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National balance sheets and national accounting—a progress report

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The departure from precedent in presenting an article by non-official authors calls for some comments. In the first place the article is a report on work financed jointly by the Central Statistical Office and the Bank of England and carried out by a team working at the Department of Applied Economics, Cambridge, on up-dating Professor Revell's pioneer work on national balance sheets. Secondly the UN has recently published a revision of their recommended System of National Accounts (SNA) which proposes a complete integration of balance sheets and revaluation accounts with the currently existing national income and expenditure and financial accounts. It is under active consideration how this work should be absorbed into the regular national accounting statistics. The estimated balance sheets presented here are of course the responsibility of the authors and do not necessarily reflect official opinion.

General

The interest of statisticians in the compilation of data relating to the ownership of various forms of assets and liabilities dates back many decades. It was not until quite recently, however, that a number of academic studies in both the USA and the United Kingdom began to prepare the ground for the ultimate integration of national balance sheets into national accounting statistics. In the United Kingdom this culminated in the publication, in 1967, of a large system of balance sheets embracing 35 separate sectors and covering the period 1957-1961(2). About a year later the United Nations published a revision of their recommended *System of National Accounts* (SNA)(3) which, among other things, proposed a complete integration of national balance sheets and financial transactions with the more conventional production, income, expenditure and capital accounts. In the same year the United Kingdom Central Statistical Office and the Bank of England undertook to sponsor the continuation of work in the Department of Applied Economics, Cambridge, on the compilation of national balance sheets and related statistics; the understanding being that these would later be absorbed into the regular national accounting framework.

The compilation of official national accounts as embodied in the annual Blue Book, *National Income and Expenditure*, and in other official publications has embraced this interest only recently, however, and then relating only to holdings of physical assets and of overseas assets. The present position is that estimated holdings of physical assets (including dwellings) and stocks and work in progress have been included in the Blue Book since 1964 and holdings of overseas assets and liabilities in the companion Pink Book, *United Kingdom Balance of Payments*, since 1966. There is no summary of holdings of other financial assets and liabilities although some data have been published in *Financial Statistics* for individual groups of institutions. The UK national accounts, in common with national accounts in other countries, are therefore rather different from standard business accounts in that they include production income and capital accounts but no comprehensive balance sheets.

The stage has now been reached where national balance sheets have been compiled covering the period 1957-1966, and this article describes these and attempts to pinpoint some of the trends which they indicate. There are clear limits to the amount of ground which can be covered in a short article, and so the treatment is necessarily selective. A number of definitional and classification changes have been made as compared with *The Wealth of the Nation* in order to make the balance sheets more closely comparable with the official transactions accounts; these are described in an appendix. Conventional business accounting is designed to give an account of the way in which the managers of a business have utilised the resources which have been put at their disposal over a period of time. Thus, the figures contained in a company's balance sheet for example, are the result of adding together items expressed either at their original cost or as at a subsequent revaluation of their worth. As was described in *The Wealth of the Nation*, however, since the purpose of national balance sheets is the explanation of economic behaviour the most appropriate general valuation for application to economic units on the basis of their continuing activity is the price level current on the day of valuation (market value). It follows from such valuation that a particular item should be valued at the same price both as an asset of one sector and a liability of another. An attempt has been made to value all assets and liabilities on a market value basis, which means that a sector can have an excess of assets over liabilities or vice versa because the market value of its assets has changed by more (or less) than that of its liabilities. The normal accounting treatment of share capital—as a special type of claim on assets—is not followed here and share capital is treated as a liability. This means that the 'net worth' of a sector is

(1) We wish to thank Frank Townson, John Moyle and several other colleagues and former colleagues for their considerable contribution to the preparation of the data described in this article. Frank Townson in particular, deserves our thanks for bearing the substantial burden involved in cross checking and keeping the records straight.

(2) Jack Revell, *The Wealth of the Nation*, Cambridge University Press, 1967.

(3) United Nations, *A System of National Accounts*, Studies in Methods Series F, No. 2, Rev. 3, New York 1968.

equal to revalued assets *less* revalued liabilities (including share capital). It is not the same as the net worth of a company as defined by the conventions of business accounting.

Taken together, the opening balance sheet, capital account, financial transactions account and closing balance sheet of a sector comprise an integrated system of accounts relating flow magnitudes to stock aggregates. The difference between balance sheets at successive points of time is partly accountable in terms of the flows contained in the capital and financial accounts. Other changes between successive balance sheets will occur, however, even if there have been no flows because of changes in the price levels applicable. Differences other than those due to price changes may also occur. For example, changes of status of reporting units; companies moving from the private sector to the public sector as a result of nationalisation, or vice versa; and unincorporated businesses turning themselves into companies or being purchased as going concerns by companies. There may also be changes in sub-sectors, for example the transfer of the Post Office from the central government to public corporations. The revised *SNA* suggests that all changes other than those due to transactions should be subsumed in a *revaluation* account. It then envisages the compilation of tables setting out the *transactions* and *revaluations* for each sector and for each pair of years for which balance sheet data are available. In the case of the United Kingdom, it is virtually impossible to produce these additional tables for any year before 1961 but the improvement in financial statistics following the *Radcliffe Report* has made it possible to make a first attempt at their compilation in respect of subsequent years. This will be described in a subsequent publication(4).

National wealth

Aggregated balance sheets for five broad sectors and ten asset/liability categories are shown in the tables at the end of the article. In order to use these accounts to derive a total for *national wealth*, it is necessary to add together the accounts treating assets as positive and liabilities as negative components of the sum. In a closed economy each liability of a resident of the economy would necessarily be a financial asset of some other resident, and so the addition would automatically yield a total equal to total *physical* assets; financial assets and liabilities cancelling out. This total would also be equal to the total *net worth* of all sectors since net worth is defined as the difference between total assets and total liabilities. In an economy, like the United Kingdom, which has extensive economic relationships with other countries, the calculation is complicated by the fact that some liabilities of United Kingdom organisations are held by non-residents, while some of the assets held by United Kingdom residents are liabilities not of United Kingdom organisations but of overseas organisations. In such a case national wealth is defined as the total of the physical assets held by all resident sectors *plus* the net overseas balance—the excess of claims on overseas residents held by United Kingdom residents over claims on United Kingdom residents by overseas residents. The balance sheet total of the financial assets of all sectors would be equal to the balance sheet total of the liabilities of all sectors only in the unlikely event that the net overseas balance was zero. In our format, the net overseas balance is automatically equal to the net worth of the overseas sector as shown in the tables but with its sign reversed. National wealth is therefore computed as the total of physical assets held by all national sectors *minus* the net worth of the overseas sector.

