financial derivatives	Ministry of Finance	Quarterly	Administrative	Census
DS 30	Foreign claims	Ministry of Finance	Quarterly	Administrative	Census
DS 33	Subsidies provided by the State Transport Infrastructure Fund	State Transport Infrastructure Fund	Quarterly	Administrative	Census
DS 34	The Administration of State Material Reserves - stock of inventories	ASMR	Quarterly	Administrative	Census
DS 38	Financial Market Guarantee System	FMGS	Quarterly	Administrative	Census
DS 42	Monthly survey of Profit and Loss of bank (FISIFE20)	Czech National Bank	Monthly	Administrative	Census
DS 43	Quarterly survey of interest incomes and expenses and expenses of bank (VISIFE 20)	Czech National Bank	Quarterly	Administrative	Census
DS 45	Monthly survey on Profit or Loss of credit union (FISIFE20)	Czech National Bank	Monthly	Administrative	Census
DS 50	Quarterly profit and loss statement of the manager / chief administrator / managed fund (VYFOS 20)	Czech National Bank	Quarterly	Administrative	Census
DS 53	Profit and loss statement of pension companies and pension company funds	Czech National Bank	Quarterly	Administrative	Census
DS 54	Insurance/reinsurance companies, profit and loss statement	Czech National Bank	Quarterly	Administrative	Census
DS 56	Export and import of FISIM	Czech National Bank	Quarterly	Administrative	Census
DS 58	National Concept of Foreign Trade in Goods Statistics	CZSO	Monthly	Statistical	Census
DS 59	Quarterly survey on export and import of services (ZO 1-04)	CZSO	Quarterly	Statistical	Sample

DS 61	Profit and loss account under Act No. 500/2002 Coll. - RIA, PGRLF/SGAFF, PRISKO	RIA, PGRLF/SGAFF, PRISKO	Quarterly	Administrative	Census
DS 64	Withdrawal of Budget of State Agricultural Intervention Fund	SAIF	Quarterly	Administrative	Census
DS 65	National Fund revenue and expenditures sorting statement	Ministry of Finance	Quarterly	Administrative	Census
DS 66	Profit and Loss of Public Audit Oversight Board	Public Audit Oversight Board	Quarterly	Administrative	Census
DS 68	ARAD database compiled by Czech National Bank	Czech National Bank	Monthly/ Quarterly	Administrative	Census
DS 69	DB The Czech Capital Market Association (CCAM)	Czech National Bank	Quarterly	Administrative	Census
DS 70	Income (profit and loss) statement of Central Bank (IVIV10)	Czech National Bank	Quarterly	Administrative	Census
DS 72	Supplementary balance sheet pension companies and pension company funds	Czech National Bank	Quarterly	Administrative	Census
DS 73	Quarterly balance of assets and liabilities of pension companies and pension company funds for purpose of National Accounts	Czech National Bank	Quarterly	Administrative	Census
DS 74	Quarterly balance of assets and liabilities for purpose of National Accounts (RISIPE11)	Czech National Bank	Quarterly	Administrative	Census
DS 75	Compulsory accident insurance (RISIPE17)	Czech National Bank	Quarterly	Administrative	Census
DS 76	Auxiliary Analytical Overview (PAP)	Ministry of Finance	Quarterly	Administrative	Census
DS 79	Statistical information of natural disasters	Czech Insurance Association	Quarterly	Administrative	Sample
DS 84	VAT return submitted by entrepreneurs	Ministry of Finance	Monthly	Administrative	Census
DS 85	Financial services - Monthly survey on selected collections and payments of banks/branches of foreign banks	Czech National Bank	Monthly	Administrative	Census
DS 87	Tourism	Czech National Bank	Quarterly	Statistical	Combined
DS 91	Monthly survey on Profit of other financial intermediaries (FISIFE20)	Czech National Bank	Monthly	Administrative	Census
DS 95	Quarterly profit and loss statement of financial payment institutions and financial institutions of digital currency (VYPIS20)	Czech National Bank	Quarterly	Administrative	Census
DS 105	Interest income and expenses of banks/branches of a foreign bank (VIS20_01)	Czech National Bank	Quarterly	Administrative	Census
DS 109	Quarterly statistical survey of selected government and other institutions (VPI 3-04)	CZSO	Quarterly	Statistical	Census
DS 110	Profit and loss statement of Prague Gas Holding (PGH)	PGH	Quarterly	Administrative	Census
DS 111	Special Database	CZSO	Constantly updated	Combined	Census
DS 112	Quarterly statistical survey about employment and wages (Práce 2-04)	CZSO	Quarterly	Statistical	Combined
DS 113	Report of completed building and dwelling (Stav 7-99)	CZSO	Constantly updated	Statistical	Census
DS 114	Quarterly statistical survey in financial intermediation industry (PenPoj 3-04)	CZSO	Quarterly	Statistical	Census
DS 115	Monthly survey in trade and services SP 1-12	CZSO	Monthly	Statistical	Combined

DS 116	Quarterly survey for business entities in selected industries (P 3-04)	CZSO	Quarterly	Statistical	Combined
DS 117	Profit and loss statement of Financial Market Guarantee System (GSFT)	GSFT	Quarterly	Administrative	Census

The codes are compatible with the other methodological description of the national accounts of the Czech Republic (e. g. GNI Inventory, QNA Inventory, ASA Inventory). This table presents only data sources that are used as the basis for the QSAs compilation.

Here is the list of the most important data sources used in QSA:

1) **DS 84: value added tax (VAT) return by companies**

This administrative data source is the key element for estimates of the indicators P.1 and P.2 in sectors S.11 and S.14. It is used for benchmarking of annual data sources to a quarterly frequency. The annual data sources are **DS 1 Annual statistical survey in business units P 5-01** (S.11) and **DS 15 Income tax returns of individuals** (S.14). For details of this modelling process, see the tabular overviews in Chapters 2.1. and 2.2.

Source contains outputs from VAT returns submitted by VAT-payers registered in the Czech Republic. It is also used e. g. for compilation of National Concept of Foreign Trade, adjustment inverse merchanting, various ad-hoc analyses in National Accounts Department or for defining population and sample population for surveys organised by the CZSO.

2) **DS 11: Quarterly statistical survey - financial indicators “P 6-04”**

This survey comprises stock and flow financial indicators, which are necessary for compilation of quarterly financial accounts. Regular estimates of GDP take advantage of this source as well because stocks of inventories and data on gross fixed capital formation are included there. Indicators are available in the industrial breakdown into 88 activities according to two-digit CZ-NACE classification. Enterprises both in the non-financial corporation sector and the government institution sector (units with business accounting) are covered by the survey. Only enterprises with significant amounts of assets have to fill in this questionnaire. Grossing-up is conducted only for non-response units.

3) **DS 98: Special database**

The so-called Special database is provided by the Department for Methodology of Performing Statistical Processing at the CZSO. The Special database provides indicators on number of employees based on the data from the Register of the Czech Social Security Administration and indicators on wages assessment. The data are adjusted according to the data from other statistical questionnaires (Prum 1-12, Práce 2-04 and others) and the data from other registries (Business Register, Register of Economic Subjects).

1.3 Methods

Compilation of QSA in the CZSO is regarded as extending QNA in further two dimensions:

- a) to a full sequence of sectors and
- b) to a full sequence of non-financial accounts.

This extending fully exploits QSA of sectors S.13 and S.2 which are compiled in advance and rather independently on compilation of QSA for the remaining sectors. Compilation of QSA can be divided in five phases:

- a) acceptance of quarterly sector figures from QNA (S.11, S.12, S.13, S.14, S.15, S.2); although QNA are compiled by industries, industrial breakdown has no relevance for QSA;

- b) acceptance of S.13-QSA;
- c) completion of S.2-QSA;
- d) compilation of item tables (Table 2) which fully use figures from QNA, S.13-QSA and S.2-QSA; the main building unit is thus represented by a balanced matrix (sectors of resources in rows x sectors of uses in columns); balancing is made for each item (from D.1 to D.9, NP); item tables are constructed also for transactions in products, but they do not need any other balancing because they are taken over from QNA;
- e) data of all balanced item tables serve to originating of QSA for S.11, S.12, S.14 and S.15 which are thus balanced, too.

Table 2 Item Matrix

Code	Name of transaction								
	USES								
	S.11	S.12	S.13	S.14	S.15	S.2	TOTAL	S.1	
RESOURCES	S.11	A1	B1	C1	D1	E1	F1	Sum A1-F1	Sum A1-E1
	S.12	A2	B2	C2	D2	E2	F2	Sum A2-F2	Sum A2-E2
	S.13	A3	B3	C3	D3	E3	F3	<i>S.13-QSA</i>	Sum A3-E3
	S.14	A4	B4	C4	D4	E4	F4	Sum A4-F4	Sum A4-E4
	S.15	A5	B5	C5	D5	E5	F5	Sum A5-F5	Sum A5-E5
	S.2	A6	B6	C6	D6	E6	F6	<i>S.2-QSA</i>	Sum A6-E6
	TOTAL	Sum A1-A6	Sum B1-B6	<i>S.13-QSA</i>	Sum D1-D6	Sum E1-E6	<i>S.2-QSA</i>		

Contents of item tables are very different. It depends on the category of a transaction. Only 3 tables (D.41, D.45 and D.75) contain data in more than a half (18) of all cells (36). Sometimes, a table is created only by one cell (e.g. items P.6, P.7), by one row (e.g. items P.1, P.2, P.3, P.51g, P.51c, P.52, P.53, NP, D.29).

Item tables are filled by item specialists; in case of distributive transactions mainly by specialists from the annual sector accounts (ASA). It is very important activity based on experience from ASA. Specialists are responsible for revision and year-to year analysis, and also for full consistency with annual national accounts.

The item tables are derived from various quarterly data sources and some national accounts adjustments, which are reinterpolated to quarters (these adjustments are described in more detail in the Chapter 2). Because quarterly data sources often do not respond to annual data sources and not all adjustments are reinterpolated to quarters, following technique is used very often to benchmark quarterly figures to annual figures:

Quarterly figures are benchmarked to corresponding annual figures mainly using the pro-rata method, i.e. difference between quarterly values and annual value is split according to the proportions indicated by the four quarterly observations. Ratio of the last available annual value to the sum of corresponding quarterly values is extrapolated to quarters for which annual data are not yet available.

1.4 QSA consistency with related data sets

QSA consistency with non-financial ASA data

Annual sector accounts (ASA) are published in three standard versions, at the end of June and one version at the beginning of January. It is preliminary set of accounts, semi definitive set of accounts and definitive versions in June and notification version in January.

Quarterly Sector Accounts are revised always in June and in December at the same time like the ASA each year. So, in July and in January ASA and QSA are completely consistent. The consistency is ensured in the compilation system of the QSA by benchmarking on the ASA.

QSA consistency with main aggregates of S.1

Quarterly Sector Accounts are fully consistent with all the main aggregates provided in Table 1 of the ESA 2010 transmission program. These aggregates are based on annual sector accounts or directly linked to annual sector accounts or they are in full compliance with them. In addition, production, expenditure and income estimates are in Czech national accounts always balanced, so there are not any discrepancies in published data.

QSA consistency with government data

Quarterly sector accounts for S.13 are compiled ahead of time and are taken to QSA without any changes. The discrepancies of GFS and QSA occur only temporarily. The consistency is ensured by two publication dates of the QSA in June and January, but in the period after the government notifications were issued in April and October before the QSA was published, the consistency is broken (April to June, October to December).

QSA consistency with balance of payments

Balance of payments (BoP) in Czechia is compiled by Czech National Bank (CNB) with close cooperation of Czech Statistical Office (CZSO). Close cooperation at the working level is evaluated at annual meetings of senior staff from both institutions.

BoP is taken as the main source for quarterly sector data of S.2 in Czech National Accounts (CzNA). But it is not the only data source and some items are not taken over, or are taken over only partly, and some items are modified in CzNA. Differences between CzNA and BoP relate to methodological reasons.

There are no differences between CzNA and BoP in export of goods (P.61), import of goods (P.71) and import of services (P.72). Export of services (P.62) differs because:

- BoP do not consider exports of administrative services (C03H) a services export,
- FISIM (C08A) related to the Czech Export Bank (CEB). CEB is in the Czech National Accounts classified as a part of government institution (sector 13) , whereas CNB considers CEB to be a financial institution (sector 12). Therefore, BoP contains also FISIM by CEB whereas National Accounts do not record it.

Interest (D.41) is higher in CzNA than in BoP by part of FISIM and by tax on interest. The Czech National Bank has not yet accepted the transfer of the Czech Export Bank from financial corporations sector to general government sector, and therefore FISIM also counts for this bank. Therefore, this part of FISIM is also deducted from the reported interest, while in national accounts FISIM is not calculated for this bank and so is not deducted from interest. The second reason of higher interest in national accounts is the interest tax. In BoP, interest is

stated without tax, therefore an increase in interest by this tax, which amounts to 15 %, is carried out within CzNA.

Dividends paid to non-residents (D.421) recorded in BoP are lower by dividends arising from deliberate misreporting by companies owned by non-residents. CZSO estimates of this type of shadow economy are based on the assumption that small and medium enterprises owned by non-residents also over or under report. Understated revenues/overstated expenses generate hidden incomes that flow to the owners companies in the form of hidden dividends. These „undeclared“ dividends are the reason for the difference between NA and BoP recording principles. While completeness is paramount for national accounts, BoP emphasises identification of cross-border flows. But the assigning dividends from the shadow economy to owners' country of origin is not included in the calculation. The emphasis on territorial identification of flow is the main reason why these dividends are not recorded in BoP.

Profits from foreign direct investment reinvested by non-residents (D.43) are quantified in BoP based on business accounts data, while in CzNA are quantified based on national accounts data. Both outputs give very different results.

QSA consistency with quarterly financial accounts data

The regular reconciliation and cross-checking between non-financial and financial accounts are done for all sectors only on annual basis. Discrepancies between B.9 from non-financial and B.9 from financial accounts are placed in AF.7 (when other possibilities have been exhausted).

Quarterly financial sector accounts for S.11, S.12, S.14 and S.15 sectors are compiled by the CNB, independently from the compilation of quarterly non-financial sector accounts by the CZSO. The consistency is achieved only for S.13, where both non-financial and financial accounts are compiled by CZSO.

1.5 Short description of the methods used to estimate backdata

The first QSA of the Czech Republic were compiled for quarters of years 2004, 2005 and 2006 within the Eurostat grant “Quarterly Non-financial Sector Accounts”. Extension of QSA for the period from the first quarter of 1999 to the fourth quarter of 2003 was obligatory. Some QSA indicators could be taken over from QNA without any change (e.g. P.3, P.5, D.11). Many distributive indicators were not available at quarterly frequency at all, several indicators were available but not by sector.

