

Issue no.: 12, Databases.

AEG recommendations:

- (1) databases holding data with a useful life of more than one year are fixed assets
- (2) the value of the software component of databases, the DBMS, would normally be recorded elsewhere as a software asset
- (3) the remaining value of the database should only include the costs involved in converting data from one medium/format to that required by the DBMS, including the application costs (adapting the software for a particular application, setting up the structure of the database, loading metadata, etc.), but should exclude the costs of acquiring the data themselves
- (4) no maintenance is entailed with databases and all updating costs should be recorded as capital formation
- (5) the value of databases should be estimated using a sum-of-costs approach, in the absence of a more satisfactory alternative. The value of databases for sale includes the value of the information content.

View of Statistics Denmark: (A (agreement), FC (needs further consideration) ,NA (non-agreement))

- (1) Agreement.
- (2) Agreement.
- (3) Agreement.
- (4) Disagreement.
- (5) Agreement.

Comments from Statistics Denmark:

Regarding recommendation (4): The split of costs between investment and maintenance should follow the general rules. No special rules should apply for databases. Further, one can not in advance rule out that maintenance cost could be associated with databases. The recommendation should be replaced with a new recommendation saying the split between maintenance and investment should follow the general rules. GFCF should include the cost of creation of new databases and major improvements/extensions of existing databases. Keeping the content of a database up to date is often necessary to preserve its value and the cost of such maintenance should not be included in GFCF.