It should be noted that this accounting definition of national wealth ignores many items which can readily be argued to contribute to the level of prosperity which this country enjoys. In particular, it ignores the accumulated 'wealth' of the country embodied in the skills and experience of its citizens. It also ignores the very real contribution of intangible factors such as national prestige. These omissions in no way imply that these factors are unimportant; they merely reflect our view about where the line between measurable and immeasurable elements in wealth has to be drawn. We are willing to accept that there might well be significant differences of opinion regarding the precise positioning of the line.

Table A shows the evolution of the national wealth of the United Kingdom (on our definition) between 1957 and 1966. The third line shows national wealth calculated as the total of physical assets of all United Kingdom sectors *plus* the net overseas balance. The fourth line shows national wealth calculated as the total of the net worths of all United Kingdom sectors. If the accounting had been perfect, the totals in lines three and four would be identical; the size of the difference between them indicates the order of magnitude of the errors in the accounting. In per capita terms national wealth increased from about £1,150 in 1957 to about £2,500 in 1966; an increase of 120 per cent. This increase has to be viewed against an increase in the general price level of something like 30 per cent which means that the command over current goods and services represented by national wealth increased by approximately 70 per cent. It is not however clear that the concept of *real* national wealth has much meaning, since it implies that all national wealth is capable of simultaneous sale; something which if put to the test would rapidly invalidate the assumptions about valuation which we have employed.

(4) Alan R. Roe, 'The Financial Interdependence of the Economy 1957-66,' in *A Programme for Growth* No. 11, edited by Richard Stone, to be published by Chapman and Hall.

The national wealth of the UK

Table A — £ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Total physical assets	59·0	61·8	65·4	72·3	79·8	96·4	104·6	115·5	128·9	137·6
plus Net overseas balance	—0·4	0·3	0·1	0·6	1·1	1·2	1·4	1·3	1·5	1·9
National wealth	58·6	62·1	65·5	72·9	80·9	97·6	106·0	116·8	130·4	139·5
Total net worth	60·4	64·3	68·0	75·1	82·1	98·2	104·6	116·7	130·7	139·9

The sector distribution of net worth

Table B

Percentages

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Personal sector	89·5	94·9	103·1	94·8	92·9	86·2	87·8	80·5	77·7	75·0
Financial companies	1·0	2·2	1·6	1·9	0·7	1·9	2·6	2·6	2·4	2·1
Industrial and commercial companies ..	22·4	17·3	8·5	12·9	13·4	15·2	11·5	15·9	16·5	18·4
Public sector	—12·9	—14·3	—13·2	—9·6	—7·0	—3·3	—1·8	1·1	3·4	4·5

The sector distribution of wealth

The distribution of the total wealth amongst the various sectors is best shown via an examination of the figures of net worth. The distribution of physical assets alone is not appropriate for this purpose because at the sector level, the ownership of physical assets can be more than compensated by an excess of financial liabilities over financial assets. The evolution of the distribution of net worth over time is as shown in Table B.

As one might expect, the major proportion of total national wealth resides ultimately with the personal sector. Since the personal sector also holds a major part of the assets which are subject to revaluation, changes in security prices play a major part in explaining year to year fluctuations in this proportion. This factor is clearly important in explaining the high level of the ratio in 1958-61 and its decline in 1965-66. Since many of the securities which appear as assets of the personal sector are liabilities of industrial and commercial companies, the net worth of these companies follows a pattern which broadly is the reverse of that of persons. The public sector begins the period holding a negative share of total net worth but ends it holding a small positive share. This change is accounted for by the substantial revaluations of local authority physical assets, notably housing, combined with the depressing effect of rising interest rates on the market value of public sector debt. The financial institutions fulfil a mainly intermediary role and therefore hold only a tiny share of national wealth in their own right.

Reference back to Table A shows that the net worth of the overseas sector is in most years negative, implying an excess of United Kingdom holdings of overseas assets over overseas holdings of United Kingdom assets, and thus a positive contribution of the net overseas balance to national wealth. The largest components of this balance have consistently been the direct investment overseas of United Kingdom companies, £7·9 thousand million in 1966, and the portfolio([5]) investment in the United Kingdom of overseas residents, £6·9 thousand million in 1966. The latter includes the official holdings of United Kingdom securities by overseas monetary authorities and therefore reflects the importance of sterling as a reserve currency. A significant part of inward portfolio investment is however denominated in non-sterling currencies since the non-sterling deposits of overseas residents with banks in the United Kingdom are consistently much larger than their non-sterling liabilities for advances([6]). Portfolio investment outward is typically of a similar order of magnitude to direct investment inward.

Sector financing

Table B is useful in indicating the approximate distribution of national wealth, but it tells us relatively little about the pattern of financing in the economy. Some first indication of this pattern can be obtained by examining the sectoral excess/deficiency of financial assets over liabilities as shown in Table C. Such an examination indicates which sectors typically have a deficit in the sense of investing more in real assets than their own current saving and which sectors typically have a surplus in the sense of saving more than their own real investments. It does not of course tell the whole financing story since the sale of previously accumulated assets has also been of some importance during various parts of the period while revaluations can affect the size or even the sign of the deficit/surplus.

([5]) It should be noted that our use of the term 'portfolio investment' differs slightly from that adopted in some official statistics. We use it to embrace all net UK holdings of overseas assets and liabilities (portfolio investment outward) and net holdings of UK assets and liabilities by overseas residents (portfolio investment inward) which cannot be included in direct investment. This is discussed more fully on page xv.

([6]) Since the banks in question are mainly foreign-owned, these items also get reflected in the overseas account as direct investment inward (i.e. as part of the difference between the assets and liabilities of overseas banks in the United Kingdom).

Excess of financial assets over financial liabilities

Table C

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Personal sector	36·0	42·1	50·1	48·9	51·8	53·3	57·2	55·3	58·1	58·8
Financial companies	— 0·2	0·5	0·1	0·2	— 0·8	0·4	0·9	1·0	0·6	0·3
Industrial and commercial companies ..	— 7·8	—11·3	—18·0	—16·9	—18·7	—19·9	—25·1	—22·0	—23·3	—21·9
Public sector	—26·6	—28·9	—29·5	—29·4	—30·0	—31·9	—32·9	—33·0	—33·7	—34·9
Overseas	0·4	— 0·3	— 0·1	— 0·6	— 1·1	— 1·2	— 1·4	— 1·3	— 1·5	— 1·9

It is readily apparent from the table that the investment programme of the public sector and industrial and commercial companies ultimately depend, to a very substantial degree, on the personal sector. Over the period, the extent of this dependence in absolute terms seems to have increased significantly though revaluations again render precise conclusions difficult. The small deficits or surpluses for financial institutions are once again indicative of their essentially intermediary function.