In cases of the lack of appropriate quarterly source data, extension of QSA were done in a simplified way at more aggregated level using the proportional Denton method. The general objective of this method is to preserve as much as possible the short-term movements in the available quarterly indicators under the restrictions provided by the annual data. Quarterly sector indicators were represented mainly by the employment data (numbers of employees or their wages). The method can be described as a minimization of the following formula:

$$\min \sum_{t=2}^T \left[\frac{X_t}{I_t} - \frac{X_{t-1}}{I_{t-1}} \right]^2$$

under the annual constraints:

$$\sum_{t=4y-3}^{4y} X_t = A_y \quad y = 1, \dots, n$$

where

- X_t is the revised (adjusted) quarterly value for quarter t
- I_t is the original quarterly value (indicator) for quarter t
- A_y is the annual value for year y
- t is time in quarters ($t=1, \dots, T$)
- T is the last quarter
- y is time in years ($y=1, \dots, n$)
- n is the last year

The simplified methods were used for building backseries (Q1/1999 – Q4/2003) in various ways that depended on the scope of available quarterly and sectoral information. Using of these methods differed very much in various sectors and for various indicators. Commonly, there are several groups of used procedures:

- 1) Sectors/transactions could be taken over **from existing time series** without any changes:
 - a) Following transactions were taken over from QNA in individual sectors without any change: P.3, (P.6, P.7), D.11, (D.21), (D.31), P.51c;
 - b) S.2 transactions exploited BoP data which were available quarterly.
- 2) Following sector/transactions were **partially** estimated by the simplified methods:
 - a) Quarterly **S.1 totals** (in cases of P.1, P.2, D.12 including quarterly S.1 breakdown by kind of activity) were taken over from QNA and allocated in sectors by means of sectoral structure of ASA: P.1, P.2, D.12, P.51, P.52, P.53, D.29, D.39; Most of **S.12** transactions were compiled by means of data from quarterly statistical surveys. Quarterly S.12 non-financial accounts were compiled for all missing years (1999, 2000, 2001, 2002 and 2003). The Denton method was used for following transactions: P.1, P.2, in S.125 for D.44, D.71, D.72 and D.8; Quarterly **S.13** non-financial accounts were compiled for 2003 year as an experimental ones within the QSA project. The Denton method was used for following transactions: P.31, D.71 PAY, D.92 PAY, D.42 REC, D.44 REC, D.45 REC, D.72 REC and D.92 REC;
 - b) **S.14** quarterly transactions relied on existing time series of S.14 quarterly accounts (they had been compiled in a little different scope since fifties of 20th century). Direct quarterly data sources were used for distributive transactions D.41, D.44, D.61, D.62, D.5, D.71 and D.72. Denton method was applied for transactions D.42, D.45 and D.9. Transaction D.75 was used as a balancing item. S.14 data were often used for other sector/transactions' compilation.
- 3) **S.11** transactions were very often obtained as a difference between quarterly data of S.1 and the sum of S.12, S.13, S.14 and S.15.

Other sectors/transactions were obtain **fully** by simplified methods when number of employees and their wages were used as proxy indicators at least (methods without leading indicators were rarely used): Almost all transactions of **S.15** (excluding D.11) were obtained by the Denton method.

1.6 Seasonal adjustment of QSA

The seasonal adjustment is made in several stages. In the first stage is the non-seasonal adjusted time series acquired. Some time series in the QSA accounts are obtained from the QNA unit. In this, we respect the seasonal adjustment in QNA. And this time series is not again seasonally adjusted. These time series are S.15 P31, S.14 P3U, S.14 P31U, S.13 P3, S.2: P6, S.2: P7.

The first stage in seasonal adjustment is the working day adjustment. The working day adjustment is made only in some particular cases. We use our own defined variable as a regressor for seasonal adjustment and software Demetera 2.2.2. The regressor is calculated in the same way as is done in QNA - it's the difference of working day in the current period from the long-term mean of the working days in the same period in future and past years. The series affected by working day adjustment is manually chosen, and it is not an automatic procedure. We check the significance of the working day regressor in each model for each time series, and we check their interpretability too. If the regressor is significant and the sign and value of the working day effect align with the sense of time series, we will use the working-day adjustment. The time series in which the working-day adjustment is made are S11 B1G, S11 B2G B3G, S11 B5G, S11 P51C, S13 P2U, S13 P1OZ, S14 P3U, S14 P31U, S2 D567Z. The working day adjusted series (and not seasonally adjusted simultaneously) is calculated by applying the value of the regressor to the original series.

In the next stage, we make a seasonal adjustment. We use the Tramo-seats method. We prefer to use the Demetra automatic procedure of selecting the final model (order of the arima model as the suggested outliers). Each proposed model from the Demetera is checked and manually validated. When the new data arrives, we prefer to keep the last used models, and we change them only when the new data causes problems with the statistical properties of the used models or if they can improve them.

The main challenge with the QSA seasonal adjustment lies in the character of the time series. There are dozens of time series that have dramatically changed the seasonal patterns over time. This problem is mainly caused by the evolution of the QSA compilation process and data sources availability on a quarter level. This problem is in tens series. The typical situation is when the time series does not have a seasonal pattern, and then from some specific year, the series has a solid obvious seasonal pattern. Due to this challenging behaviour, the affected series are split into similar seasonal behaviour periods. For example, the series S13 D5U does not have an apparent seasonal pattern from 1999 until 2008. The specific model checks seasonal adjustment only for this period. The different model adjusts the second period (from 2009 till now).

Some time series does not contain any apparent seasonal pattern all over the time. After the seasonal adjustment, the time series are benchmarked into the sums of quarters. The time series, which includes the working-day effect, is benchmarked on the working day adjusted time series. The time series that does not have a working-day effect is benchmarked on the not seasonally adjusted figures sums. The aggregates are mainly obtained by the indirect method - as the sum of the seasonally adjusted series.

1.7 Release and revision policy

1.7.1 Release policy

The quarterly sector accounts are published by CZSO in T+90 (approximately 90 days after the end of reference period) in the full set of indicators of QSA (including seasonal adjusted data). Simultaneously, the data are regularly transmitted to Eurostat. The publication calendar for the quarters of the reference year 2018 was as following:

- 1. Quarter (1Q) : 29th of June 2018
- 2. Quarter (2Q): 2nd of October 2018
- 3. Quarter (3Q): 11th of January 2019
- 4. Quarter (4Q): 2nd of April 2019

1.7.2 Revision policy

The revisions are made together with the publication of the new quarter. The revisions of QSA follow the revisions of QNA. Comparability with the annual sector accounts is always achieved (see the Chapter 1.4), therefore with the publication of the 1Q in June, the past quarters up to 2 years backwards are revised (as ASA are). With the publication of 2Q, only 1Q of the current year is revised. With the publication of 3Q, the past quarters up to 1 year are revised. With the publication of 4Q, the past quarters of the current year are revised.

1.8 Remarks or problems

Data on quarterly sector accounts of the Czech Republic are available in the form of time series on:

http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa?mylang=EN&oblast=@RU

Data on quarterly sector accounts of the CR are available in the form of integrated full set of accounts on:

http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa_mat?mylang=EN&oblast=@RU

All national accounts data on the Czech Republic are published in a database of national accounts:

<http://apl.czso.cz/pll/rocenka/rocenka.indexnu>

1.9 Future plans

Main challenge for the CZSO in the future will be reconciliation of the discrepancies between financial and non-financial accounts.

Annual sector accounts are compiled in one institution (CZSO) for quarterly financial accounts responsibility in on the Czech National Bank. Compilation practice for annual accounts allow minimising discrepancy from data sources to final estimate, where accounts are balanced. Due to different institutional arrangement on quarterly bases, different deadlines, and revision policies to solve this issue will be not easy task.

Chapter 2 Description by transaction

The chapter 2 consists of descriptions of 28 items.

2.1 Transaction P.1 (Output)

2.1.1 Tabular overview of QSA sources and methods by institutional sector – P.1

Sector	Sources	Methods: Uses	Methods: Resources
S1	-		Sum of sector data
S11	DS 1, 84		<p>The main data source for the calculation of output is VAT return submitted by entrepreneurs, from which indicator for benchmarking the annual data from questionnaire P 5-01 to a quarterly frequency is derived. Obtained data is controlled for mistakes and extreme values which can affect the final results.</p> <p>The indicator of the output is constructed by the sum of the specific items in the VAT return form (these are generally items involving the delivery of goods or provision of services).</p> <p>The data is broken down into activities at NACE 2 level and categorized into the size groups. Size groups are the groups of entrepreneurs with a given value of output expressed as deciles/quartiles. The total figures by the NACE 2 category and size group are taken as an indicator for benchmarking. These totals represent the indicator of output. The category size represents the different trends across one activity.</p> <p>The calculation procedure is same for S.11 and S.14. Sectoral breakdown is influenced by following factors. The first differentiation lies in different choices of the group sizes of the indicator of output. Subsequently, different ratios between the output and GVA are used. Finally, the relevant annual constraints according to the sectoral classification from P5-01 data for benchmarking are applied.</p> <p>see Chapter 2.1.2</p> <p>see Chapter 2.1.2</p> <p>see Chapter 1.3</p>
S12	DS 70		<p>Output of the central bank (S.121) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Personal costs + Social costs + Depreciation of tangible assets + Depreciation of intangible investment assets + Intermediate consumption + Adjustments made on annually basis divided into each quarter
	DS 42, 45		<p>Output of other banks and credit unions (S.122) is calculated using the following</p>

			<p>formula: + Revenues from fees and commissions + Other operating revenues Output also includes FISIM and MARGIN.</p>
	DS 50		<p>Output of money market funds and investments funds (S.123, S.124) is calculated using the following formula: + Revenues from fees and commissions + Other operating revenues</p>
	DS 50, 91, 95		<p>Output of securities dealers on or not on own accounts, financial payment institutions, electronic money institutions, investment managers companies and other financial intermediaries (parts of S.125 and S.126) is calculated using the following formula: + Revenues from fees and commissions + Other operating revenues</p>
	DS 53		<p>Output of pension manager companies (S.126) is calculated using the following formula: + Pension contributions received, including contributions from government + Profit credited to members of pension insurance – Expenses on pensions – Change in liabilities to members of pension insurance.</p>
	DS 8		<p>The rest of the output produced in S.125 and S.126 including the whole S.127 is calculated using the following formula: + Revenues from selling own goods - Costs from selling own goods + Revenues from selling own products + Revenues from selling own services - Change in inventories - Activation + Received payments from financial leases</p>
	DS 54		<p>Output of insurance companies (S.128, non-life insurance services) is calculated using the following formula: + Gross premiums written – Change in the provision for unearned premiums + Premium supplements – Gross amount of claims paid, adjusted by claims arising from catastrophic losses – Total change in the provisions.</p>
	DS 54		<p>Output of insurance companies (S.128, life insurance services) is calculated using the following formula: + Gross premiums written – Change in the provision for unearned premiums + Premium supplements – Gross amount of claims paid (benefits due)</p>

	DS 54		<p>– Total change in the provisions.</p> <p>Output of insurance companies (S.128, reinsurance services) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Gross premiums written – Change in the provision for unearned premiums – Commissions (payable) + Premium supplements – Gross amount of claims paid, adjusted by claims arising from catastrophic losses – Total change in the provisions. – Profit sharing
	DS 53		<p>Output of pension funds (S.129) is calculated as the sum of the costs of fees and commissions paid to the manager and other operating expenses.</p>
S13	DS 10, 11, 18, 19, 20, 21, 23, 24, 61, 64, 66, 76, 109, 110, 117		<p>In general, quarterly data for S.13 are based on direct sources.</p> <p>Source data are based especially on financial and accounting statements that cover most of government units, i.e. response is 100%.</p> <p>Non-profit institutions provide information through statistical questionnaire – and statistical survey is exhaustiveness – response is usually 100%.</p> <p>The calculation of output for units classified in the General government sector (S.13) is based on fact that these are non-market producers. This means that their output (especially their main activity) is calculated as non-market output. Some organizations have also unit's secondary activity, which does not constitute any independent institutional unit. Revenue from this secondary activity is taken as market output. The output of government therefore comprises Market output (P.11), Output for own final use (P.12) and Other non-market output (P.131 and P.132).</p> <p>The most represented is Other non-market output provided free (P.132). The item P.132 is calculated as a sum of costs, i.e. sum of intermediate consumption (P.2), compensation of employees (D.1), consumption of fixed capital (P.51c) and the other taxes on production (D.29) net of payments for other non-market output (P.131) and output for own final use (P.12).</p> <p>Payments for other non-market output (P.131) includes revenues from sales of goods and services that government units provide at prices below those prevailing on the market. This is mainly the case of below-market rentals, court and administrative fees, and road tolls and highway vignettes.</p> <p>Output for own final use includes (P.12) covers the items of revenues from own activity in primary data sources and data resulting from the</p>

			methodological adjustments Capitalisation of expenditures on research and development and Own accounts software. Market activities recorded under the item P.11 cover revenues from sales of goods and services at market prices.
S14	DS 15, 84		The same procedure as for S.11 except for the use of questionnaire P 5-01. Annual data for S.14 are obtained from Income tax returns of individuals. Sectoral breakdown for VAT return data is influenced by following factors. The first differentiation lies in different choices of the group sizes of the indicator of output. Subsequently, different ratios between the output and GVA are used. Finally, the relevant annual constraints according to the sectoral classification from annual Income tax returns of individuals for benchmarking are applied. see Chapter 2.1.2 see Chapter 2.1.2 see Chapter 1.3
S15	DS 111, 112		Output of S.15 is generated mainly by non-market activities. The cost method is used for calculation of output of these activities, i.e. output is derived as the sum of intermediate consumption and gross value added (compensation of employees, other taxes on production and consumption of fixed capital). Compensation of employees is estimated using total wages (including other personal costs) from the statistical survey. Consumption of fixed capital is computed in the same way as for the other sectors. The other items are estimated using numbers of employees from the Special Database.
S2	-		-

2.1.2 Additional information on sources and methods – P.1

Conceptual adjustments are made due to differences between business accounting rules and national accounting rules. Some adjustments are covered by quarterly data sources:

- Holding gain/loss on inventories (S.11, S.14) – quarterly estimate according to development of producer price indices and external trade price indices.
- Financial leasing repayments (S.11, S.12, S.13, S.15) – quarterly figures are derived from the sector and industrial structure of ANA using quarterly repayments received from financial leasing.
- Wages and salaries in kind (S.13) – quarterly figures are obtained from several government data sources.
- Levy on lottery revenues (S.11) – quarterly figures are obtained from Ministry of Finance
- Non-life insurance services (quarterly total figures from the quarterly profit and loss statement in insurance companies are distributed among sectors and industries by means of sector and industry shares of the latest ANA) enter the P.1 as a part of non-market services' P.2 in S.13 and S.15.

- Consolidation in energy industries (S.11) – quarterly estimate according to development of output source data in energy industries.
- Imputed rent for housing services provided by owner-occupiers to themselves (S.14) – starting value is annual imputed rent, which is calculated by combination “stratification method” (apartments) and “user cost method” (family houses). The quarterly distribution of imputed rent is according to the price index of realized market rent and by the development of living area of dwellings. The numbers of completed dwellings for updating the living area and the quarterly price index of the realized market rent are used for extrapolation from the last known annual value.
- Capitalization of research and development expenditures (S.11, S.12, S.13, S.14, S.15) – quarterly proportional distribution according to function Cholette using time series of annual data.
- Natural growth of forests (standing timber) (S.11, S.13, S.14, S.15) – adjusted annual figures from the Forest Management Institute are divided into two identical parts and assigned to the 2nd and the 3rd quarter.

