

Compendium

# Chapter 04: Financial Corporations



Contact:  
Emma Howley  
[blue.book.coordination@ons.gsi.gov.uk](mailto:blue.book.coordination@ons.gsi.gov.uk)

Release date:  
30 October 2015

Next release:  
To be announced

## Table of contents

1. [Financial Corporations](#)
2. [Tables](#)
3. [Background notes](#)

# 1 . Financial Corporations

Financial corporations sector (S.12) consists of institutional units which are independent legal entities and market producers, and whose principal activity is the production of financial services. Such institutional units comprise all corporations and quasi-corporations which are principally engaged in:

(a) financial intermediation (financial intermediaries) and/or

(b) auxiliary financial activities (financial auxiliaries)

Also included are institutional units providing financial services, where most of either their assets or their liabilities are not transacted on open markets.

Financial intermediation is the activity in which an institutional unit acquires financial assets and incurs liabilities on its own account by engaging in financial transactions on the market. The assets and liabilities of financial intermediaries are transformed or repackaged in relation to, for example, maturity, scale, risk, etc. in the financial intermediation process.

Auxiliary financial activities are activities related to financial intermediation but which do not involve financial intermediation themselves.

Financial corporations are presented in the following groupings:

- Monetary financial institutions (MFI)
- Financial corporations except MFI and ICPF
- Insurance corporations and pension funds (ICPFs)

Further information on sector classifications and classification decisions can be found in [National Accounts Classification](#) on our website.

## 2 . Tables

[Chapter 4 - Financial Corporations \(553 Kb Excel sheet\)](#)

## 3. Background notes

1. We would welcome your feedback on this publication. If you would like to get in touch please contact us via email: [blue.book.coordination@ons.gsi.gov.uk](mailto:blue.book.coordination@ons.gsi.gov.uk)
2. As part of our user consultation, we are conducting a [Blue Book survey](#). The aim of the survey is to find out:
  - how you use our statistics
  - your understanding of the data published

- your views on the quality of the publication

Your responses will help us improve some of our most important products. We will analyse the responses and publish a summary of the results over the forthcoming months.

The survey will take about 10 minutes to complete and will close on 04 December 2015. All answers will remain anonymous. Our [confidentiality statement](#) has further details.

3. This release includes data available up to 2014. Data are consistent with [Index of Production](#), published on 07 October 2015, the current price trade in goods data within UK Trade, published on 09 October 2015 and [Balance of Payments](#), [Quarterly National Accounts](#) and [United Kingdom Economic Accounts](#), published on 30 September 2015.
4. In line with the [National Statistics Quality Review \(NSQR\): Review of National Accounts and Balance of Payments](#), we have published a [response to National Statistics Quality Review \(NSQR\) Series \(2\) Report No. 2: Review of National Accounts and Balance of Payments](#) on our website.
5. On 13 July 2015 users of national accounts were invited to respond to an informal consultation on the national accounts medium-term work plan, which lays out a proposed set of priorities for the next 3 years. This consultation closed on 25 September 2015. It followed a previous work plan for national accounts and related outputs following the consultation held in 2013.

We will publish the final report, National Accounts Medium-Term Workplan, on our website by the end of November 2015.

6. We maintain a [Special Events Calendar](#). Special events are events that are identifiable; they do not recur on a regular cycle (so are not targeted by seasonal adjustment) and have the potential to have an impact on statistics. As explained in our [Special Events policy](#), it is not possible to separate the effects of special events from other changes in the series.
7. The UK Statistics Authority published [2 new assessment reports on the Annual and Quarterly National Accounts and Supply and Use Tables and Input-Output Tables](#) on 25 February 2015. These are available on the UK Statistics Authority website.
8. In order to implement improvements reflected in the European System of Accounts 2010 (ESA 2010), we will introduce a new survey to collect purchases data, and have published an [article detailing our intentions](#), along with a [high level project plan](#).
9. We regularly publish National Accounts [methodological information and articles](#) to provide more detailed information on developments within the national accounts. This includes supplementary analyses of data to help with the interpretation of statistics and guidance on the methodology used to produce the national accounts.
10. The UK national accounts are produced under internationally agreed guidance and rules set out principally in the [European System of Accounts \(ESA 2010\)](#) and the accompanying [Manual on Government Deficit and Debt- Implementation of ESA 2010 – 2014 edition \(MGDD\)](#).
11. In the UK, we are responsible for the application and interpretation of these rules. Therefore we make [National Accounts classification decisions](#) based upon the agreed guidance and rules.
12. We publish a monthly [Economic Review](#), giving economic commentary on the latest GDP estimate and our other economic releases. The next article will be published on 3 November 2015.
13. Common misinterpretations of this series:
  - expectations of accuracy and reliability in early estimates are often too high
  - revisions are an inevitable consequence of the trade-off between timeliness and accuracy
  - early estimates are based on incomplete data

Very few statistical revisions arise as a result of “errors” in the popular sense of the word. All estimates, by definition, are subject to statistical “error”. In this context the word refers to the uncertainty inherent in any

process or calculation that uses sampling, estimation or modelling. Most revisions reflect either the adoption of new statistical techniques or the incorporation of new information which allows the statistical error of previous estimates to be reduced. Only rarely are there avoidable “errors”, such as human or system failures, and such mistakes are made clear when they do occur.

14. Estimates for the most recent quarters are provisional and are subject to revision in the light of updated source information.
15. Our revisions to economic statistics brings together our work on revisions analysis, linking to articles, revisions policies and documentation from the Statistics Commission's report on revisions.
16. Latest copies of our releases and [Publications](#) are on our website.
17. Details of the policy governing the release of new data are available from the [media relations office](#).
18. We are committed to ensuring all information provided is kept strictly confidential and will only be used for statistical purposes. Further details regarding confidentiality can be found in the respondent charters for [businesses](#) and [households](#), on our website.
19. You can follow us on [Twitter](#) and [Facebook](#).
20. National Statistics are produced to high professional standards set out in the [UK Statistics Authority's Code of Practice for Official Statistics](#). They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.
21. You may use or re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence v3.0. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/>; or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This document/publication is also available on [our website](#).

Any enquiries regarding this document/publication should be sent to us at

Office for National Statistics, Government Buildings, Cardiff Road, Newport NP10 8XG

22. Details of the policy governing the release of new data are available by visiting [www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html](http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html) or from the Media Relations Office email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.