Financial inter-relationships

In a simple financial system, the financing of deficit units by surplus units would proceed through a relatively restricted number of channels and would involve the emission of few financial claims. In more complex systems the number of financing channels can become extremely numerous as can the number of different claims involved. One simple measure of the degree of complexity of a financial system can be obtained by dividing national wealth into the total of financial assets held by all sectors. The resulting ratio—the financial inter-relations ratio—indicates the value of claims associated with the financing of an average £ unit of national assets. The ratio for the United Kingdom for the period 1957-1966 has evolved as follows.

The financial inter-relations ratio—1957-1966

Table D

1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
1·7	1·9	2·0	1·9	1·8	1·6	1·6	1·5	1·4	1·4

The determinants of the level of and short-run movements in this ratio are numerous and have been subjected to extensive discussion in the literature(7). For present purposes we can note that the following are probably the most important: the importance of internal financing relative to external; the degree of intermediation of financial institutions between deficit and surplus sectors; the degree of specialisation and inter-linking as between financial institutions(8) and the prices of physical assets relative to financial assets. The explanation of the decline in the ratio since 1959 seems to depend mainly on the last of these factors. Between 1962 and 1966 (the first period for which we have the relevant data), the increase in physical assets at market value was of the order of 42 per cent while the corresponding increase for financial assets was approximately 27 per cent. If, however, one excludes the revaluation of these assets during the period, the proportionate increases of each become 33 per cent. In other words, the rates of increase of the two types of assets in *nominal* terms were similar but the rates of increase in *market value* terms were substantially different because of the differential rate of change of prices.

Changes in the other factors have not been entirely unimportant, however, and, in particular, the extent of intermediation and layering has increased steadily thereby exerting an upward pressure on the financial inter-relations ratio which otherwise would have fallen more. This can be seen from Table E which shows the ratio of financial assets held by financial institutions to total financial assets.

The share of financial institutions in total financial assets

Table E — *Percentages*

1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
21·3	21·6	22·0	22·9	23·0	24·0	24·8	25·4	26·1	26·6

Patterns of financing and asset holding

It is rather difficult, at the level of aggregation at which we are here working, to say anything about the ways in which patterns of financing have changed over the ten year period; many of the more interesting changes are hidden either by the aggregation of sectors or of claims, necessitated by the limitations of space. However, an overall impression can be obtained by expressing each liability in the balance sheet for all sectors as a percentage of total liabilities *plus* net worth. This is done in Table F below.

The structure shows a fair degree of stability. The fluctuations in the proportion of liabilities attributable to company securities is caused by fluctuations in the prices of the component items rather than by any real shift in financing patterns. Since net worth is a residual its movements mirror those of company securities. The slight decline in the proportion of bond financing is also partly due to changes in prices.

The information as shown in Table F relates to all sectors. Before we could delve more deeply into trends in financing patterns, disaggregation in at least two directions would be necessary. First of all it would be necessary

(7) In particular, see Raymond Goldsmith, *Financial Structure and Development*, Yale University Press, New Haven, 1969.

(8) This is sometimes referred to as 'layering' and can be measured as the proportion of liabilities *issued* by financial institutions which are also *held* by financial institutions.

The structure of financial liabilities 1957-1966

Table F — *Percentages*

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Cash	7·4	7·3	6·9	7·1	6·8	6·3	6·4	6·4	6·5	6·7
Bills and deposits	8·9	8·4	8·2	8·1	7·7	7·0	6·9	6·7	6·5	6·5
Bonds	7·7	8·2	7·4	6·8	6·5	6·9	6·5	6·0	5·7	5·5
Company securities	9·1	11·0	14·9	13·7	13·9	12·8	14·1	11·9	11·6	10·5
Overseas securities	1·4	1·5	1·4	1·3	1·5	1·5	1·4	1·4	1·4	1·2
Direct investment	3·9	3·8	3·7	3·7	3·8	3·5	3·5	3·6	3·5	3·6
Loans	12·3	12·0	12·0	12·3	12·4	12·0	11·7	12·4	12·2	12·7
Creditors	5·6	5·3	5·0	5·2	5·1	4·7	4·6	4·8	4·7	4·8
Life funds	6·1	6·1	5·9	6·1	6·1	6·0	6·1	6·2	6·1	6·3
Net worth	37·7	36·3	34·6	35·8	36·3	39·4	38·7	40·6	41·7	42·1

to compile tables similar to Table F for each separate sector (or even sub-sector) since there is no real reason why trends in different sectors should be identical. And secondly, it would be necessary to attempt to remove that part of the year-to-year changes attributable to price movements; something which is fully possible only when balance sheets are supplemented by the corresponding transactions and revaluation tables. The limitations of space and the non-availability of revaluation and certain transactions data prevent us from extending the analysis in this way. We would however note that this is a field of study where national balance sheet and related data may prove particularly useful and where they have not so far been used to their full advantage.

Taking all sectors together, the pattern of asset holding as between different types of claim naturally follows a similar course to that of liability emission. However, the balance as between sectors can change as can the portfolio pattern of individual sectors. As with financing patterns a study of asset holdings would ideally need to examine the full sector detail (34 sectors), the full asset detail (56 assets) and each of the 10 years. In other words it needs to consider a three dimensional matrix of information containing 19,000 elements ($56 \times 34 \times 10$). A meaningful examination of such a massive volume of data requires some form of consistent and disciplined technique which at present does not exist. It also needs a comprehensive theory about why asset proportions change both secularly and cyclically and how these changes inter-relate with the corresponding changes in financing patterns.

Some major trends

An examination of the holdings of the ten categories of asset/liability distinguished in the tables by detailed sector category (34 sectors) indicates a substantial degree of stability both on the asset side and on the liability side. However, the disaggregation into 34 sectors indicates a number of cases where the pattern is far from stable and a few examples of these are worth noting.

On the liability side, the most striking change is in the share of deposit banks in the total *Cash* liability (i.e. notes and coin *plus* bank deposits). It has declined from 64·5 per cent in 1957 to 48·6 per cent in 1966. At the same time the share of foreign and other banks in the United Kingdom has increased from 5 per cent to over 20 per cent. These changes partly reflect the decision of the clearing banks to switch some categories of business to merchant banking subsidiaries but this does not constitute a complete explanation and there is no doubt that the foreign banks in the United Kingdom have enjoyed a much faster growth of deposits than have their United Kingdom competitors.