For the rest of conceptual adjustments no quarterly information is available. Therefore their quarterly pattern is taken from the pattern of output item:

- Exclusion of internal turnover (S.11)
- Mark-up factor for operating surplus of own-account production of fixed assets (S.11, S.14)
- Value of entertainment, literary and artistic originals (S.11, S.14)

Adjustments for exhaustiveness are made with the aim to cover transactions that are not directly observed via regular statistical surveys or administrative sources. Following adjustments are distinguished:

- N1 – Producers deliberately not registering – underground (S.14)
- N2 – Producers deliberately not registering – illegal (S.11, S.14)
- N3 – Producers not required to register (informal sector, individual housing construction, own-account output of agricultural products) (S.14)
- N4 – Legal persons not surveyed (updating statistical register) – figures are not prepared due to the fact that the Czech Business Register is updated sufficiently.
- N5 – Registered entrepreneurs not surveyed (S.14)
- N6 – Producers deliberately misreporting (S.11, S.14)
- N7 – Other statistical deficiencies (wages and salaries in kind, tips and gratuities) (S.11, S.12, S.13, S.14, S.15)

Individual housing construction is based on quarterly figures of started construction of apartments and on quarterly figures of new finished dwellings from the questionnaire “Stav 7-99” (DS 113) and development of the price index of new buildings.

Own-account output of agricultural products is based on the annual value of the previous year that is divided into particular quarters. (The rations for the division into quarters are based on historical data based on the household budget survey.) The value of the quarter in the previous year is multiplied by the agricultural producer price index.

2.2 Transaction P.2 (Intermediate consumption)

2.2.1 Tabular overview of QSA sources and methods by institutional sectors – P.2

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	
S11	DS 1, 84 Conceptual adjustments Adjustments for exhaustiveness Extrapolation	<p>Intermediate consumption is calculated as the difference between benchmarked estimated output and GVA. The main data source for the calculation of output and GVA is VAT return submitted by entrepreneurs, from which indicator for benchmarking the annual data from questionnaire P 5-01 to a quarterly frequency is derived.</p> <p>The indicator of the output is described in chapter 2.1.1.</p> <p>The indicator for the GVA is calculated as the mean of ratios of GVA to the indicator from the last years by the NACE2 level.</p> <p>The calculation procedure is same for S.11 and S.14.</p> <p>The relevant annual constraints according to the sectoral classification from P 5-01 data for benchmarking are applied. see Chapter 2.2.2</p> <p>see Chapter 2.2.2</p> <p>see Chapter 1.3</p>	
S12	DS 70 DS 42, 45 DS 50 DS 50, 91, 95	<p>Intermediate consumption of the central bank (S.121) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Costs of fees and commissions + Costs of printing banknotes and minting coins + Other operating costs + Education and benefits + Other administrative costs <p>Intermediate consumption of other banks and credit unions (S.122) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Costs of fees and commissions + Other operating costs + Other administrative costs <p>Intermediate consumption of money market funds and investments funds (S.123, S.124) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Costs of fees and commissions + Other operating costs + Other administrative costs <p>Intermediate consumption of securities dealers on or not on own accounts, financial payment institutions, electronic money institutions, investment managers companies and other financial intermediaries (parts of S.125 and S.126) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Costs of fees and commissions 	

	DS 53	<ul style="list-style-type: none"> + Other operating costs + Other administrative costs <p>Intermediate consumption of pension companies (S.126) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Remuneration to the depositary + Remuneration for portfolio management + Remuneration for mediation + Fees paid to the bank + Fees for settlement of trades in investment instruments and securities traders + Other costs of fees and commissions + Other operating expenses + Extraordinary costs + Other administrative expenses 	
	DS 8	<p>The rest of the intermediate consumption consumed in S.125 and S.126 including the whole S.127 is calculated using the following formula:</p> <ul style="list-style-type: none"> + Consumption of material and energy 	
	DS 9, 54, 114	<p>Intermediate consumption of insurance companies (S.128, non-life and life insurance and reinsurance services) is calculated using the following formula:</p> <ul style="list-style-type: none"> + Passive reinsurance + Acquisition costs of insurance contracts + Accruals + Administrative costs + Financial management costs + Other technical costs net of reinsurance – Wages – Other personal costs – Compulsory social and health insurance – Depreciation – Insurance – Costs of goods sold – Fines, penalties, interests on late payments – Interests + Other costs + Exceptional costs – Payment of statutory accident insurance into the state budget 	
	DS 53	<p>Intermediate consumption of pension funds (S.129) is calculated as the sum of the costs of fees and commissions paid by managers and other operating costs.</p>	
S13	DS 10, 11, 20, 23, 24, 61, 64, 66, 76, 109, 110, 117	<p>Data coverage is complete. For compilation of national accounts for the general government, individual source data is used that is available for all units classified inside the general government sector.</p> <p>Data are on an accrual basis.</p> <p>Intermediate consumption covers mainly consumption of material, water, energy, court and banking fees, etc.</p>	
	DS 18,19,21	<p>Direct sources. Response is 100%. Data from</p>	

	Conceptual adjustments Adjustments for exhaustiveness Extrapolation	budgetary organizations are on a cash basis (DS 18, 19). Adjustment to accrual is done on the base of information from the balance sheet (DS 21). Major adjustment is for stock of material not yet consumed. P.2 is changed by an increase/decrease in the item of financial assets „suppliers and short-term advances”. A significant adjustment is the exclusion of loan payments on the government's long-term lease of Gripen fighter aircraft. The most important conceptual adjustments with impact on P.2 represent Wages in kind, Non-life insurance services, Allocation of FISIM and Small tools. see Chapter 1.3	
S14	DS 15, 84 Conceptual adjustments Adjustments for exhaustiveness Extrapolation	The same procedure as for S.11 except for the use of questionnaire P 5-01. Annual data for S.14 are obtained from Income tax returns of individuals. The relevant annual constraints according to the sectoral classification from annual Income tax returns of individuals for benchmarking are applied. see Chapter 2.2.2 see Chapter 2.2.2 see Chapter 1.3	
S15	DS 111 Conceptual adjustments	Disaggregation of annual figures using quarterly numbers of employees from the Special Database. see Chapter 2.2.2	
S2	-	-	

2.2.2 Additional information on sources and methods – P.2

Conceptual adjustments are made due to differences between business accounting rules and national accounting rules. Some adjustments are covered by quarterly data sources:

- Holding gain/loss on inventories (S.11, S.14) – quarterly estimate according to development of producer price indices and external trade price indices.
- Financial leasing repayments (S.11, S.12, S.13, S.14, S.15) – quarterly figures are derived from the sector and industrial structure of ANA using quarterly repayments received from financial leasing.
- Non-life insurance services (S.11, S.12, S.13, S.14, S.15) – quarterly total figures from above mentioned DS 9, 54, 103 are distributed among sectors and industries by means of sector and industry shares of the latest ANA.
- FISIM (S.11, S.12, S.13, S.14, S.15) – allocation of FISIM into the intermediate consumption is based on data received from the CNB. These data includes the stock of deposits, stock of loans and volume of interest, which are further divided into each subsector. Therefore, the volume of FISIM consumed is estimated directly on the level of subsectors. Individual sector totals are distributed among industries by means of industry shares of the latest ANA.

- Consolidation in energy industries (S.11) – quarterly estimate according to development of output source data in energy industries
- Capitalisation of small tools (S.11, S.12, S.13, S.14, S.15) – quarterly distribution according to development of intermediate consumption source data in relevant industry in S.11, S.12, S.13 and S.14; the same quarterly values as in previous year in S.15.
- Allocation of output of CNB (S.12) – quarterly data are available from the CNB
- Margins of securities traders (S.11, S.12, S.13, S.15) – allocation of margin into the intermediate consumption is based on transaction with suitable securities. These transactions are part of financial accounts published by the CZSO and available in division into the subsectors. Individual sector totals are distributed among industries by means of industry shares of the latest ANA.
- Recording of military equipment (S.13) – administrative data are delivered each quarter by the Ministry of Defence. Military equipment expenditures are included in intermediate consumption at the level of primary data; however these expenses are through extrapolations and model adjustments in the further compilation process eliminated.
- Imputed rent for housing services provided by owner-occupiers to themselves (S.14) – quarterly distribution according to development of output.
- Capitalisation of research and development expenditures (S.11, S.12, S.13, S.14, S.15) – quarterly proportional distribution according to function Cholette using time series of annual data in S.11 and S.12; annual data are divided equally into four quarters in S.13, S.14 and S.15.

For the rest of conceptual adjustments no quarterly information is available. Therefore their quarterly pattern is taken from surveyed data on intermediate consumption:

- Wages and salaries in kind (S.11, S.12, S.13, S.14, S.15)
- Exclusion of internal turnover (S.11)
- Recording of travel expenses (S.11, S.12, S.13, S.14, S.15)

Adjustments for exhaustiveness are made with the aim to cover transactions that are not directly observed via regular statistical surveys or administrative sources. Following adjustments are distinguished:

- N1 – Producers deliberately not registering – underground (S.14)
- N2 – Producers deliberately not registering – illegal (S.14)
- N3 – Producers not required to register (informal sector, individual housing construction, own-account output of agricultural products) (S.14)
- N4 – Legal persons not surveyed (updating statistical register) – figures are not prepared due to the fact that the Czech Business Register is updated sufficiently.
- N5 – Registered entrepreneurs not surveyed (S.14)
- N6 – Producers deliberately misreporting (S.11, S.14)

Individual housing construction is based on quarterly figures of started construction of apartments and on quarterly figures of new finished dwellings from the questionnaire “Stav 7-99” (DS 113) and development of the price index of new buildings.

Own-account output of agricultural products is based on the annual value of the previous year that is divided into particular quarters. (The ratios for the division into quarters are based on historical data based on the household budget survey.) The value of the quarter in the previous year is multiplied by the agricultural producer price index.

2.3 Transaction P.3 (Final consumption expenditure)

2.3.1 Tabular overview of QSA sources and methods by institutional sector – P.3

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	-
S11	-	-	-
S12	-	-	-
S13	DS 10, 11, 18, 19, 20, 21, 23, 24, 61, 64, 66, 76, 109, 110, 117	<p>Final consumption expenditure (P.3) consists of individual and collective consumption expenditure. Government individual consumption expenditure (P.31) contents purchases on goods and services (from market producers), e.g. expenditure on a health care reimbursement and value of goods and services produced directly by the government units (in the spheres of education, health, social security and social care, in sport, recreation and culture). The goods and services are provided to households as social transfers in kind (D.631 and D.632).</p> <p>Collective consumption expenditure (P.32) contents government expenditure in the sphere of management and regulation of society, the provision of security and defence, the maintenance of law and order, legislation and regulation, maintenance of public health, the protection of the environment, research and development and infrastructure and economic development.</p> <p>Distribution into P.31 and P.32 is estimated on the base of structure from ANA.</p>	-
S14	DS 09, 16, 42, 43, 53, 56, 68, 72, 73, 87	<p>Key data source for estimates of expenditure of households on final consumption is retail sales indices. Estimate of HFCE is available in 46 COICOP groups. In addition, specific direct inputs are used on financial and insurance services, imputed rents of dwellings, FISIM and BoP data on tourism and work of residents abroad. Purchase of motor cars is estimated separately. Expenditure on</p>	-

		tobacco products and alcohol beverages is estimated independently using volume projection. Lotteries and gambling expenditure and wages in kind are calculated through retrapolation of the annual figures. The sum of quarters is later benchmarked to the detailed annual accounts. The difference is split proportionally into quarters of the year and then extrapolated to quarters of the next year, expecting the same development in the future.	
S15	DS 111, 112	P.3 equals the value of goods and services produced by NPISHs and provided to households free of charge (P.132) and social transfers in kind (D.631). Estimation of D.631 is based on disaggregation of annual figures using numbers of employees from the Special database.	-
S2	-	-	-

2.3.2 Additional information on sources and methods – P.3

Household final consumption expenditure

Estimates of the household final consumption expenditure (HFCE) at current prices are based on the combination of data sources, model calculations, methodological adjustments and exhaustiveness adjustments. The information is available in a split into 46 COICOP groups of expenditure. The household final consumption expenditure is primarily compiled in a national concept.

The basic source of data is a model calculation based on the retail sales indices. Data on retail sales are obtained from the monthly survey SP 1-12 Monthly survey in trade and services (DS 115). The sales are transferred to items of the COICOP classification and subsequently indices are calculated. These indices are applied to the data sources in particular quarters of previous year.

Expenditure on tobacco is estimated using volume projection first. The estimate of the number of cigarettes smoked is multiplied by the price development taking into account VAT, excises duty and structural changes. In a similar way, estimates on spirits, beer and wine household expenditure are prepared.

The quarterly estimation household expenditure of cars and motorbikes is similar to the annual estimation of these items. A more detailed description of the estimation of household expenditure on cars and motorbikes is described in GNI Inventory.

Output of life and non-life insurance services is allocated to HFCE according to sector's share in gross premiums written (DS 09, section A113) from the data source of insurance companies.

The main part of the value of pension fund's output is recorded and consumed by households as transaction for the service provided by pension funds. Transaction is recorded as final consumption expenditure by household. The part of production belonging to resident households can be calculated by the share of residents part of pension liabilities obtained from the data source DS 73.

Data on expenditure of households on lotteries and gambling are not available on quarterly basis and that is why they are estimated. It is possible because the development of this item is very smooth.

Imputed rents are calculated separately using annual figures as a benchmark. Quarterly value is estimated according to change of number of dwellings (actualization with help of the new dwellings) and of the price index of new family houses (UCM method) and of the rents in flats in residential houses (stratification method).

Own-account output of agricultural products is based on the annual value of the previous year that is divided into particular quarters. (The rations for the division into quarters are based on historical data based on the household budget survey.) The value of the quarter in the previous year is multiplied by the agricultural producer price index.

The sum of obtained data is compared with the relevant annual accounts figures if available. Difference in each of 46 COICOP groups is split into quarters proportionally and extrapolated to the years where annual national accounts are not available.

2.4 Transaction P.5g (Gross capital formation)

2.4.1 Tabular overview of QSA sources and methods by institutional sector – P.5g

a) P.51g (Gross fixed capital formation)

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	-
S11	DS 1, 11, 20, 21, 111,	The structure of Gross fixed capital formation is as follows: 1. Dwellings (AN.111), 2. Other buildings and structures (AN.112), 3. Transport equipment (AN.1131), 4. ICT, Other machinery and equipment, Weapons system (AN.1132, AN.1139, AN.114), 5. Cultivated biological resources (AN.115) and 6. Intellectual property products (AN.117). The main data source for S.11 is Quarterly statistical survey - financial indicators "P 6-04" (DS 11). Such data source provides with acquisitions and sales of tangible and intangible assets. The breakdown of Dwellings and Other buildings and structures that	-

		<p>are not included in “P 6-04” (DS 11) is performed in accordance with annual structure obtained from Annual statistical survey in business units “P 5-01” (DS 1).</p> <p>Estimates are not performed by economic activities.</p> <p>Following adjustments are made to the surveyed data:</p> <p>A) Quarterly not surveyed indicators (capitalisation of software produced on own-account, capitalisation of expenditures of research and development, capitalization of small tools).</p> <p>B) Correction resulting from discrepancies between quarterly data sources, conceptual adjustments, adjustments for exhaustiveness and annual data sources (and its extrapolation for the current year).</p>	
S12	DS 8, 114	<p>The main data sources for S.12 are two following statistical surveys:</p> <ol style="list-style-type: none"> 1. Quarterly statistical survey of other financial institutions accounting as corporations “Pen 3c-04” (DS 8) and 2. Quarterly statistical survey in financial intermediation industry “PenPo3-04” (DS 114). <p>Input data are obtained within breakdown by type of assets: 1. Dwellings (AN.111), 2. Other buildings and structures (AN.112), 3. Transport equipment (AN.1131), 4. ICT, Other machinery and equipment, Weapons system (AN.1132, AN.1139, AN.114), 5. Cultivated biological resources (AN.115) and 6. Intellectual property products (AN.117).</p> <p>Following adjustments are made to the surveyed data: A), B) (see S.11)</p>	-
S13	DS 10, 11, 18, 19, 20, 21, 23, 61, 64, 76, 109,	<p>Input data are obtained within breakdown by type of assets: 1. Dwellings (AN.111), 2. Other buildings and structures (AN.112), 3. Transport equipment (AN.1131), 4. ICT, Other machinery and equipment, Weapons system (AN.1132, AN.1139, AN.114), 5. Cultivated biological resources (AN.115) and 6. Intellectual property products (AN.117).</p>	-

		Following adjustments are made to the surveyed data: A), B) (see S.11).	
S14	DS 11, 111, 112,	Surveys are complemented mainly by quarterly information on individual housing construction by households and privatization. Following adjustments are made to the surveyed data: A), B) (see S.11)	-
S15	DS 111,	Estimates for non-profit institutions are performed by extrapolating annual accounts figures by changes in the number of employees in the sector of non-profit institutions. Following adjustments are made to the surveyed data: A), B) (see S.11).	-
S2	-	-	-

b) P.52 (Changes in inventories)

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	-
S11	DS 11	<p>On quarterly basis there is available information on stocks of inventories from statistical survey, which is conducted in more than 2 100 units with significant amounts of assets (CZK above 475 000) in the split: 1) material, 2) work-in-progress and semi-finished products, animals, 3) finished products and 4) goods. Breakdown by kind of activity is available as well.</p> <p>The calculation of changes in inventories is based on the difference between closing stocks in two successive quarters (divided by 44 groups according to two-digit NACE classification). It is a base for following adjustments.</p> <p>Holding gains/losses on inventories are performed in the split into four groups mentioned above (material, work-in-progress, finished products, goods for resale), using the annual commodity-industry structures of different types of inventories (two-digit CPA x NACE 44) and the price indices development (two-digit CPA; producer, import, export indices). Changes in work-in-progress (WIP) due to development of forests value (the difference between the value of natural increment of standing timber and value of logged timber) are estimated with use of data taken over from the Forest Management Institut and the Ministry of Agriculture. Church restitutions are taken into</p>	-

		account. Within the year, changes in inventories also serve as a balancing item.	
S12	DS 8	Data on level of inventories at the beginning and at the end of each quarter are taken from statistical questionnaire. Change in inventories is calculated as a difference of these two items. Only inventories in total are surveyed, therefore the whole amount is classified as a material.	-
S13	DS 10, 11, 20, 21, 34, 61, 76, 109	<p>P.52 is calculated as closing stock minus opening stock minus revaluation minus other changes. Data on stocks, revaluation and other changes of inventories are obtained mostly from the financial statements of the central and local governmental units (balance sheets, profit and loss statements); data on public research institutes, universities, television and radio, hospitals and health insurance companies are surveyed by statistical surveys.</p> <p>Revaluation: revenues from sales of material minus net book value of material sold; + ASMR data on revaluation (DS 34)</p> <p>Other changes (material, goods for resale): <i>either</i> free of charge acquisitions/transfers due to organization changes, stock take differences, liquidations (DS 76) <i>or</i> shortages and damages; ASMR data on other changes (DS 34).</p> <p>Holding gains/losses on strategic reserves are excluded. P.52 is adjusted by development of forests (the difference between the value of natural increment of standing timber and value of logged timber). Church restitutions are taken into account.</p>	-
S14	-	No quarterly data are available. Adjustments made to P.52 are: - holding gains/losses (four types of inventories), - natural growth of forests (WIP). Stocks of inventories for the estimate of holding gains/losses (four basic types) are obtained using annual stocks of the previous year.	-
S15	-	No quarterly information is available. Adjustment made to P.52 is:	-

		- natural growth of forests (WIP). Church restitutions are taken into account.	
S2	-	-	-

c) P.53 (Acquisitions less disposals of valuables)

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	No quarterly information is available. Therefore annual figures are disaggregated using the Boot-Feibes-Lisman method.	-
S11	-	The data are derived from annual sector structure of acquisition less disposal of valuables.	-
S12	-	Identical as in S.11.	-
S13	DS 2, 10, 18, 19, 76, 109,	Until the annual accounts are available, P.53 in S.13 is calculated for each quarter on the bases of input data obtained from DS 10, 18, 19, 76 and 109. When an annual number is available, difference between the annual value and the sum of original quarterly values is distributed evenly between the quarters. The annual number is based on data included in DS 2.	-
S14	-	The data are obtained as a residuum of S.1 and other sectors.	-
S15	-	Identical as in S.11.	-
S2	-	-	-

2.5 Transaction P.51c (Consumption of fixed capital)

2.5.1 Tabular overview of QSA sources and methods by institutional sector – P.51c

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	-
S11		<p>The data are derived from CFC of the previous quarter and quarterly gross fixed capital formation.</p> <p>The principle of CFC calculation is the same for all sectors and industries. CFC is estimated according to the following equations:</p> $CFC_t^{sec} = \sum_{a=1}^6 CFC_{t,a}^{sec}$ $CFC_{t,a}^{sec} = CFC_{t-1,a}^{sec} \times$ $\times Ip_{t/t-1}^a \times q_a^{sec} + \Delta_{t,a}^{sec}$ <p>CFC...consumption of fixed capital, sec....institutional sector, t...time period (quarter),</p>	-

		<p>a...type of asset (sixtypes), Ip...price index (constructed from producer price indices and import price indices, both weighted by structure of GFCF into domestic and imported parts for each commodity), q...coefficient of retirement (<1.00), Quarterly coefficients (q) are obtained from annual coefficients (Q) according to the following equation:</p> $q_a^{sec} = \sqrt[4]{Q_a^{sec}}$ <p>Annual coefficients of retirement (Q) are derived from annual year-on-year change of CFC at constant prices for particular type of asset in each institutional sector. Δ...increase of CFC owing to gross fixed capital formation. Increase of CFC (Δ) is obtained by dividing quarterly gross fixed capital formation by service lives of the particular type of asset expressed in quarters.</p>	
S12		Identical as in S.11	
S13		Identical as in S.11	
S14		Identical as in S.11	
S15		Identical as in S.11	
S2			

2.6 Transaction P.6 (Exports of goods and services)

2.6.1 Tabular overview of QSA sources and methods by institutional sector – P.6

Sector	Sources	Methods: Uses	Methods: Resources
S1	<p>DS 58</p> <p>DS 59, 85, 87</p>	<p>Exports estimate of goods and services is based on the change in ownership principle (i.e. between residents and non-residents), and regardless of the physical movement of goods across borders.</p> <p>The quarterly estimates of foreign trade are compiled and published at FOB valuation (free on board). The compilation process is identical to the ASA compilation process.</p> <p>Export of goods estimate is based on the national concept of foreign trade statistics (DS 58), which provides the main macroeconomic indicators on export and import of goods. Moreover, the data are adjusted for conceptual and exhaustiveness adjustments - see Chapter 2.6.2. Data on exports of goods concord with the Balance of Payments.</p> <p>Export of services estimate is based on the combination of several data sources. The main source is the quarterly sample survey on exports and imports of services (DS 59), which does not include data on tourism and financial services. For these areas data are provided by the Czech National Bank (DS 87 and DS 85). These data sources are</p>	

		then complemented by extrapolations, conceptual and exhaustiveness adjustments – see Chapter 2.6.2. Export of services differ from data in Balance of Payments because of a different approach to some adjustments (see Chapter 2.6.2).	
S11	-	-	-
S12	-	-	-
S13	-	-	-
S14	-	-	-
S15	-	-	-
S2	DS 58, 59, 85, 87	-	- identical to P.7 in S.1 – see Chapter 2.7

2.6.2 Additional information on sources and methods – P.6

Exports of goods

Within the quarterly compilation of exports of goods in National Accounts, data source DS 58 is adjusted or complemented by **conceptual adjustments** in order to meet ESA 2010 requirements and ensure completeness. The adjustments are as follows:

- C03A Goods sent abroad for processing – is excluded from DS 58 since these movements of goods across the borders are not related to the change of ownership,
- C03C Merchanting – is related to traditional merchanting activities when goods are traded abroad and only the difference between such sales and purchases is added to DS 58,
- C03D Operating lease and other movements without change of ownership – are excluded from DS 58 since these movements of goods across the borders are not related to the change of ownership,
- C03E Other adjustments – DS 58 are completed by goods purchased by carriers at the borders, ports, airports and elsewhere abroad,
- C03F Overlap between goods and services due to outward processing – inclusion of processing fees to the value of exported goods that are sent abroad for outward processing with a subsequent sale of the goods abroad.

There are also goods exports **exhaustiveness adjustments** carried out:

- N02 Illegal economy – DS 58 is complemented with illegal drugs and tobacco trade.

Data for the conceptual adjustments are obtained (estimated) quarterly; only adjustments for the exhaustiveness are based on the last known annual information and they are equally allocated to the quarters.

Exports of services

Within the quarterly compilation of exports of services in National Accounts, data sources are complemented by following **conceptual adjustments and extrapolations**:

- E10F Purchases by tourists (non-residents in the CR),
- E09C Notional units – land and dwellings in the CR owned by non-residents.
- C08A FISIM,
- C03B Processing services,
- C07A, D Insurance and reinsurance, pension funds
- C03H Exports of administrative services,
- C12A Multi-territory enterprises / Permanent establishment / foreign affiliates,
- C13F Radio Free Europe
- C14A Margins by financial dealers.

Final adjustments are adjustments on **exhaustiveness**:

- N02 Illegal economy – prostitution.

The adjustment data are obtained quarterly in most cases, only data on C12A, C13F, E09C and N02 are estimated on basis of the last known annual estimates and they are equally allocated into the quarters.

Export of services in the CzNA differ from data in Balance of Payments because:

- BoP do not consider exports of administrative services (C03H) a services export,
- FISIM (C08A) related to the Czech Export Bank (CEB). CEB is in the Czech National Accounts classified as a part of government institution (sector 13) whereas CNB considers CEB to be a financial institution (sector 12). Therefore, BoP contains also FISIM by CEB whereas National Accounts do not record it.

2.7 Transaction P.7 (Imports of goods and services)

2.7.1 Tabular overview of QSA sources and methods by institutional sector – P.7

Sector	Sources	Methods: Uses	Methods: Resources
S1	DS 58 DS 59, 85, 87		Imports estimate of goods and services is based on the change in ownership principle (i.e. between residents and non-residents), and regardless of the physical movement of goods across borders. The quarterly estimates of foreign trade are compiled and published at FOB valuation (free on board). The compilation process is identical to the ASA compilation process. Import of goods estimate is based on the national concept of foreign trade statistics (DS 58), which provides the main macroeconomic indicators on export and import of goods. Moreover, the data are adjusted for conceptual and exhaustiveness adjustments – see Chapter 2.7.2. Imports of goods in the QSA accord fully with the Balance of Payments. Import of services estimate is based on the combination of several data sources. The main source is the quarterly sample survey on exports and imports of services (DS 59), which does not include data on tourism and financial services. For these areas data are provided by the Czech National Bank (DS 87 and DS 85). These data sources are then complemented by extrapolations, conceptual and exhaustiveness adjustments – see Chapter 2.7.2. Imports of services accord fully with Balance of Payment.
S11	-	-	-
S12	-	-	-
S13	-	-	-
S14	-	-	-
S15	-	-	-
S2	DS 58, 59, 85, 87	- identical to P.6 in S.1 – see Chapter 2.6	-

2.7.2 Additional information on sources and methods – P.7

Imports of goods

Within the quarterly compilation of imports of goods in National Accounts, data source DS 58 is adjusted or complemented by **conceptual adjustments** in order to meet ESA 2010 requirements and ensure completeness. The adjustments are as follows:

- C03A Goods sent abroad for processing – is excluded from DS 58 since these movements of goods across the borders are not related to the change of ownership,
- C03C Merchanting – is related to inverse merchanting activities when goods are traded merely within the domestic territory with non-residents and only the difference between such sales and purchases (by non-residents) is added to DS 58,
- C03D Operating lease and other movements without change of ownership – are excluded from DS 58 since these movements of goods across the borders are not related to the change of ownership,
- C03E Other adjustments – DS 58 are completed by postal shipments under duty threshold and also by goods purchased by carriers at the borders, ports, airports and elsewhere abroad,
- C03F Overlap between goods and services due to outward processing – exclusion of processing fees from the value of imported goods that are received after outward processing from abroad without a preceding dispatch of the goods abroad.

There are also goods imports **exhaustiveness adjustments** carried out:

- N02 Illegal economy – DS 58 is complemented with drug trade and tobacco, fuel, copyright infringement.

Data for the conceptual adjustments are obtained (estimated) quarterly; only adjustments for the exhaustiveness are based on the last known annual information and they are equally allocated to the quarters.

Imports of services

Within the quarterly compilation of imports of goods in National Accounts, data sources are complemented by following **conceptual adjustments and extrapolations**:

- E10F Purchases by tourists (residents abroad),
- E10M MOSS (mini-one-stop shop scheme),
- E09D Notional units abroad.
- C08A FISIM,
- C03B Processing services,
- C07A, D Insurance and reinsurance, pension funds
- C14A Margins by financial dealers.

Final adjustments are adjustments on **exhaustiveness**:

N2 Illegal economy – prostitution (related both to tourism and to students' non-residents in the CR), alcohol related to tourism.

The adjustment data are obtained quarterly in most cases, only data on E09D, E10M and N2 are estimated on basis of the last known annual estimates and they are equally allocated into the quarters.

2.8 Transaction NP (Net acquisitions of non-produced assets)

2.8.1 Tabular overview of QSA sources and methods by institutional sector – NP

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	It corresponds to the estimate of S.2.	-
S11	DS 1	Difference between S.1 and sectors estimated before (S.13 and S.15) is	-

		split into remaining sectors (S.11, S.12 and S.14) according to the sector structure of net acquisition of land in the quarters of the current year (obtained from quarterly statistical surveys in sectors S.11, S.12 and S.14).	
S12	DS 7, 8, 9	The same procedure as for S.11.	-
S13	DS 10, 18, 19, 20, 23, 24, 61, 64, 76, 109	Data are obtained from institutions of general government sector. Direct sources.	-
S14	DS 1	The same procedure as for S.11.	-
S15	-	S.15 annual data of the latest published ASA are distributed to quarters according to the net acquisition of land for the sectors S.11, S.12, S.13 and S.14 in preceding year (obtained from quarterly sources in institutional sectors S.11, S.12, S.13 and S.14.; DS 8, 10, 11, 18, 19, 20, 23, 24, 61, 64, 76, 100).	-
S2	DS 59	Namely data on transactions with emission permits reported in Quarterly survey on export and import of services (ZO 1-04) are used.	-

2.8.2 Additional information on sources and methods – NP

We suppose NP to be a balanced item, therefore the estimate of total economy (S.1) equals the estimate of rest of the world (S.2). NP for S.2 consists almost exclusively of transactions with emission permits. Sector S.13 is estimated using quarterly surveys and administrative data. Sector S.15 equals latest published annual data, which are distributed to quarters by the net acquisition of land from the survey for the preceding year (S.11, S.12 and S.14). Value of NP for the three remaining sectors (S.11, S.12 and S.14) equals the difference of S.1 and S.13 and S.15 (S.1 minus S.13 minus S.15). Value is distributed by the net acquisition of land in quarters from the current year's statistical survey for institutional sectors S.11, S.12 and S.14.