Within the *Bills and deposits* category, the share of bills has declined despite an increase in the importance of commercial bills. The central government share of the total liability for bills and deposits was 68 per cent at the beginning of the period compared with 48 per cent at the end. This decline reflects a lengthening of the life of the national debt and the frequent deficits in the balance of payments which tended during this period to lead to a reduction in the government's domestic borrowing requirement and its needs for residual finance through Treasury bills. The decline in the share of bills has been offset by increases in the share of deposits in finance-houses (0·7 per cent to 3·2 per cent) and building societies (15·9 per cent to 27·9 per cent) and by issues of bills by industrial and commercial companies which in 1966 accounted for 4·1 per cent of the total compared with 1·8 per cent in 1957.

The share of private pension funds in the total liability of *Life and pension funds* has increased over the period from 14 per cent to nearly 17 per cent while the share of local authority and other public sector funds has remained virtually constant. The share of United Kingdom insurance companies has increased from 41 per cent to about 43 per cent, but the share of the central government unfunded schemes has declined from 31 per cent to 27 per cent([9]).

In the case of the liability for company securities, there have been a number of significant swings in the proportions attributable to different sectors but most of these are explicable in terms of differential rates of revaluations.

On the assets side, the share of industrial and commercial companies (including, for this purpose, public corporations) in the ownership of *Physical assets* has tended to decline, while the shares of those sectors whose principal physical assets take the form of land and buildings—persons, and local authorities—have tended to rise, because of the faster rate of revaluation of these assets.

Changes in the pattern of holdings of *Cash* (i.e. notes and coin *plus* bank deposits) are consistent with the changes in the pattern of liabilities in this item already referred to. The shares of overseas residents and of foreign banks in the United Kingdom have both increased while the shares of persons, United Kingdom deposit banks and United Kingdom industrial and commercial companies have all declined.

The percentage share of the personal sector in the holding of *Bonds* has been moderately stable but the shares of both United Kingdom deposit banks and the overseas sector have declined. Compensating for this has been an increase in the share of insurance companies, building societies and savings banks.

A considerable switch in the holdings of *Company securities* is apparent over the period. The personal sector has undergone a significant reduction in the share of the total while insurance companies, pension funds, investment trusts and unit trusts have all increased their shares. The direct evidence of this change is contained in survey data for 1957 and 1963([10]) and indirect evidence arising in the sector financing tables (where the relevant item is derived as a residual) suggests that this movement is continuing.

Finally, the share of different sectors in *Direct Investment outward* has undergone a number of changes during

([9]) This treatment of this item differs from that in the national accounts. See *National Accounts, Sources and methods 1968*.

([10]) Jack Revell and John Moyle, 'The owners of quoted ordinary shares—a survey for 1963' in *A Programme for Growth No. 7*, edited by Richard Stone, Chapman and Hall, 1966.

the period. In particular, the share of oil companies has declined smoothly from 30·5 per cent of the total in 1957 to 25·4 per cent in 1966 while the shares of shipping companies and other United Kingdom industrial and commercial companies have both increased. The share of United Kingdom banks overseas has fluctuated about a declining trend and the share of United Kingdom insurance companies has also declined.

APPENDIX

Notes on Classification and Definition

Sector balance sheets result from combining the balance sheets of all the independent units comprising a sector. The units are households and non-profit organisations serving persons which comprise the personal sector; the group of companies under common ownership in the financial company and industrial and commercial company sectors; the central government (as one unit), local authorities and public corporations in the public sector. The effect of combining balance sheets of units within sectors, is that all financial links between independent units are shown, both between units in the same sector and between units in different sectors. Intra-sector assets and liabilities are not cancelled out except in the case of the central government.

Valuation of financial claims. The basis of valuation is the market value on 31 December of each year for all financial claims which can be traded at a value different from their face or nominal value. Thus bonds, company securities and overseas securities are carried at estimated market values, and cash, bills and deposits, loans and debtors (creditors) are carried at nominal values. Life assurance policies are valued in accordance with the total value of the life funds. Financial claims are valued identically as assets held by sectors that own them and as liabilities of the sectors that issued them.

Classification. A comprehensive description of the scheme of sector classification and definition of financial claims is given in *The Wealth of the Nation;* the notes here merely draw attention to the changes in treatment which have now been adopted. The changes were made to ensure consistency either with official national accounting data in the Blue Book or elsewhere, or with the recommendations of the revised United Nations *SNA.*

(i) *Sectors*

The scheme of sector classification now adopted agrees with that used in the Blue Book except that the financial institutions sector has a wider coverage including a few trusts which are omitted from the transactions estimates. The latter are unlikely to be much affected because of this.

The following re-classifications have been made as compared with *The Wealth of the Nation;* all savings banks except the National Savings Bank Investment Account and the special investment department of the Trustee Savings Bank to the public sector; property companies to the industrial and commercial companies sector; unincorporated financial institutions like Lloyds underwriters to the personal sector. In addition, many of the institutions formerly included as financial trusts have now been re-classified to the industrial and commercial companies sector or to one or other of the financial institution sectors. The 'hard-core' trusts which remain have been included in the 'other financial institutions' sub-sector which exists mainly to provide a place for items attributable to institutions for which only a partial balance sheet can be estimated.

Finally, the Local Authorities' Mutual Investment Trust, which was formerly included in the unit trusts sector, is now separately distinguished as a sub-sector because of the conceptual difficulty of correct classification and is included as a financial institution whereas in the transactions estimates it is netted out in the local authority pension fund accounts.

As a result of these various adjustments, the sectoring as it now stands is as follows. (The numbering is that used in *Financial Interdependence of the Economy 1957-66*). The main headings show the aggregated sectors as used for the purposes of this article while the others show the component sub-sectors to the degree of disaggregation at which most of the data collection was carried out.

It will be noted that the reference number for every category of financial *asset* begins with the digit 8. When these same claims are recorded as *liabilities,* the 8 is replaced by a 9.