2.9 Transaction D.1 (Compensation of employees)

2.9.1 Tabular overview of QSA sources and methods by institutional sector – D.1

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sectors.	-
S11	DS 116 DS 111 Conceptual adjustments Adjustments for exhaustiveness Extrapolation	Wages and salaries in cash of non-financial corporations Estimation of units with less than 20 employees (see Chapter 1.2, item 3) see Chapter 2.9.2	-
S12	DS 8 DS 114	Wages and salaries in cash of other financial institutions Wages and salaries in cash of	-

	Conceptual adjustments Adjustments for exhaustiveness Extrapolation	banking and non-banking monetary institutions, pension funds and insurance companies see Chapter 2.9.2	
S13	DS 10 DS 18 DS 20 DS 24 DS 38 DS 61 DS 76 Conceptual adjustments Adjustments for exhaustiveness Extrapolation	Wages and salaries in cash and employers' social contributions of health insurance companies Wages and salaries in cash and employers' social contributions of local government units Wages and salaries in cash and employers' social contributions of semi-budgetary organizations, state organisation units, state funds and local government units Wages and salaries in cash and employers' social contributions of the Vine-growers Fund Wages and salaries in cash and employers' social contributions of Financial Market Guarantee System Wages and salaries in cash and employers' social contributions of RIA, PGRLF/SGAFF, PRISKO Wages and salaries in cash and employers' social contributions of state organizational units, state funds, regions, regional councils of cohesion regions, municipalities and semi-budgetary organizations see Chapter 2.9.2	-
S14	DS 116 DS 98 Conceptual adjustments Adjustments for exhaustiveness Extrapolation	Wages and salaries in cash paid by self-employed persons Estimates of units with less than 20 employees (see Chapter 1.2, item 3) see Chapter 2.9.2	Calculated as residual item (Compensation of employees in S.1 plus compensation of employees paid on behalf of residents from the S.2 minus compensation of employees paid to the S.2).
S15	DS 112 Conceptual adjustments Adjustments for exhaustiveness Extrapolation	Wages and salaries in cash of non-profit institutions see Chapter 2.9.2	-
S2	DS 8	See Chapter 8.1 in GNI Inventory.	See Chapter 8.1 in GNI Inventory.

2.9.2 Additional information on sources and methods – D.1

Compensation of employees (D.1) is defined as the total remuneration in cash or in kind, payable by an employer to an employee, in return for work done during the accounting period.

Compensation of employees is broken down into two components:

- Wages and salaries payable in cash or in kind;
- Employers' social contributions.

Compensation of employees can be further split by two types of breakdown:

- By kind of activity (two-digit NACE classification);
- By institutional sector (which is divided into market and non-market production furthermore in S.13 and S.15).

This itemization is related to ANA and facilitates partial estimation.

Compensation of employees is compiled in the following structure:

Wages and salaries (D.11)

Wages and salaries in cash:

- quarterly surveys of Labour indicators - wages and salaries, other personal costs;
- special database - estimation of organizations with less than 20 employees;
 - see chapter 1.2, item 3.
- methodological adjustments (see below);
- benchmarking of regular deviation of quarterly data from annual surveys.

Wages and salaries in kind:

- quarterly surveys of Labour indicators – wages and salaries in kind
- quarterly figures are benchmarked to corresponding annual figures mainly using the pro rata method, i.e. annual values are split according to the proportions indicated by the four quarterly observations.

Exhaustiveness adjustments to wages and salaries are made because of recording of wages and salaries deliberately not reported which are connected with illicit employment or payment spot cash (i.e. outside accounting, for example tips). This adjustment is based on annual data for small- and medium-sized private non-financial enterprises and for entrepreneurs - natural persons. Current quarterly figures are benchmarked to corresponding annual figures mainly using the pro-rata method where development of employment, unemployment and expert's estimate trends is considered simultaneously.

Wages and salaries estimated in the way mentioned above are analysed for each (sub)sector and industry in relation to number of employees and social contributions. Last but not least, time series of wages and salaries are analysed.

Employers' actual social contributions (D.121)

The procedure of estimating employers' social contributions is facilitated by the existence of relatively reliable data on the cash basis from the side of recipients of social contributions (government institutions and insurance companies). Valuation of employers' contributions to

social and health insurance system from the side of recipients which is cash based has to be accrual adjusted. Such adjustment is prepared in the QNA department. It is based on the time adjusted monthly data on social and health insurance payments. These data are adjusted to correspond to the period when the work was done. First quarter estimate of accrual based contributions for year T is the sum of data for 3 months starting with February. Fourth quarter estimate of accrual based contributions for year T is the sum of data for 3 months starting with November of the reference year T and ending with January of T+1 year.

Employers' social contributions (D.121) by kind of activity and by institutional sector are estimated at the level of 33 - 35 % of surveyed gross wages. The percentage was set down with regard to the volume of annual employers' social contributions. Exceptions are measured at S.13 sector's data.

Imputed social contributions (D.122)

Quarterly figures by institutional sectors are benchmarked to corresponding annual figures mainly using the pro-rata method, i.e. annual values are split according to the proportions indicated by the individual quarterly labour indicators.

Compensation of employees payments to and from the ROW relate to non-resident employees of resident employers and to resident employees of non-resident employers. They are not separately identified, but their estimate is done by use of several data sources. Wages and salaries are derived from quarterly data on number of non-resident workers and average wages. These data are then used in the balance of payments. The data are compiled in the QNA Department of the CZSO and transmitted to the CNB where used in compilation of the BoP.

2.10 Transaction D.2 (Taxes on production and imports)

2.10.1 Tabular overview of QSA sources and methods by institutional sector – D.2

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data.	Sum of sector data.
S11	-	D.29 is estimated on the base of the ANA structure.	-
S12	-	D.29 is estimated on the base of the ANA structure.	-
S13	DS 10-11, 18-20, 24, 42, 54, 61, 76, 109, 117	D.29 Quarterly data from government sector.	D.21, D.29 Data are adapted by the Ministry of Finance (MoF) to accrual basis (DS 18, 19)
S14	-	D.29 is estimated on the base of the ANA structure.	-
S15	-	D.29 is estimated on the base of the ANA structure.	-
S2	DS 16	-	D.21 Data on 100% of customs (of which 20% remain in CR as payment for CR exports of services and 80% is transferred to the EU).

2.10.2 Additional information on sources and methods – D.2

Data are adapted by the Ministry of Finance (MoF) to accrual basis (DS 18, 19: value added type taxes, excise duties, energy taxes, levy on lottery revenue, real property transfer tax, real property tax, road tax, income from emission permissions).

Quarterly pattern of the value added tax (VAT) obtained from the MoF is adjusted with the aim to ensure better correspondence between VAT on the one hand and both household final consumption expenditure and intermediate consumption on the other hand.

Tax on renewable recourses is based on annual amount and distributed to quarters on the basis of a quarterly share in the annual production of photovoltaic electricity. For this type of tax no quarterly information is available.

2.11 Transaction D.3 (Subsidies on production and imports)

2.11.1 Tabular overview of QSA sources and methods by institutional sector – D.3

Sector	Sources	Methods: Uses	Methods: Resources
S1	DDS 18, 19, 64	-	<p>D.319: The first, data are obtained from quarterly administrative data provided by the MoF in structure of budgetary classification which indicate how the funds were spent.</p> <p>Secondly, according function classification of expenditure (MoF data) subsidies for transport service and subsidies to private schools are obtained.</p> <p>Furthermore, special information from State agricultural intervention funds is used for calculation of agricultural subsidies on products.</p> <p>Finally, amount of D.319 is adjusted by EU subsidies on the base of special information from the MoF and State agricultural intervention funds</p>
S11	DDS 18, 19, 20, 64		<p>D.39: The basic source data are provided by government units in the quarterly statements. Main part of information is obtained from budgetary classification which indicates counterpart (the users of subsidies).</p> <p>Subsidies from EU to final consumers are paid through ministries and small part through semi-budgetary units.</p> <p>From the same data sources is available information on CZ and EU subsidies.</p>

S12	DDS 18, 19, 20, 64		D.39: The basic source data are provided by government units in the quarterly statements. Main part of information is obtained from budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through ministries and small part through semi-budgetary units. From the same data sources is available information on CZ and EU subsidies.
S13	DDS 18, 19, 20, 64	D.39: The basic source data are provided by government units in the quarterly statements. Main part of information is obtained from budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through ministries and small part through semi-budgetary units. From the same data sources is available information on CZ and EU subsidies.	
S14	DDS 18, 19, 20, 64	-	D.39: The basic source data are provided by government units in the quarterly statements. Main part of information is obtained from budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through ministries and small part through semi-budgetary units. From the same data sources is available information on CZ and EU subsidies.
S15	DDS 18, 19, 20	-	D.39: The basic source data are provided by government units in the quarterly statements. Main part of information is obtained from budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through ministries and small part through semi-budgetary units. From the same data sources is available information on CZ and EU subsidies.
S2	DDS 18, 19, 20, 64	D.319: Amount of D.319 from EU is obtained from special statement provided by the MoF and State agricultural intervention funds. D.39: The basic source data are provided by government units in the quarterly statements. Main part of information is obtained from budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through ministries and small part through semi-budgetary units. From the same data sources is available information on CZ and EU subsidies. Funds paid through government units on behalf of EU are	

		treated as direct flows from S.2 to final beneficiaries.	
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2.11.2 Additional information on sources and methods – D.3

Quarterly data on D.31 and D.39 are based on data sources provided by the Ministry of Finance and State Funds. Data are in the same structure as data for compilation of Annual National accounts. No estimation is used for final calculation of transaction.

Only subsidy for producer of energy from renewable resources is based on annual amount and distributed to quarters. For this type of subsidy no quarterly information is available.

2.12 Transaction D.41 (Interests)

2.12.1 Tabular overview of QSA sources and methods by institutional sector – D.41

a) Interest

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	DS 105, 43, 46, 16, 28; Adjustments C02A, N07A	Basic data on interest expenditures is obtained from the CNB – interest on deposits, loans etc., i.e. including interest on receivables of units classified in S.11. Quarterly data on financial leasing interest is based on estimation methods and then adjusted in compliance with annual data from the Czech Leasing Financial Association (CLFA). The obtained data is based on accrual basis.	Basic data is obtained from the CNB – interest on deposits, loans etc., i.e. including interest on receivables of units classified in S.11. Quarterly data on financial leasing interest is based on estimation methods and then adjusted in compliance with annual data from the Czech Leasing Financial Association. Data is based on accrual basis.
S12	DS 105, 43, 46, 16, 28; Adjustments C02A, N07A	Basic data on interest expenditures relating to S.12 are obtained from the CNB – e.g. interest on deposits, loans etc., i.e. including interest on receivables in S.12. Quarterly data on financial leasing interest is based on estimation methods and then adjusted in compliance with annual data from the Czech Leasing Financial Association. The obtained data is based on accrual basis.	Basic data relating to S.12 are obtained from the CNB – e.g. interest on deposits, loans etc., i.e. including interest on receivables in S.12. Quarterly data on financial leasing interest is based on estimation methods and then adjusted in compliance with annual data from the Czech Leasing Financial Association. The obtained data is based on accrual basis.
S13	DS 28, 105, 43, 46, 16, Adjustments	Source data on interest expenditure are the same as for interest revenue, i.e. data is obtained especially from the Ministry of Finance and adjusted	Data on interest, within S.13, is obtained (i) especially from the Ministry of Finance (from the Treasury system) and adjusted to

	C02A,	on accrual basis and from direct sources from units classified in S.13. Data is also on accrual basis.	accrual basis), and supplemented by interest on foreign receivables data. (ii) Information on interest for other government units classified in S.13 is obtained direct from the units; it is also on accrual basis.
S14	DS 105, 16, 19, 28; Adjustments C02A, N07A	Basic data are obtained from the CNB – interest on loans paid by households and adjusted by interest on financial leasing from the CLFA, property damage to banks and interest on wages in kind.	Basic data on interest are obtained from the CNB. Data is on accrual basis.
S15	DS 105, 16, Adjustments C02A	Data on interest is based on information from the CNB and then adjusted in compliance with annual information from the annual statistical questionnaire for non-profit institutions.	Data on interest is based on information from the CNB and then adjusted in compliance with annual information from the annual statistical questionnaire for non-profit institutions..
S2	DS 16, 105, 43, 46, Adjustments C02A	Basic data on interest is obtained from balance of payments elaborated by the CNB.	Basic data on interest is obtained from balance of payments elaborated by the CNB.

b) FISIM

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	DS 105, 68	Calculation of FISIM is based on data provided by the CNB. Interest on loans comes from DS 105. Stock of loans provided by S.122 to S.11 comes from DS 68. The data source for stocks of loans provided by S.125 and for the relevant interest as well is the conceptual adjustment C02A Financial leasing.	Calculation of FISIM is based on data provided by the CNB. Interest on deposits comes from DS 105. Stock of deposits in S.122 deposited by S.11 comes from DS 68.
S12	DS 105, 68	Calculation of FISIM is based on data provided by the CNB. Interest on loans comes from DS 105. Stock of loans provided by S.122 to S.126, S.127, S.128 and S.129 comes from DS 68. The central bank is excluded from the calculation. S.122 and leasing companies in S.125 are the only resident producers of FISIM. The data source for stocks of loans provided by S.125 and for the relevant interest as well is the conceptual adjustment C02A Financial leasing.	Calculation of FISIM is based on data provided by the CNB. Interest on deposits comes from DS 105. Stock of deposits in S.122 deposited by S.126, S.127, S.128 and S.129 comes from DS 68. The central bank is excluded from the calculation. S.122 and leasing companies in S.125 are the only resident producers of FISIM.
S13	DS 105, 68	Calculation of FISIM is based on data provided by the CNB. Interest on loans comes from DS 105. Stock of loans provided by S.122 to S.13 comes from DS 68.	Calculation of FISIM is based on data provided by the CNB. Interest on deposits comes from DS 105. Stock of deposits in S.122 deposited by S.13 comes from DS 68.