1.0.0 *Personal sector*
1.1.1 Persons and unincorporated businesses
1.2.1 Friendly societies
1.2.2 Trade unions
1.2.3 Private housing associations
1.2.4 Charities and other private non-profit bodies serving persons

2.0.0 *Financial institutions*
2.1.1 Deposit banks
2.1.2 UK overseas banks
2.1.3 Discount houses
2.1.4 Other UK owned banks in the UK
2.1.5 Foreign owned banks in the UK
2.2.0 Savings banks (investment departments)
2.3.0 Building societies
2.4.1 UK owned insurance companies
2.4.2 Foreign insurance companies in the UK
2.5.1 Private pension funds
2.5.2 Public pension funds
2.5.3 Local authority pension funds
2.6.1 Quoted investment trusts
2.6.2 Unit trusts
2.6.3 Local Authorities' Mutual Investment Trust
2.7.1 Hire purchase finance companies
2.7.2 Special investment agencies
2.7.3 Other financial institutions

3.0.0 *Industrial and commercial companies*
3.1.1 Oil companies
3.1.2 Shipping companies
3.1.3 Other UK non-financial companies
3.1.4 Foreign owned companies in the UK
3.1.5 Co-operative societies

3.1.6 Marketing boards
3.1.7 Property companies

4.0.0 *Public sector*

4.1.1 Central government
4.2.1 Local government
4.3.1 Public corporations

6.0.0 *Overseas*

(ii) *Assets and liabilities*

At the lowest level of disaggregation, the asset/liability classification is identical with that used in *The Wealth of the Nation* except that consumer durables have been omitted, in line with the treatment in the national accounts where expenditure on them is part of consumption. A number of changes have, however, been introduced at the more aggregated level. The most important of these concerns share capital, which is now grouped with liabilities, instead of being shown as separate from them. This treatment, which is consistent with that recommended in the *SNA* emphasises the similarity of share capital to other liabilities as a source of funds and subordinates its uniqueness from the legal standpoint. Within the liabilities grouping, share capital is grouped with debentures and preference shares so as to accord with the official 'company securities' category.

One new claim—'Direct investment outward/inward'—has been introduced by virtue of the new treatment of the overseas sector which is discussed below. The asset/liability classification resulting from these various classification adjustments is now as follows. Once again the main headings are those used for the purposes of this article while the others indicate the level of disaggregation used for the purposes of most of the calculations.

7.0.0 *Physical assets*

7.0.1 Agricultural land
7.0.2 Forest land
7.0.3 Dwellings
7.0.4 Other land and buildings
7.0.5 Plant and equipment
7.0.7 Stocks and work in progress

8.1.0 *Cash*

8.1.1 Cash in UK (including bank deposits)
8.1.2 Official reserves

8.2.0 *Bills and deposits*

8.2.1 Savings bank deposits
8.2.2 Building society deposits
8.2.3 Co-operative society deposits
8.2.4 Friendly society deposits
8.2.5 Finance house deposits
8.2.6 Discount house deposits
8.2.7 Deposits overseas
8.2.8 Other deposits
8.2.9 Other money at call
8.3.1 Treasury bills
8.3.2 Commercial bills
8.3.3 Overseas bills
8.3.4 National savings certificates
8.3.5 Defence/development bonds
8.3.7 Premium bonds
8.3.8 Tax reserve certificates

8.4.0 *Bonds*

8.4.1 Quoted UK government securities
8.4.2 Quoted UK local authority
8.4.3 Unquoted UK local authority

8.5.0 *Company securities*

8.5.1 Quoted UK loan stocks
8.5.2 Unquoted UK loan stocks
8.5.3 Quoted UK preference
8.5.4 Unquoted UK preference
8.5.5 Quoted UK ordinary
8.5.6 Unquoted UK ordinary
8.5.7 Unit trust units

8.6.0 *Overseas securities*

8.6.1 Overseas government securities
8.6.2 Overseas company securities

8.6.3 *Direct investment overseas*

8.7.0 *Loans and advances*

8.7.1 Bank advances in the UK
8.7.2 Bank advances overseas
8.7.3 Hire purchase in the UK
8.7.4 Other instalment credit in the UK
8.7.5 Hire purchase overseas
8.7.6 House mortgages
8.7.7 Long term loans([11])
8.7.8 Long term loans overseas

8.8.0 *Debtors*

8.8.1 Trade debtors in UK
8.8.2 Trade debtors overseas
8.8.3 Other debtors in UK
8.8.4 Other debtors overseas

8.9.0 *Life and Pension funds*

8.9.1 Life policies
8.9.2 Pension funds
8.9.3 Unfunded pension rights
8.9.4 Sinking funds
8.9.5 Life funds overseas

(iii) *Treatment of the overseas sector*

In *The Wealth of the Nation*, the classification of enterprises to sectors depended on ownership. UK owned enterprises were classified to one of the UK sectors, while foreign-owned enterprises operating in the UK were classified to the overseas sector. The treatment used in the Blue Book, recommended by the *SNA* and now used here differs from this in that it classifies according to location. All companies resident in the UK whether they are UK owned or foreign owned, now appear within one or other of the UK sectors.

This treatment has the following implications for the accounting. The assets and liabilities of enterprises operating overseas which are owned by UK companies are reduced to a single net value of direct investment outward. This figure is recorded as an

([11]) Central government loans to the Agricultural Mortgage Corporation, Board of Trade development loans and so on.

Assets and liabilities as percentages of totals in issue

Table G

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Assets										
Cash in UK	87·4	93·2	94·7	93·5	95·2	96·8	97·0	98·5	99·2	97·5
Finance house deposits	118·2	103·0	84·1	80·1	79·8	89·6	90·3	82·6	84·1	89·1
Discount house deposits	93·6	97·2	92·6	97·8	99·5	101·9	102·8	104·9	105·2	110·1
Treasury bills	99·2	101·6	96·7	92·5	98·0	97·8	97·9	95·9	97·4	97·4
Tax reserves certificates	111·1	114·3	112·0	113·2	105·8	100·0	100·0	100·5	100·6	102·2
Quoted UK government	111·3	105·3	105·7	101·0	97·0	97·3	97·6	100·1	98·7	98·9
Quoted UK local authority	116·4	120·9	117·1	113·6	106·7	105·1	109·8	115·1	108·0	108·8
Unquoted UK local authority	98·1	94·9	96·9	97·7	96·6	103·4	100·5	99·0	105·2	107·0
Quoted UK debentures	103·3	99·0	98·3	105·2	104·7	111·3	114·9	92·8	89·6	85·0
Quoted UK preference	93·5	93·0	91·1	93·3	94·2	92·4	87·2	88·1	88·0	99·4
Quoted UK ordinary	110·9	105·5	102·9	103·2	99·5	99·4	92·4	97·5	96·6	97·9
Long-term loans	102·2	102·1	102·0	102·2	101·9	100·9	101·0	100·9	101·3	101·2
Liabilities										
Bank advances in UK	117·6	109·2	99·8	94·7	94·0	96·7	95·4	96·6	96·6	98·1