		The data source for stocks of loans provided by S.125 and for the relevant interest as well is the conceptual adjustment C02A Financial leasing.	
S14	DS 105, 68	Calculation of FISIM is based on data provided by the CNB. Interest on loans comes from DS 105. Stock of loans provided by S.122 to S.14 comes from DS 68. The data source for stocks of loans provided by S.125 and for the relevant interest as well is the conceptual adjustment C02A Financial leasing.	Calculation of FISIM is based on data provided by the CNB. Interest on deposits comes from DS 105. Stock of deposits in S.122 deposited by S.14 comes from DS 68.
S15	DS 105, 68	Calculation of FISIM is based on data provided by the CNB. Interest on loans comes from DS 105. Stock of loans provided by S.122 to S.15 comes from DS 68. The data source for stocks of loans provided by S.125 and for the relevant interest as well is the conceptual adjustment C02A Financial leasing.	Calculation of FISIM is based on data provided by the CNB. Interest on deposits comes from DS 105. Stock of deposits in S.122 deposited by S.15 comes from DS 68.
S2		The CNB is responsible for calculation of FISIM in the case of S.2. Imports of FISIM are calculated in the same as resident FISIM, only a different reference rate is used. The calculation is made by the CZSO.	The CNB is responsible for calculation of FISIM in the case of S.2. Exports of FISIM are calculated in the same as resident FISIM, only a different reference rate is used. The calculation is made by the CZSO.

2.12.2 Additional information on sources and methods – D.41

D.41 item covers the quarterly interest: Interest on deposits, loans, debt securities (shorts-term and long-term), interest on the state debt, interest on assumed debt due to state guarantees, capitalised interest and interest due to time lag (depending on data sources). Data on interest are based on quarterly administrative sources – see above, including balance of payments and recorded on accrual basis in the national accounts of the Czech Republic.

- a) Quarterly data sources on interests from the CNB cover data from all banks (including mortgage banks, savings banks and cooperative unions) and they include (i) revenues and expenditures interest of bank (ii) interest on financial instruments of commercial banks and cooperative unions (so called interbank) (iii) interest from the balance of payments (foreign interest). The CNB does not revise the quarterly data, the revision concerns only annual totals.
- b) Quarterly interests relating to financial leasing are estimated (when output the financial corporations is calculated) (see calculation of output) due to absence of data sources. Then they are adjusted in line with the annual data from the Czech Financial and Leasing Association (CLFA). Accounting system in the Czech Republic does not treat financial leasing as financial intermediation, but as a form of non-financial

services. For that reason amount of interest on financial leasing is added into interest revenues and expenditures (D.41).

- c) The interest item (D.41) also includes so called interest on property damage, i.e. interest paid from the State budget and determined on support of households – on individual housing construction and on loans for young married couples. Their recording is carried out via rerouting – through current transfer (D.75) from central government subsector (S.1311) to households (S.14) and under the interest item (D.41) from households sector (S.14) to other monetary financial institutions subsector (S.122), i.e. as if households pay interests directly to banks: S.1311, D.75 (-) → S.14, D.75 (+) ; S.14, D.41 (-) → S.122, D.41 (+).
- d) Imputed interest from the wages in kind due to loans free of interest or loans with lower rate and due to acquisition of shares at a lower price. Some employers provide such loans to their employees or sale them shares of the corporation at lower price.

The corresponding interest is taken into the balance table, split by sector/subsector. Subsequently, the source data obtained is analysed, i.e. is compared with data from previous periods. On the basis of an expert assessment, a balance adjustment is made in individual sectors/subsectors – balancing of resources and uses. The data obtained for the units classified in S.13 and from the balance of payments (from the CNB) does not change.

The item D.41 is **adjusted by FISIM**. The financial service indirectly measured which is estimated as the difference between actually paid interest and interest corresponding to the reference interest rate. Internal reference rate is a rate (irr) reflects the situation on the interbank market and determines actual cost of producers.

2.13 Transaction D.42 (Distributed income of corporations)

2.13.1 Tabular overview of QSA sources and methods by institutional sector – D.42

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	Adjustment N06	Sum of received dividends to S.2, S.13, S.14 is allocated to S.11 and S.12, based on structure of ASA and available information about paid out profits from press releases, + B2g estimation from deliberately misreporting N06.	Is estimated on the base of the structure from ASA.
S12	-	Is based on available information from the most important units (press releases) combined with estimation from ASA.	Is estimated on the base of the ASA structure.
S13	DS 11, 18, 19, 23, 61	S.13 is not supposed to distribute dividends	Are obtained as quarterly data from institutions of general government sector. Direct sources.
S14	Adjustment N06	S.14 is not supposed to distribute dividends	Income from estimation of deliberately misreporting N06 (83% of the total N06) combined with quarterly estimation (based on year on year changes in B2g of limited companies in S.11 for previous year), residual item.

S15	-	S.15 is not supposed to distribute dividends.	Is estimated on the base of the ASA structure.
S2	DS 39 Adjustment N06	Are obtained from the CNB.	Are obtained from the CNB in combined with income from estimation of deliberately misreporting N6 (17% of the total N6).

2.14.2 Additional information on sources and methods – D.42

Resources

The basic source of data is information on dividends paid by non-financial and financial institutions abroad obtained from the CNB.

The second source is the gross operating surplus from units deliberately misreporting (adjustment N06), which is redistributed between S.14 and S.2.

The third source of data is the quarterly estimate based on year-on-year changes in B2g of limited liability companies in S.11 for the previous year. This is a residual item that enters into S.14.

The last source is quarterly data obtained from several government data sources.

Uses

The sum of dividends received is allocated to S.11 and S.12 based on the ASA structure. The latest published annual data D.42 are divided into quarters (structure by sector) and used to allocate source dividends from S.2, S.14 and S.13.

2.14 Transaction D.43 (Reinvested earnings)

2.14.1 Tabular overview of QSA sources and methods by institutional sector – D.43

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	DS 39	model calculation	Data are obtained from CNB.
S12	DS 39	model calculation	Data are obtained from CNB.
S13		-	
S14	DS 39	-	Data are obtained from CNB.
S15	-	-	
S2	DS 39	Data are obtained from CNB.	model calculation

2.14.2 Additional information on sources and methods – D.43

Uses – model calculation

- (value added - consumption of fixed capital - total wages and salaries - income from estimation of deliberately misreporting N6 (B.2g)) * % reinvested earnings = gross earnings
- net earnings (20% taxes) - dividends paid from S.11 (S.12) to S.2 = reinvested earnings

- % reinvested earnings (S.11) = share of capital (> 9%) of foreign investment companies in the capital of all companies in the non-financial corporations sector
- % reinvested earnings (S.12) is obtained from the CNB

Inputs of the model calculation are obtained from quarterly data of non-financial and financial sectors. The calculation is performed separately by industry.

2.15 Transaction D.44 (Other investment income)

Item D.44 consists of three parts – D.441 (Investment income attributable to insurance policy holders), D.442 (Investment income payable on pension entitlements) and D.443 (Investment income attributable to collective investment fund shareholders).

2.15.1 Tabular overview of QSA sources and methods by institutional sector – D.44

a) D.441

Sector	Sources	Methods: Uses	Methods: Resources
S1	DS 54	Sum of relevant sectors (S.12 and S.13).	Sum of individual sectors.
S11	DS 9, 54	-	Non-life insurance: allocation to sectors according to the indicator „Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.
S12	DS 9, 54	Data are obtained from quarterly administrative source Insurance/reinsurance companies, profit and loss statement. D.441 for non-life insurance and non-life reinsurance is calculated using the following formula: Investment income from participating interests + investment income from other investments - investment management charges, including interest. D.441 for life insurance and life reinsurance is calculated using the following formula: Investment income from participating interests + investment income from other investments.	Non-life insurance: allocation to sectors according to the indicator „Gross premiums written” from the most up-to-date annual statistical survey in insurance companies. Re-insurance: allocation to sectors according to the indicator „Gross premiums written from reinsurance” from the most up-to-date annual statistical survey in insurance companies.
S13	DS 9, 54	Data are obtained from quarterly administrative source Insurance/reinsurance companies, profit and loss statement. D.441 for non-life insurance is calculated using the following formula: Investment income from participating interests + investment income from other investments - investment management charges, including interest.	Non-life insurance: allocation to sectors according to the indicator „Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.
S14	DS 9, 54	-	Non-life insurance: allocation to sectors according to the indicator

			„Gross premiums written” from the most up-to-date annual statistical survey in insurance companies. Life insurance: allocation to sectors according to the indicator „Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.
S15	DS 9, 54	-	Non-life insurance: allocation to sectors according to the indicator „Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.
S2	DS 9, 54	Data are obtained from quarterly administrative source Insurance/reinsurance companies, profit and loss statement. D.441 for passive reinsurance is estimated using the same share of D.441 on (insurance) premiums earned also for the passive reinsurance premiums earned from non-life insurance, life insurance and reinsurance.	Non-life insurance: allocation to sectors according to the indicator „Gross premiums written” from the most up-to-date annual statistical survey in insurance companies. Re-insurance: allocation to sectors according to the indicator „Gross premiums written from reinsurance” from the most up-to-date annual statistical survey in insurance companies.

b) D.442

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11			
S12	DS 53	D.442 of pension companies (S.126) is calculated using the following formula: Income from interests and similar income plus Income from shares and interests	
S13			
S14			Data are determined using conceptual adjustments C07D, the data of which is the report ZO 1-04 (Quarterly report on imports and exports of services). The report contains data on imports and export fees for social insurance program services.
S15			
S2		Data are determined using conceptual adjustments C07D, the data of which is the report ZO 1-04 (Quarterly report on imports and exports of services). The report contains data on imports and export fees for social insurance program services.	Data are determined using conceptual adjustments C07D, the data of which is the report ZO 1-04 (Quarterly report on imports and exports of services). The report contains data on imports and export fees for social insurance program services.

c) D.443

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	DS 69		The values of D.443 resources are attributed to the S.11 as follows: As a share of the sum of the estimated total

			values of D.443 uses of collective investment funds from S.123, S.124 and D.443 uses S.2 (corresponding to their resident shareholders only) in which shareholders from S.11 hold shares. This share corresponds to the observed share of shares held by these shareholders in all shares issued by S.123, S.124 and in shares issued by funds from S.2 for their resident shareholders (the necessary mutual ratios of shareholders investments in collective investment funds from S.123, S.124 and S.2 are determined from the source DS 69).
S12	DS 50, DS 69	<p>Estimated values of D.443 uses of money market funds (S.123) and investment funds other than money market funds (S.124): These values are derived from the D.443 uses value estimated from the only source (DS 50) available in the quarters of the current year. The value of D.443 uses from this source is found as amount of the calculated savings (B.10.1) of the funds as follows:</p> <p>(Income from fees and commissions + Other operating income + Interest income and similar income + Income from shares and participations + Extraordinary income - Fee and commission expense - Other operating expenses - Other administrative expenses - Wages and salaries of employees - Interest payable and similar charges - Income tax - Social and health insurance of employees - Other staff costs</p>	<p>The values of D.443 resources are attributed to the relevant subsectors of S.12 (except S.123 and S.124) as follows: As a share of the sum of the estimated total values of D.443 uses of collective investment funds from S.123, S.124 and D.443 uses S.2 (corresponding to their resident shareholders only) in which shareholders from the relevant subsectors of S.12 hold shares. This share corresponds to the observed share of shares held by these shareholders in all shares issued by S.123, S.124 and in shares issued by funds from S.2 for their resident shareholders (the necessary mutual ratios of shareholders investments in collective investment funds from S.123, S.124 and S.2 are determined from the source DS 69).</p>

		<p>- Extraordinary costs)</p> <p>In the same way, we calculate the value of D.443 from the same source (DS 50) for entire previous year in which all data sources were already available.</p> <p>We will then find out the ratio of D.443 uses calculated from the same DS 50 source in individual quarters of the current year and D.443 uses calculated for DS 50 source for previous year in which the complete data sources needed to calculate the total D.443 values were available.</p> <p>The estimated values of D.443 uses S.123 + S.124 at the end of each quarter of the current year are then obtained as result of calculation: calculated balanced total values of D.443 uses S.123 + S.124 for the previous year (in which complete data sources were available) multiply by ratio of D.443 uses calculated from the DS 50 source for the current quarter and D.443 uses calculated from the DS 50 source for the whole of the previous year in which complete data sources were available.</p>	
S13	DS 69		<p>The values of D.443 resources are attributed to the S.13 as follows:</p> <p>As a share of the sum of the estimated total values of D.443 uses of collective investment funds from S.123, S.124 and D.443 uses S.2 (corresponding to their resident shareholders only) in which shareholders from S.13 hold shares. This share corresponds to the observed share of shares held by these shareholders in all shares issued by S.123, S.124 and in shares issued by funds from S.2 for their resident shareholders (the necessary mutual ratios of shareholders investments in collective investment funds from S.123, S.124 and S.2 are determined from the source DS 69).</p>
S14	DS 69		<p>The values of D.443 resources are attributed to the S.14 as follows:</p> <p>As a share of the sum of the estimated total values of D.443 uses of collective investment funds from S.123, S.124 and D.443 uses S.2</p>

			(corresponding to their resident shareholders only) in which shareholders from S.14 hold shares. This share corresponds to the observed share of shares held by these shareholders in all shares issued by S.123, S.124 and in shares issued by funds from S.2 for their resident shareholders (the necessary mutual ratios of shareholders investments in collective investment funds from S.123, S.124 and S.2 are determined from the source DS 69).
S15	DS 69		<p>The values of D.443 resources are attributed to the S.15 as follows:</p> <p>As a share of the sum of the estimated total values of D.443 uses of collective investment funds from S.123, S.124 and D.443 uses S.2 (corresponding to their resident shareholders only) in which shareholders from S.15 hold shares. This share corresponds to the observed share of shares held by these shareholders in all shares issued by S.123, S.124 and in shares issued by funds from S.2 for their resident shareholders (the necessary mutual ratios of shareholders investments in collective investment funds from S.123, S.124 and S.2 are determined from the source DS 69).</p>
S2	DS 50, DS 69	<p>Estimated values of D.443 uses of Rest of the world (S.2):</p> <p>These values are derived from the D.443 uses value estimated from the only source (DS 50) available in the quarters of the current year.</p> <p>Calculation of value of D.443 uses from this source in current quarter and from the same source (DS 50) for entire previous year in which all data sources were already available is described at sector S.12.</p> <p>We will then find out the ratio of D.443 uses calculated from the same DS 50 source in individual quarters of the current year and D.443 uses calculated for DS 50 source for previous year in which the complete data sources needed to calculate the total D.443 values were available.</p> <p>The estimated values of D.443 uses S.2 at the end of each quarter of the current year are then obtained as result of calculation: calculated balanced total</p>	<p>The values of D.443 resources are attributed to the S.2 as follows:</p> <p>As a share of the sum of the estimated total values of D.443 uses of collective investment funds from S.123, S.124 in which shareholders from S.2 hold shares (the necessary mutual ratios of shareholders investments in collective investment funds from S.123, S.124 are determined from the source DS 69).</p>

		values of D.443 uses S.2 for the previous year (in which complete data sources were available) multiply by ratio of D.443 uses calculated from the DS 50 source for the current quarter and D.443 uses calculated from the DS 50 source for the whole of the previous year in which complete data sources were available.	
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2.15.2 Additional information on sources and methods – D.44

D.441

Data on the uses side are based on administrative source obtained from the CNB – Insurance/reinsurance companies, profit and loss statement (DS 54).