asset of the appropriate UK sector and as a liability (contra) of the overseas sector. The individual assets and liabilities of foreign owned enterprises operating in the UK are recorded in the appropriate UK sector account. The net difference between these assets and liabilities is then recorded as a liability—direct investment inward—in the same account, and as an asset (contra) in the overseas sector account. Wherever appropriate, an attempt has been made to revalue the assets and liabilities forming part of direct investment([12]) and thus our figures are not comparable with those shown in official sources([13]). The overseas assets and liabilities which are held by UK sectors but which are not part of direct investment, are shown individually in the appropriate UK sector account and a corresponding net entry (normally a liability) is shown as a contra in the overseas sector account. For the sake of convenience we have referred to these net entries as the portfolio investment outward of the sector concerned but it should be noted that our usage of this term is rather different from that employed in official sources where it refers to holding of stocks and shares, but excludes other loans, advances, etc. Thus our figures of portfolio investment outward are not directly comparable with the official estimates([13]). Finally, the Overseas sector account is completed by recording the UK assets held by foreign institutions and individuals not resident in the UK as inward portfolio investment.

As a result of those procedures the *net overseas balance* of the UK (which when added to physical assets yields the total for *National Wealth*) is computed as—

	a. Direct investment outward
plus	b. Portfolio investment outward([14])
less	c. Direct investment inward
less	d. Portfolio investment inward([15])

The sum of these four items is the balance of the overseas sector account with the sign reversed.

Statistical discrepancies

In the construction of national balance sheets, the estimation of financial assets is carried out separately from the estimation of financial liabilities. Since the statistical information used is seldom perfect, it is to be expected that there will be discrepancies between the total of each claim identified as an asset and the corresponding liability total. Although these discrepancies obviously cannot be fully explained, there are probably two main reasons why they arise. The first relates to the timing of entries in the published balance sheets which we use as a major source of data. If a firm issuing a liability compiles its balance sheet on a different date from the firms holding the corresponding asset, then there may be a discrepancy between our identification of the asset and our identification of the liability, arising because of transactions in the claim between the two balance sheet dates. Secondly, where a firm holds a certain claim both as an asset and a liability, then it may well net out the liability against the asset before publishing its balance sheet. This is a particular problem in the case of bank advances which are frequently netted out, by the borrowing firm, against its holdings of cash and bank deposits.

No attempt has been made to disguise these discrepancies by spreading over sectors; indeed they are considered to be useful as indications of the gaps in our knowledge. In cases where either the asset or liability total is known with reasonable certainty, we can indicate the approximate size of the discrepancy by expressing the liability total as a proportion of the known asset total or the asset total as a proportion of the known liability total. This is done for a number of major items in Table G. In cases where neither the asset nor the liability total is known with any degree of certainty([16]), such a comparison is not meaningful and has not been attempted.

([12]) For industrial and commercial companies the main source of information for the revaluation is W. B. Reddaway, *Effects of UK Direct Investment Overseas*, Cambridge University Press 1968.

([13]) eg, as shown in the *Bank of England Quarterly Bulletin*, Sept. 1970, p.316.

([14]) Including the gold and other official reserves of the UK.

([15]) Including the sterling reserves of overseas monetary authorities.

([16]) Notably in the case of debtors and creditors.

No attempt has been made to carry out a complete reconciliation between our data and existing official data. However, apart from the inconsistencies already discussed on page xv, the following points warrant mention. First, discrepancies arise in the overseas sector entries for total bank deposits and advances, mainly because of the internal inconsistencies between the gross figures of deposits and advances, as shown by the data on external liabilities and claims collected for balance of payments purposes, and the corresponding figures in the banking sector statistics([17]). Secondly, the official figures([18]) now net out UK subscriptions to the IMF against drawings therefrom: we have preferred to show each of these items separately. Finally, our figure for the loans (asset) of the overseas sector is consistently larger than the official figure because we have attempted to include an estimate for the overseas debt balances of Lloyds underwriters.

([17]) e.g. *Bank of England Statistical Abstract No. 1, 1970*, tables 19 and 20 as compared with table 8.

([18]) e.g. as shown in *Bank of England Quarterly Bulletin*, Sept. 1970 p.316

Balance sheet of the personal sector

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Physical assets	18·1	18·9	20·1	22·3	24·5	31·4	34·7	38·7	43·4	46·2
Financial assets:										
Cash	4·9	5·6	6·0	6·0	6·3	6·5	6·9	7·5	8·1	8·3
Bills and deposits	8·9	9·3	10·0	10·5	11·0	11·6	12·4	13·3	14·1	14·8
Bonds	4·3	5·1	5·1	4·4	4·5	5·4	5·3	5·0	5·2	5·4
Company securities	10·1	13·4	20·1	18·8	20·1	19·5	21·5	18·1	18·6	16·9
Overseas securities	1·1	1·4	1·3	1·1	1·6	1·8	1·6	1·7	1·6	1·9
Direct investment outward	0·2	0·2	0·2	0·2	0·2	0·2	0·2	0·2	0·3	0·3
Loans	0·9	1·0	1·0	1·0	1·1	1·1	1·2	1·3	1·3	1·4
Debtors	3·0	3·2	3·5	3·8	3·8	4·0	4·2	4·4	4·5	4·7
Life funds	9·7	10·7	11·6	12·5	13·5	14·6	16·2	17·5	19·0	20·6
Total	61·1	68·8	78·9	80·7	86·5	96·1	104·2	107·6	116·1	120·4
Liabilities and share capital										
Bills and deposits	0·1	0·1	0·1	0·1	0·1	0·1	0·1	0·1	0·2	0·2
Company securities	—	—	—	—	—	—	—	—	—	—
Loans	4·7	5·3	6·2	6·8	7·2	8·3	9·1	10·2	11·0	11·6
Creditors	2·1	2·3	2·4	2·6	2·8	2·9	3·0	3·1	3·3	3·5
Life funds	0·1	0·1	0·1	0·1	0·1	0·1	0·1	0·1	0·1	0·1
Total	7·0	7·8	8·7	9·5	10·2	11·4	12·3	13·6	14·6	15·4
Net worth	54·1	61·0	70·1	71·2	76·3	84·7	91·8	93·9	101·5	104·9