On the resources side the total amount is allocated to sectors according to the indicator “Gross premiums written” from the most up-to-date annual statistical survey in insurance companies (Annual statistical survey of Insurance and Reinsurance Companies (Poj 5a-01) – DS 9).

D.442

The balance or methodical adjustment C07D – Pension entitlements reflects technical result for recording transaction (i.e. transaction with products, distributive and financial transaction) between pension funds and households. In this case, adjustment corresponds to the double-entry accounting and adding information about pension transaction to households’ sector. This approach enables separately view on transaction and means’ allocation from defined contribution pension scheme to policyholders and in the opposite way. All transaction came from model compilation of pension funds’ output. The adjustment proceeds from type of pension schemes.

The necessary entries to record the transaction related to a defined contribution scheme proceeds from output calculation of pension funds (P1). Model compilation comes from definition of defined contribution scheme according to the paragraph 17.54 ESA 2010: *“A defined contribution scheme is a pension scheme where the benefits are defined exclusively in terms of the level of the fund built up from the contributions made over the employee's working life and the increases in value that result from the investment of such funds by the manager of the pension scheme.”* And also on the bases of Handbook of National Accounting (ECB), the paragraph 3.388: *“If the insurance corporation is acting both the pension manager and pension administrator. The value of output needs to be implicitly measured and is measured as for life insurance policies; it is the excess of the investment income receivable by the schemes less the amount added to the reserves to meet present and future pension entitlements.”*

According to the above mentioned paragraph and principles, the market pension funds’ output (P.11) is calculated as the sum of social contributions, households’ contribution supplements after reduction of benefits payable and increases/decreases in pension entitlements. The main part of the value of pension funds’ output is recorded and consumed by households as

transaction for the service provided by pension funds. Transaction is recorded as final consumption expenditure by households (P.3).

The investment of held reserves by pension funds in form of pension entitlements meets obligation to beneficiaries (policyholders).

D.443

Data on the uses side S.12 are based on extrapolation of total values D.443 uses from some not yet available sources, of which value D.443 uses is derived from values D.443 uses calculated from administrative source Quarterly profit and loss statement of the manager / chief administrator / managed fund (VYFOS 20) which is obtained from the CNB – (DS 50). Data on the D.443 uses side S.2 are derived from obtained value D.443 uses side S.12 (as described above) according to their mutual ratio in the previous year in which D.443 balance values were calculated with use of complete data sources.

In consecutive quarters is reported difference between extrapolated amount of D.443 uses for Q4 and the sum of the D.443 uses already reported in previous quarters.

On the resources side the total amount is allocated to sectors according to the mutual ratios of shareholders investments in collective investment funds from S.123, S.124 and S.2. The most up-to-date annual data are used from DB The Czech Capital Market Association (CCAM) obtained from the CNB - (DS 69).

2.16 Transaction D.45 (Rent)

2.16.1 Tabular overview of QSA sources and methods by institutional sector – D.45

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	-	Last published annual data are distributed to quarters with respect to rent reported for S.13 for the current year.	Last published annual data are distributed to quarters with respect to rent reported for S.13 for the current year.
S12	-	The same procedure as for S.11.	The same procedure as for S.11.
S13	DS 10, 18, 19, 20, 23, 24, 61, 64, 76, 100	Data are obtained from institutions of general government sector. Direct sources.	Data are obtained from institutions of general government sector. Direct sources.
S14	-	The same procedure as for S.11.	The same procedure as for S.11.
S15	-	The same procedure as for S.11.	The same procedure as for S.11.
S2		-	-

2.16.2 Additional information on sources and methods – D.45

Item D.45 Rent occurs among resources and uses for all sectors except for non-residents, since any income from land and underground resources accruing to non-residents is considered income from property and recorded as distributed income of corporations (D.42). Thus, D.45 (Rent) is fully balanced within S.1.

2.17 Transaction D.5 (current taxes on income, wealth, etc.)

2.17.1 Tabular overview of QSA sources and methods by institutional sector – D.5

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	D.51: Data of S.1 equal data of S.13 D.59: Data of S.1 equal data of S.13 - Resources minus data of S.2 - Uses.	Data of S.1 equal data of S.13.
S11	-	D.51 ASA sector structure is applied to S.13 receipts of corporate income tax.	-
S12	-	D.51 ASA sector structure is applied to S.13 receipts of corporate income tax.	-
S13	DS 10, 11, 18, 19, 20, 42, 54, 61, 109	D.51 Quarterly data from government sector (DS 10, 11, 20, 42, 54, 61, 109).	D.51, D.59 Data are adapted by the Ministry of Finance to accrual basis (DDS 18, 19: taxes on income, real property tax).
S14	-	D.51 ASA sector structure is applied to S.13 receipts of corporate income tax. D.59 corresponds to resources of S.13 - Resources minus data of S.2 - Uses.	-
S15	-	D.51 ASA sector structure is applied to S.13 receipts of corporate income tax.	-
S2	-	D.51 is estimated by means of percentage of wages, the estimate equals valid taxation. D.59 distribution of annual data on notional units into quarters.	D.51 In determining the percentage, we came out of the tax to wages and salaries according to ANA of the countries. D.59 distribution of annual data on notional units into quarters.

2.18 Transaction D.61 (Net social contributions)

2.18.1 Tabular overview of QSA sources and methods by institutional sector – D.61

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	-	-	-
S12	DS 19, DS53, DS72	-	Direct sources.
S13	DS19, DS36, DS75	-	Data from DS19 and DS36 are adjusted to the accrual basis (one month time shift).
S14	-	Calculated as counterpart S.12, S.13 and S.2.	-
S15	-	-	-
S2	Adjustment E10F	Employers' social contributions paid on behalf of non-resident employees are derived from wages and salaries.	Employers' social contributions paid on behalf of resident employees who work abroad are derived from wages and salaries.

2.18.2 Additional information on sources and methods – D.61

The Czech social protection system comprises systems of statutory and voluntary social contributions which are paid directly or mediately to insurers/benefit providers (i.e. social security funds, health insurance companies and private pension funds).

Social contributions are paid by employers on behalf of their employees, by employees (in form of deductions from their wages), by self-employed persons or unemployed persons on their own behalf and by the state (on behalf of retired not working persons, children or students).

Employers' social contributions include statutory contributions to the social insurance system (pensions, sickness benefits, unemployment benefits are paid out from this system), to the health insurance system and statutory insurance against the risk of job-related injuries or vocational diseases. Voluntary social contributions contain contributions to supplementary pension insurance, voluntary contributions to health and life insurance. These contribution payments secure social benefits and provision of medical care in favour of the policy holder or the user.

The procedure of calculation of social contributions is facilitated by the existence of relatively reliable data. For calculation of statutory social contribution are used data on cash basis provided by central budgetary units (S.1311) and health insurance companies (S.1314)- side of recipients of actual social contributions. For calculation of voluntary social contributions collected by private pension funds are used accrual data.

Valuation of contributions to social and health insurance system from the side of recipients which is cash based has to be accrual adjusted. Such adjustment is prepared in the NA department. It is based on the time adjusted monthly data on social and health insurance payments. The data are adjusted to correspond to the period when the work was done. First quarter estimation of accrual based contributions for year T is the sum of data for 3 months starting with February. Fourth quarter estimation of accrual based contributions for year T is the sum of data for 3 months starting with November of the reference year T and ending with January of T+1 year.

Social contributions of resident employees who work abroad are derived from the product of number of workers and average wages broken down according to individual countries. Calculation is described under adjustment E10F.

Employers' social contributions on behalf of non-resident employees are estimated at the level of employers' actual social contributions and correspond to the flow of compulsory employers' actual social contributions - Calculation is described under adjustment E10F.

Imputed social contributions (D.612) correspond to flow D.1222.

2.19 Transaction D.62 (Social benefits other than social transfers in kind)

2.19.1 Tabular overview of QSA sources and methods by institutional sector –D.62

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	-		-

S12	DS 53, 72	Data on accrual bases.	-
S13	DS 12, 19, 75	Cash data are adjusted to the accrual.	-
S14	-	-	Calculated as a residual item.
S15	-	-	-
S2	DS 12, Adjustments C07D, E10F	Data based on methodological adjustments.	Data on social benefits are obtained from Ministry of Labour and Social Affairs special quarterly report.

2.19.2 Additional information on sources and methods –D.62

Social security and social assistance benefits are current, regular and irregular money and in-kind payments (transfers) to citizens, which are paid from social security funds, including benefits from central government budgets to so-called non-civilian components and benefits from abroad. They also include payments made from supplementary insurance schemes managed by insurance companies (on the basis of legal claims) and payments from private pension funds.

Social security benefits and social assistance benefits are split into:

- Pension insurance benefits which consist of old-age pensions, disability pensions, the orphan's and other pensions (including pensions based on supplementary pension insurance).
- Sickness insurance benefits which include sickness benefits, family member care benefits, maternity benefits, maternity and pregnancy compensation benefits and sickness insurance benefits classified anywhere else.
- Unemployment benefits are paid to job applicants registered by the employment offices usually for a period of six months. If out of work for a longer time period, job applicants are materially secured in compliance with social security regulations.
- State social support benefits include child benefits, social benefits, birth grants, parental benefits, foster care benefits.
- Other benefits and assistance (excl. in-kind benefits) include care allowances and tax credits (paid to low-income households with children). They also include contribution for health insurance of persons for whom the health insurance is paid by the state.

Social benefits are derived from quarterly surveys in full annual extent. The procedure of calculation of social benefits is facilitated by the existence of reliable data from the side of payers of social benefits (government institutions and pension funds).

Social benefits paid by government units are cash based and have to be accrual adjusted. Such adjustment is prepared in the NA department. It is based on the time adjusted advances on social benefit payments (which are paid to payment intermediary in advance). These data are adjusted to correspond to the period when the social benefits were really paid to recipients.

2.20 Transaction D.71 (Net non-life insurance premiums)

Item D.71 consists of two parts – D.711 (Net non-life direct insurance premiums) and D.712 (Net non-life reinsurance premiums).

2.20.1 Tabular overview of QSA sources and methods by institutional sector – D.71

Sector	Sources	Methods: Uses	Methods: Resources
S1	DS 54	D.71: Sum of sector data D.711 + D.712	D.71: Sum of sector data D.711 + D.712

S11	DS 9, 54	D.711: allocation to sectors according to the indicator “Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.	-
S12	DS 9, 54, 74, 79	D.711: allocation to sectors according to the indicator “Gross premiums written” from the most up-to-date annual statistical survey in insurance companies. D.712: allocation to sectors according to share of foreign reinsurers on technical reserves of non-life and life insurance from DS74	D.711 (net non-life direct insurance premiums) corresponds to adjusted claims incurred (D.721 in S.12U). D.712 (net non-life reinsurance premiums) corresponds to adjusted reinsurance claims incurred (D.722 in S.12U).
S13	DS 9, 54	D.711: allocation to sectors according to the indicator “Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.	D.711 (net non-life direct insurance premiums of EGAP classified in S.1311) corresponds to adjusted claims incurred (D.721 in S.13U).
S14	DS 9, 54	D.711: allocation to sectors according to the indicator “Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.	-
S15	DS 9, 54	D.711: allocation to sectors according to the indicator “Gross premiums written” from the most up-to-date annual statistical survey in insurance companies.	-
S2	DS 9, 54	D.711: allocation to sectors according to the indicator “Gross premiums written” from the most up-to-date annual statistical survey in insurance companies. D.712: allocation to sectors according to the indicator “Gross premiums written from reinsurance” from the most up-to-date annual statistical survey in insurance companies.	D.712 (net non-life outwards reinsurance premiums) corresponds to adjusted outwards reinsurance claims incurred (D.722 in S.2U).

2.20.2 Additional information on sources and methods – D.71

The item D.711 Net non-life direct insurance premiums corresponds to adjusted claims incurred (D.721) from the calculation of the output of non-life insurance (P.11). The item D.712 Net non-life reinsurance premiums corresponds to adjusted reinsurance claims incurred (D.722) from the calculation of the output of reinsurance (P.11).

2.21 Transaction D.72 (Non-life insurance claims)

Item D.72 consists of two parts – D.721 (Non-life direct insurance claims) and D.722 (Non-life reinsurance claims).

2.21.1 Tabular overview of QSA sources and methods by institutional sector – D.72

Sector	Sources	Methods: Uses	Methods: Resources
S1	DS 54	D.72: Sum of sector data.	D.72: Sum of sector data.

S11	DS 9, 54	-	D.721: allocation to sectors according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical survey in insurance companies.
S12	DS 9, 54, 74, 79	<p>D.721 (non-life direct insurance claims) is calculated using the following formula: +Gross amount of claims paid -Gross amount of claims paid from mandatory accident insurance +Change in the provision for claims +Change in other technical provisions +Bonuses and rebates +Change in the equalisation provision -Holding gains and losses This value of claims incurred is furthermore reduced by: -Adjustment of catastrophic losses (DS 79)</p> <p>D.722 (non-life reinsurance claims) is calculated using the following formula: +Gross amount of claims paid +Change in the provision for claims +Change in other technical provisions +Bonuses and rebates +Profit sharing -Holding gains and losses The total claims paid equal the net non-life premiums receivable by an insurance enterprise during the same accounting period (D.71).</p>	<p>D.721: allocation to sectors according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical survey in insurance companies. D.722: allocation to sectors according to share of foreign reinsurers on technical reserves (DS74) – for outwards reinsurance (S.2) and according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical survey in insurance companies for inwards reinsurance (S.12).</p>
S13	DS 9, 54	D.721 (non-life direct insurance claims of EGAP classified in S.1311) is calculated using the the same formula as for S.12 above.	D.721: allocation to sectors according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical survey in insurance companies.
S14	DS 9, 54	-	D.721: allocation to sectors according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical survey in insurance companies.
S15	DS 9, 54	-	D.721: allocation to sectors according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical survey in insurance companies.
S2	DS 9, 54, 79	<p>D.722 (non-life outwards reinsurance claims) is calculated as a foreigner’s share on adjusted claims incurred from outwards reinsurance (sum of non-life insurance, life insurance, reinsurance and EGAP insurance) using the following formula: +Gross amount of claims paid,</p>	<p>D.721: allocation to sectors according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical survey in insurance companies. D.722: allocation to sectors according to the indicator “Gross amount of claims paid” from the most up-to-date annual statistical</p>

		reinsurer's share +Change in the provision for claims, reinsurer's share -Adjustment of catastrophic losses	survey in insurance companies for inwards reinsurance.
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2.21.2 Additional information on sources and methods – D.72

The item D.721 Non-life direct insurance claims corresponds to adjusted claims incurred from the calculation of the output of non-life insurance (P.11). The item D.722 Non-life reinsurance claims corresponds to adjusted reinsurance claims incurred from the calculation of the output of reinsurance (P.11).

Adjustment of catastrophic losses (DS 79) contains information about extraordinary claims arising from catastrophic disaster (floods, weight of snow, windstorm and hail). Information on the level of claim from catastrophes is obtained from the Czech Insurance Association.