Balance sheet of financial institutions

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Physical assets	0·8	0·9	1·0	1·2	1·4	1·6	1·8	2·0	2·4	2·6
Financial assets:										
Cash	1·5	1·6	1·8	2·0	2·1	2·1	2·5	2·8	3·3	3·6
Bills and deposits	3·4	3·4	3·5	3·3	3·6	3·6	3·7	3·5	3·9	4·1
Bonds	6·1	6·9	6·7	6·4	6·3	7·8	8·2	8·0	8·7	9·1
Company securities	3·3	4·3	6·3	6·8	7·6	8·3	9·7	9·9	11·0	11·5
Overseas securities	0·8	0·9	1·1	1·1	1·4	1·4	1·7	1·9	2·1	2·1
Direct investment outward	0·3	0·3	0·3	0·4	0·4	0·3	0·3	0·4	0·4	0·5
Loans	6·3	7·1	8·8	10·6	11·3	12·2	13·7	15·9	17·5	19·2
Debtors	0·2	0·2	0·2	0·3	0·3	0·3	0·4	0·4	0·4	0·5
Life funds	—	—	—	—	—	—	—	—	—	—
Total	22·6	25·7	29·8	32·1	34·4	37·6	41·9	44·8	49·6	53·2
Liabilities and share capital										
Cash	8·8	9·3	10·2	11·0	11·3	11·9	13·3	14·4	16·0	17·6
Bills and deposits	3·7	4·1	4·6	5·0	5·4	5·8	6·5	7·3	8·4	9·5
Company securities	2·1	2·9	5·1	5·0	6·5	6·5	6·9	6·5	7·3	6·9
Direct investment inward	0·1	0·1	0·2	0·2	0·2	0·2	0·2	0·1	0·1	0·2
Loans	0·2	0·2	0·3	0·4	0·4	0·3	0·3	0·4	0·4	0·4
Creditors	0·5	0·6	0·6	0·7	0·7	0·7	0·8	0·9	0·9	1·0
Life funds	6·5	7·1	7·8	8·5	9·3	10·1	11·2	12·3	13·5	14·8
Total	22·0	24·3	28·7	30·7	33·8	35·6	39·2	41·8	46·6	50·3
Net worth	0·6	1·4	1·1	1·4	0·6	1·9	2·7	3·0	3·1	2·9

Balance sheet of industrial and commercial companies

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Physical assets	21·3	22·4	23·8	26·6	29·7	34·8	37·1	40·5	44·9	47·6
Financial assets:										
Cash	2·1	2·3	2·5	2·6	2·6	2·6	2·9	3·1	3·4	3·4
Bills and deposits	1·0	1·2	1·1	1·1	1·1	1·0	0·9	0·8	0·7	0·7
Bonds	1·0	1·1	1·2	1·1	1·1	1·2	1·4	1·6	1·5	1·6
Company securities	1·0	1·2	1·7	1·7	1·8	2·1	2·4	2·7	2·9	3·0
Direct investment outward	4·0	4·2	4·5	4·8	5·2	5·4	5·8	6·2	6·6	7·2
Loans	0·3	0·3	0·5	0·7	0·4	0·5	0·6	0·7	0·8	0·8
Debtors	4·2	4·4	5·0	5·6	5·7	4·9	5·4	6·1	6·9	7·5
Life funds	—	—	—	—	—	—	—	—	—	—
Total	34·9	37·1	40·2	44·2	47·6	52·5	56·4	61·8	67·7	71·9
Liabilities and share capital										
Bills and deposits	0·7	0·7	0·8	0·8	0·9	0·9	1·0	1·2	1·2	1·3
Company securities	12·5	16·6	24·2	23·3	24·5	24·9	30·5	27·2	28·6	27·5
Direct investment inward	1·7	1·9	2·1	2·0	2·5	2·7	2·9	3·3	3·6	3·9
Loans	2·2	2·3	2·7	3·2	3·3	3·7	4·1	5·0	5·5	5·8
Creditors	4·3	4·5	4·7	5·2	5·4	5·4	5·8	6·6	7·2	7·7
Total	21·4	26·0	34·4	34·5	36·6	37·6	44·4	43·3	46·1	46·2
Net worth	13·5	11·1	5·8	9·7	11·0	14·9	12·0	18·5	21·6	25·8

Balance sheet of the public sector

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Physical assets	18·8	19·6	20·5	22·2	24·2	28·6	31·0	34·3	38·2	41·2
Financial assets:										
Cash	1·1	1·4	1·3	1·5	1·5	1·4	1·3	1·2	1·5	1·5
Bills and deposits	—	—	—	—	—	—	—	—	—	—
Bonds	0·2	0·2	0·3	0·3	0·3	0·3	0·2	0·3	0·3	0·3
Company securities	0·8	0·6	0·6	0·5	0·4	0·5	0·5	0·6	0·7	0·8
Overseas securities	0·3	0·4	0·4	0·4	0·4	0·4	0·5	0·5	0·6	0·2
Loans	9·1	9·9	10·6	11·1	12·4	13·4	13·9	14·7	15·5	17·2
Debtors	2·8	2·8	2·7	3·0	3·3	3·3	3·3	3·6	4·0	4·2
Total	33·1	34·9	36·5	38·9	42·6	47·9	50·8	55·2	60·8	65·5
Liabilities and share capital										
Cash	2·3	2·3	2·4	2·5	2·6	2·6	2·8	2·9	3·1	3·3
Bills and deposits	9·8	10·0	10·5	10·8	10·7	10·5	10·7	10·5	10·3	10·2
Bonds	12·4	14·5	14·5	14·0	14·4	16·9	17·2	16·9	17·6	18·2
Company securities	—	—	—	—	0·1	0·1	0·1	0·1	0·1	0·1
Loans	11·5	12·1	12·6	12·8	14·4	14·6	14·8	16·0	17·1	18·8
Creditors	1·8	1·7	1·8	1·9	2·0	2·1	2·2	2·4	2·6	2·8
Life funds	3·2	3·6	3·7	4·0	4·2	4·5	4·9	5·1	5·4	5·8
Total	40·9	44·2	45·5	46·1	48·4	51·2	52·7	53·9	56·3	59·2
Net worth	—7·8	—9·2	—9·0	—7·2	—5·8	—3·3	—1·9	1·3	4·5	6·3

Balance sheet of all national sectors

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Physical assets	59·0	61·8	65·4	72·3	79·8	96·4	104·6	115·5	128·9	137·6
Financial assets:										
Cash	9·6	10·9	11·6	12·1	12·5	12·6	13·6	14·6	16·3	16·8
Bills and deposits	13·3	13·9	14·6	14·9	15·7	16·2	17·0	17·6	18·7	19·6
Bonds	11·6	13·3	13·3	12·2	12·2	14·7	15·1	14·9	15·7	16·4
Company securities	15·2	19·5	28·7	27·8	29·9	30·4	34·1	31·3	33·2	32·2
Overseas securities	2·2	2·7	2·8	2·6	3·2	3·6	3·8	4·1	4·3	4·2
Direct investment outward	4·5	4·7	5·1	5·4	5·8	5·8	6·2	6·8	7·3	7·9
Loans	16·6	18·3	20·9	23·4	25·2	27·2	29·4	32·6	35·1	38·6
Debtors	10·2	10·6	11·4	12·7	13·1	12·5	13·3	14·5	15·8	16·9
Life funds	9·7	10·7	11·6	12·5	13·5	14·6	16·2	17·5	19·0	20·6
Total	151·7	166·5	185·4	195·9	211·1	234·1	253·3	269·4	294·2	311·0
Liabilities and share capital										
Cash	11·1	11·6	12·6	13·5	13·9	14·5	16·1	17·3	19·1	20·9
Bills and deposits	14·3	14·9	16·0	16·7	17·1	17·3	18·3	19·1	20·1	21·2
Bonds	12·4	14·5	14·5	14·0	14·4	16·9	17·2	16·9	17·6	18·2
Company securities	14·6	19·5	29·3	28·3	31·1	31·5	37·5	33·8	36·0	34·5
Direct investment inward	1·8	2·0	2·2	2·2	2·7	2·8	3·1	3·4	3·7	4·0
Loans	18·6	19·9	21·8	23·2	25·3	26·9	28·3	31·6	34·0	36·6
Creditors	8·7	9·1	9·5	10·4	10·9	11·1	11·8	13·0	14·0	15·0
Life funds	9·8	10·8	11·6	12·6	13·6	14·7	16·2	17·5	19·0	20·7
Total	91·3	102·2	117·3	120·8	129·0	135·8	148·6	152·6	163·6	171·1
Net worth	60·4	64·8	68·0	75·1	82·1	98·2	104·6	116·7	130·7	139·9

Balance sheet of the overseas sector

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Financial assets:										
Cash	0·9	1·2	1·4	1·8	2·0	2·5	2·9	3·4	3·9	4·6
Bills and deposits	1·1	1·1	1·2	1·3	1·3	1·3	1·4	1·4	1·4	1·6
Bonds	2·0	1·9	1·9	1·9	1·8	2·0	2·0	2·1	2·0	2·0
Company securities	0·5	0·7	1·0	1·1	1·1	1·0	1·1	1·1	1·2	1·1
Direct investment inward	1·8	2·0	2·2	2·2	2·7	2·8	3·1	3·4	3·7	4·0
Loans	3·1	2·9	2·9	2·7	3·0	2·5	2·4	2·9	3·2	3·4
Debtors	0·2	0·2	0·2	0·2	0·3	0·3	0·3	0·3	0·3	0·3
Total	9·6	10·0	10·8	11·2	12·1	12·4	13·1	14·6	15·7	17·0
Liabilities and share capital										
Cash	0·9	1·2	1·0	1·2	1·2	1·0	1·0	0·9	1·1	1·2
Bills and deposits	—	—	—	—	—	—	—	—	—	—
Overseas securities	2·2	2·7	2·7	2·6	3·4	3·6	3·8	4·1	4·2	3·9
Direct investment outward	4·5	4·7	5·1	5·4	5·8	5·8	6·2	6·8	7·3	7·9
Loans	1·3	1·3	1·7	2·2	2·3	2·6	3·0	3·5	3·9	5·1
Creditors	0·3	0·3	0·3	0·4	0·4	0·5	0·5	0·6	0·7	0·8
Total	9·2	10·3	10·9	11·8	13·2	13·6	14·5	15·9	17·2	18·9
Net worth	0·4	—0·3	—0·1	—0·6	—1·1	—1·2	—1·4	—1·3	—1·5	—1·9

Balance sheet of all sectors

£ thousand million

	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Physical assets	59·0	61·8	65·4	72·3	79·8	96·4	104·6	115·5	128·9	137·6
Financial assets:										
Cash	10·5	12·1	13·0	13·9	14·5	15·1	16·5	18·0	20·2	21·4
Bills and deposits	14·4	15·0	15·8	16·2	17·0	17·5	18·4	19·0	20·1	21·2
Bonds	13·6	15·2	15·2	14·1	14·0	16·7	17·1	17·0	17·7	18·4
Company securities	15·7	20·2	29·7	28·9	31·0	31·4	35·2	32·4	34·4	33·3
Overseas securities	2·2	2·7	2·8	2·6	3·2	3·6	3·8	4·1	4·3	4·2
Direct investment inward/outward	6·3	6·7	7·3	7·6	8·5	8·6	9·3	10·2	11·0	11·9
Loans	19·7	21·2	23·8	26·1	28·2	29·7	31·8	35·5	38·3	42·0
Debtors	10·4	10·8	11·6	12·9	13·4	12·8	13·6	14·8	16·1	17·2
Life funds	9·7	10·7	11·6	12·5	13·5	14·6	16·2	17·5	19·0	20·6
Total	161·3	176·5	196·2	207·1	223·2	246·5	266·4	284·0	309·9	328·0
Liabilities and share capital										
Cash	12·0	12·8	13·6	14·7	15·1	15·5	17·1	18·2	20·2	22·1
Bills and deposits	14·3	14·9	16·0	16·7	17·1	17·3	18·3	19·1	20·1	21·2
Bonds	12·4	14·5	14·5	14·0	14·4	16·9	17·2	16·9	17·6	18·2
Company securities	14·6	19·5	29·3	28·3	31·1	31·5	37·5	33·8	36·0	34·5
Overseas securities	2·2	2·7	2·7	2·6	3·4	3·6	3·8	4·1	4·2	3·9
Direct investment inward/outward	6·3	6·7	7·3	7·6	8·5	8·6	9·3	10·2	11·0	11·9
Loans	19·9	21·2	23·5	25·4	27·6	29·5	31·3	35·1	37·9	41·7
Creditors	9·0	9·4	9·8	10·8	11·3	11·6	12·3	13·6	14·7	15·8
Life funds	9·8	10·8	11·6	12·6	13·6	14·7	16·2	17·5	19·0	20·7
Total	100·5	112·5	128·2	132·6	142·2	149·4	163·1	168·5	180·8	190·0
Net worth	60·8	64·0	67·9	74·5	81·0	97·0	103·2	115·4	129·2	138·0