2.22 Transaction D.74 (Current international cooperation)

2.22.1 Tabular overview of QSA sources and methods by institutional sector – D.74

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	D.74: Sum of the government sector data.	D.74: Sum of the government sector data.
S11	-		
S12	-		
S13	DS 18, 19, 61, 64, 65, 76	D.74: Financial statements (parts XI - revenue from EU budget and XII - government expenditure paid from EU funds) of budgetary organisations are basic data sources on EU funds received and spent by the government institutions. Final recipient can be identified on the basis of financial statements data, through budgetary classification items.	D.74: Financial statements (parts XI - revenue from EU budget and XII - government expenditure paid from EU funds) of budgetary organisations are basic data sources on EU funds received and spent by the government institutions. Final recipient can be identified on the basis of financial statements data, through budgetary classification items.
S14			
S15			
S2	DS 18, 19, 61, 64, 65, 76	D.74: Financial statements (parts XI - revenue from EU budget and XII - government expenditure paid from EU funds) of budgetary organisations are basic data sources on EU funds received and spent by the government institutions. Final recipient can be identified on the basis of financial statements data, through budgetary classification items.	D.74: Financial statements (parts XI - revenue from EU budget and XII - government expenditure paid from EU funds) of budgetary organisations are basic data sources on EU funds received and spent by the government institutions. Final recipient can be identified on the basis of financial statements data, through budgetary classification items.

2.23 Transaction D.75 (Other current transfers)

2.23.1 Tabular overview of QSA sources and methods by institutional sector – D.75

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data.	Sum of sector data.
S11	-	D.75 is estimated on the base of the ASA structure (+extrapolated lottery winnings from last known year).	D.75 is estimated on the base of the ASA structure (+extrapolated lottery winnings from last known year).
S12	-	D.75 is estimated on the base of the ASA structure (share on total Uses from ASA).	D.75 is estimated on the base of the ASA structure (share on total Resources from ASA).
S13	DS 2, 10, 18, 19, 20, 21, 22, 23, 24, 33, 34, 61, 64, 65	Quarterly data from government sector	Quarterly data from government sector
S14	Adjustment E10F	Quarterly data from government sector (see S.13) other current transfers from households (fines and penalties); + estimation of remittances based on adjustment E10F + estimations from ASA (bets to the amount of lottery winnings – see S.11, other international current transfers,...).	Quarterly data from government sector (see S.13) other current transfers to households; + estimation based on the structure from ASA (lottery winnings, other international current transfers,...).
S15		D.75 is estimated on the base of the ASA structure.	Quarterly data from government sector (see S.13) other current transfers to NPISH + estimation based of the ASA structure.
S2	Adjustment E10F	Remittances paid by non-residents to residents – adjustment E10F + other transfers from non-residents to residents (especially to S.15)	Remittances paid by residents to non-resident – adjustment E10F + other transfers from residents to non-residents.

2.23.2 Additional information on sources and methods – D.75

The expenditures of general government include the following:

- 1) payments from public budgets to citizens, which are, however, of a very heterogeneous nature. Due to the existing budgetary structure and the methods used by budgetary organisations for accounting, it was impossible to identify all individual payments, derive their weights and exclude them. Thus, there are included contributions to the security of family members, pupils and students; pocket money to people living in social care institutions and to children in children's homes; money paid to blood donors; compensation to those who had to resettle as a result of the property settlement according to international agreements; compensation for the use of own tools and implements; compensation for cleaning agents paid to caretakers; rent to private businessmen; compensation for things acquired from private businessmen; compensation for damage caused by on-the-job accidents; financial support in case of fatal accidents; contributions to clothing of persons active in civic ceremonies, etc;

- 2) contributions to non-profit institutions serving households such as political parties, churches, contributions to humanitarian purposes, contributions to children's recreation, etc.

In the households sector:

- 1) The D.75 resources include
 - a) lottery winnings (at the level of bets) (This information is obtained from a report provided by the Ministry of Finance)
 - b) interest or interest discount on loans for individual housing construction and to young married couples;
 - c) revenues from public budgets; and
 - d) private transfers from non-residents such as financial aid, gifts of small value, alimony, and pensions (these could not be separated out of the information acquired).
- 2) The D.75 uses include payments to non-profit institutions, lottery bets (at the level of winnings), fees, fines and penalties, and private international transfers.

Non-profit institutions serving households:

- 1) The D.75 resources include contributions from corporations and households (there is not any information on quarterly basis; estimation based on structure from ASA) and contributions from government, the balance being a correction (estimated transfers from non-residents),
- 2) The D.75 uses include contributions provided to humanitarian events in particular.

Rest of the world sector:

- 1) The D.75 resources contain transfers from resident sectors (especially remittances – see adjustment E10F in GNI Inventory).
- 2) The D.75 uses include transfers to households (alimony, gifts) and other transfers (especially to the NPISH sector).

2.24 Transaction D.76 (VAT – and GNI- based EU own resources)

2.24.1 Tabular overview of QSA sources and methods by institutional sector – D.76

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	-	Data of S.1 equal data of S.13.
S11	-	-	-
S12	-	-	-
S13	DS 19	-	Delivery of own resources of EC to the EU budget by GNI, Delivery of own resources of EC to the EU budget by VAT, Miscellaneous non-tax contributions payable to institutions of EU.
S14	-	-	-
S15	-	-	-
S2	DS 16	VAT based EU own resources, GNI based EU own resources, Miscellaneous non-tax contributions payable to institutions of EU.	-

2.25 Transaction D.8 (Adjustment for the change in pension entitlements)

2.25.1 Tabular overview of QSA sources and methods by institutional sector – D.8

Sector	Sources	Methods: Uses	Methods: Resources
S1	-		Sum of sector data
S11			
S12	DS 72,73	D.8 of Pension funds (S.129) data are obtained from quarterly statistical survey and it is calculated using the following formula: Aggregate value of retirement units plus Aggregate value of pension units plus Funds of participants in pension savings plus Provision for pensions and similar liabilities minus Funds transferred from other pension companies plus Funds transferred to another pension companies	
S13			
S14			Data are determined using conceptual adjustments C07D, the data of which is the report ZO 1-04 (Quarterly report on imports and exports of services). The report contains data on imports and export fees for social insurance programs services.
S15			
S2		Data are determined using conceptual adjustments C07D, the data of which is the report ZO 1-04 (Quarterly report on imports and exports of services). The report contains data on imports and export fees for social insurance program services.	Data are determined using conceptual adjustments C07D, the data of which is the report ZO 1-04 (Quarterly report on imports and exports of services). The report contains data on imports and export fees for social insurance program services.

2.25.2 Additional information on sources and methods – D.8

C07D – Pension entitlements, adjustment is described in more detail to the item D.442.

2.26 Transaction D.91 (Capital taxes)

2.26.1 Tabular overview of QSA sources and methods by institutional sector – D.91

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Data of S.1 equal data of S.14.	Data of S.1 equal data of S.13.

S11	-	-	-
S12	-	-	-
S13	DS 18	-	Fee on building land betterment.
S14	DS 18	Fee on building land betterment.	-
S15	-	-	-
S2	-	-	-

2.27 Transaction D.92 (Investment grants)

2.27.1 Tabular overview of QSA sources and methods by institutional sector – D.92

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	DS 18, 19, 33, 65		The basic source data are provided by government units in the quarterly statements by budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through the budget (state budget, state funds). That is why the detail specification from the administrative data sources is used for dividing into EU and government subsidies.
S12	DS 18,19		The basic source data are provided by government units in the quarterly statements by budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through the budget (state budget, state funds). That is why the detail specification from the administrative data sources is used for dividing into EU and government subsidies.
S13	DS 18, 19, 33, 65	The source data reported by government units, which are indicated by the counterpart S.13 and which are intended for own use in the units S.13.	The basic source data are provided by government units in the quarterly statements by budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through the budget (state budget, state funds). That is why the detail specification from the administrative data sources is used for dividing into EU and government subsidies.
S14	DS 18, 19, 65		The basic source data are provided by government units in the quarterly statements by budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through the budget (state budget, state funds). That is why the detail specification from the administrative data sources is used for dividing into EU and government subsidies.
S15	DS 18, 19, 65		The basic source data are provided by government units in the quarterly

			statements by budgetary classification which indicates counterpart of use. Subsidies from EU to final consumers are paid through the budget (state budget, state funds). That is why the detail specification from the administrative data sources is used for dividing into EU and government subsidies.
S2	DS 18, 19, 33, 65	The basic source data are provided by government units in the quarterly statements according to budgetary classification that indicates counterpart of use. Government bodies act as mediator of investment grants from abroad.	

2.27.2 Additional information on sources and methods – D.92

Investment grants to the national economy are provided by government institutions (S.13) and non-residents units (S.2). In case of grants provided by S.2 are included especially EU Funds from operational programs. DS 19 (for “organizational units of state” – OSS, respectively central budgetary organizations and state funds) and DS 18 (regional self-governing units, respectively local budgetary organizations) are main data sources. Revenues and expenditures according to budgetary classification items are split by receiver and payer counterparts. This data sources include both information on national investment grants and grants from abroad.

Data on investment grants from national funds, i.e. provided by government institutions, especially central and local BO and state funds are on cash basis and they are base for balancing. This figure is simultaneously treated as accrual due to the fact that no obligation (liability) arose to the corresponding government units to pay – with regard to meet budgets.

Balancing of investment grants (D.92 item) constitutes several steps and reflects consolidation requirements of ESA2010 and EDP notifications of government deficit and debt and excluding EU funds determined to non-government units – other institutional sectors. For these purposes, the national accounts of the Czech Republic use three sub-items - D.921 Investment grants between S.13 subsectors, D.922 Investments grants within one subsector of S.13 and D.923 Investment grants for other sectors than S.13.

Items of budgetary classification allow identify the amount of investment grants from national funds to units classified outside the general government sector (e.g. non-financial enterprises, financial institutions, or households etc.) and also to balance (consolidate) these grants on the government subsector level and also between government subsectors. It means that government expenditures (D.92) from national funds within S.13 are the sum of investment grants received by other institutional sectors.

Received capital grants from EU funds are balanced separately. Government units act as EU funds intermediaries to final users classified in other institutional sectors. In view of the fact, EU funds, which are not determined to S.13, are excluded from revenues and expenditures of government institutions, because they must not affect amount of general government deficit. Only the amounts, which are designed for own need of the government units may be left in S.13.

Total capital grants from EU funds determined for the operating programs within the Czech Republic and received by final users (classified in the different institutional sectors) are recorded as direct expenditure of S.2 – under D.92 although they are distributed through units classified in S.13 (government units act as mediator in payment of these grants).

Quarterly data are based on the same data sources as annual data. No estimation is carry out.

2.28 Transaction D.99 (Other capital transfers)

2.28.1 Tabular overview of QSA sources and methods by institutional sector – D.99

Sector	Sources	Methods: Uses	Methods: Resources
S1	-	Sum of sector data	Sum of sector data
S11	DDS 18, 19, 23, 30, 42, 54, 61, 79 Extrapolation	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.11. Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.11. Supplementary information from the MoF e.g. on the called government guaranties and foreign claims (debt cancellation) is used, Claims from catastrophic losses (see section 2.17.2 below). Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).
S12	DDS 18, 19, 23, 30, 42, 54, 61, 79 Extrapolation	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.12. Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.12. Claims from catastrophic losses (see section 2.17.2 below). Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).
S13	DDS 18, 19, 23, 30, 42, 54, 61, 79 Extrapolation	Values reported by the S.13 units are balanced against other sectors using the split of the source data by the counterpart (information on the counterpart is obtained directly or upon individual questioning). Quarterly distribution of privatization of municipal flats is for the absence of quarterly data based on quarterly data from statistical survey NI 1-01 about Cooperative dwellings. Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).	Values reported by the S.13 units are balanced against other sectors using the split of the source data by the counterpart (information on the counterpart is obtained directly or upon individual questioning) Claims from catastrophic losses (see section 2.17.2 below). Quarterly figures on transactions not available on quarterly basis are benchmarked to corresponding annual figures (see section 2.17.2 below).

S14	DDS 18, 19, 23, 30, 42, 54, 61, 79 Extrapolation	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.14.	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.14. Claims from catastrophic losses (see section 2.17.2 below). Quarterly distribution of privatization of municipal flats is for the absence of quarterly data based on quarterly data from statistical survey NI 1-01 about Cooperative dwellings. Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).
S15	DDS 18, 19, 23, 30, 42, 54, 61, 79 Extrapolation	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.15. Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.15. Claims from catastrophic losses (see section 2.17.2 below). Quarterly figures on transactions not documented by S.13 data sources are benchmarked to corresponding annual figures (see section 2.17.2 below).
S2	DDS 18, 19, 23, 30, 42, 54, 61, 79	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.2. Claims from catastrophic losses (see section 2.17.2 below).	The source data reported by the S.13 units, which are earmarked by the counterpart sector S.2. Claims from catastrophic losses (see section 2.17.2 below).

2.28.2 Additional information on sources and methods – D.99

Data on transfers free of charges (fixed assets, non-produced assets, church restitutions) for which direct quarterly data are not available, are benchmarked to corresponding annual figures. The annual data is obtained via annual statistical surveys and then spread over the quarters.

Item D.99 includes claims from catastrophic losses (e.g. floods, snow, storm, hail). Claims incurred from the calculation of the non-life output of insurance and reinsurance companies are adjusted because of catastrophic losses (DS79). Claims arising from catastrophic losses are recorded as a capital transfer. They are payable by insurers (S.128 insurance companies and S.1311 EGAP) to all sectors (policyholders) according to proportion of claims paid (D.72), allocated using section A113 of DS9 through conceptual adjustment C07A. As other capital transfer is also identified the difference between model and non-market (cost) estimate of EGAP output by which claims paid (D72) are adjusted.

Transactions recorded under D.99 for non-government sectors are not consolidated. D.99 for S.13 is consolidated on the sub-sector level and between the S.13 sub-sectors by using the direct quarterly data on the counterpart.

ANNEX 1 Abbreviations

"D"	Code for distributive transactions
"S"	Code for institutional sector
ANA	Annual National Accounts
ASA	Annual Sectoral Accounts
ASMR	The Administration of State Material Reserves
BO	Budgetary organizations
BoP	Balance of Payments
CCAM	Czech Capital Market Association
CEB	Czech Export Bank
CFC	Consumption of fixed capital
GFCF	Gross fixed capital formation
CNB	Czech National Bank
CLFA	Czech Leasing Financial Association
CZK	Czech crown
CR	Czech Republic
CzNA	Czech National Accounts
CZSO	Czech Statistical Office
DNA	Department of the National Accounts
DGFA	Government and Financial Accounts Department
ECB	European Central Bank
EDP	Excessive Deficit Procedure
EGAP	Export Guarantee and Insurance Corporation
ESA	European System of Accounts
EU	European Union
FAU	Financial accounts unit
FISIM	Financial Intermediation Services Indirectly Measured
FOB	Free on board
GAU	Governments Accounts Unit
GFS	Government Financial Statistics
GNI	Gross National Income
GVA	Gross Value Added
HFCE	Household final consumption expenditure
IOTU	Input Output Tables Unit
MoF	Ministry of Finance
NA	National accounts
NP	Non-produced assets
NPISH	Non-profit institutions serving households
OSS	organizational units of state
QNA	Quarterly National Accounts
QSA	Quarterly Sectoral Accounts
ROW	Rest of the World
SAU	Sector accounts unit
VAT	Value added tax
WIP	Work-in-progress