

Reference: T7/2/1

TREASURY CIRCULAR NO 5/2014

THE PREMIER

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT
THE MINISTER OF COMMUNITY SAFETY
THE MINISTER OF CULTURAL AFFAIRS AND SPORT
THE MINISTER OF EDUCATION
THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM
THE MINISTER OF HEALTH
THE MINISTER OF HUMAN SETTLEMENTS
THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
THE MINISTER OF SOCIAL DEVELOPMENT
THE MINISTER OF TRANSPORT AND PUBLIC WORKS

THE SPEAKER: PROVINCIAL PARLIAMENT
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

} For information

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (MR B GERBER)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R HINDLEY)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KC HOUSEHAM)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)
THE ACCOUNTING OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR T MGULI)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR P VAN ZYL)
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR J FOURIE)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS)
THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (DR H FAST)

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THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
THE CHIEF FINANCIAL OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR F DE WET)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR T GILDENHUYS)
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)
THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MS B SEWLALL-SINGH)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)
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THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT (MR Z HOOSAIN)
THE HEAD: PUBLIC POLICY SERVICES (MR H MALILA)(PROTEM)
THE HEAD: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)
THE HEAD: LOCAL GOVERNMENT PUBLIC FINANCE (MR F SABAP) (ACTING)

THE HEAD: ASSET MANAGEMENT (MR IG SMITH)
 THE HEAD: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)
 THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS T EVANS)
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 THE SENIOR MANAGER: INFRASTRUCTURE (MS. JD GANTANA)
 THE SENIOR MANAGER: LOCAL GOVERNMENT ACCOUNTING (MS N OLIPHANT)
 THE SENIOR MANAGER: LOCAL GOVERNMENT BUDGET OFFICE (MR ML BOOYSEN)
 THE SENIOR MANAGER: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR F SABBAT)
 THE SENIOR MANAGER: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGAB)
 THE SENIOR MANAGER: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN) (ACTING)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS M KORSTEN)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
 THE SENIOR MANAGER: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS A SMIT)
 THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA)

PURPOSE

1. To inform Accounting Officers (AOs) and Chief Financial Officers (CFOs) of departments of the changes made to the SCOA as issued by National Treasury.

SCOA CLASSIFICATION CIRCULAR 6

2. This circular provides for the changes made to SCOA that are applicable to the 2013/2014 financial year and beyond.
3. Infrastructure codes for Own accounts transactions have been amended and restricted to Own Account Contractors items as a measure to avoid inconsistencies.

SCOA CLASSIFICATION CIRCULAR 7

4. This circular provides for the changes made to SCOA that are applicable from the 2014/2015 financial year and beyond.
5. SCOA changes were made on the item, asset and infrastructure segments that need to be noted.
6. The following amendments require special attention in the Item segment, under Good and Services:
 - a) Assets<R5000: The item Assets less than R5000 has been renamed to Capital Assets less than R5000.

- b) Operating Leases: The item was split into two items: Infrastructure and Non-Infrastructure.
- c) Property Payments: Fumigation services and pest control (duplication of items) were amended into one item.
- d) Minor Assets<R5000: The Minor Assets less than R5000 category has been renamed to Capital Assets less than R5000. This renaming was done to align the item to the modified cash standard.

REQUIRED

- 7. Departments to take cognisance of the content of the SCOA classification Circulars 6 and 7.
- 8. Kindly direct all queries in this regard via the PT Helpme helpdesk.
- 9. Your co-operation in this regard will be highly appreciated.



SENIOR MANAGER: PROVINCIAL GOVERNMENT ACCOUNTING SERVICES AND COMPLIANCE

DATE: 14/03/2014



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR 6

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA)

1. The purpose of this circular is to inform all government financial practitioners of the changes made to the Standard Chart of Accounts (SCOA) version 13.14.03 to 13.14.04.
2. Reasons for the amendments to the SCOA are provided along with an illustration of the impact thereon. Departments should note that this circular discusses changes made to the Infrastructure segments of the chart of accounts. Changes will mainly affect "Own Accounts" departments.
3. Items shown in **red** indicate that the item have been removed/deleted, **blue** indicates that the item have been changed/re-named, while **green** implies that a new item have been created/added.

INFRASTRUCTURE SEGMENT

Infrastructure assets

4. Infrastructure codes for Own accounts transactions have been amended and restricted to Own Account Contractors items. Currently the items can be used with all the Own Account items in the Item segments and this lead to the inconsistencies. Limiting the use of Contractors means that the departments will not have access to the other Own account items; therefore an additional code has been created in order for departments to have access to the other Own Account items.
5. The change mainly enforces the correct use of Own Account Contractors in the item segment to the correct Own Account Infrastructure in the Infrastructure segment using the systems (BAS) category links. The current category links allows for possible misclassification of Own Account Contractors and property payments item (relating to New construction, Maintenance and Repairs, Upgrades and Additions as well as Refurbishments and Rehabilitations) to be done against the different Infrastructure segment (both Existing Infrastructure and Non-Infrastructure classification).
6. Included are examples of inconsistencies (from Vulindlela data) that have been caused by the lack of the strict rules. In order for us to ensure that the rules are enforceable we either had to duplicate the items for all the categories involved (like we had done for Outsourced contractors), and this was not a feasible option as it would have rendered the chart too long to manage. This meant we would have one item for Mnt&Rep, Upg&Add, Refrb&Rehab and New construction.

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA) Circular 6 Issued 10 January 2014

Illustration of inconsistencies from Vulindlela data

Infrastructure_Level_5	Assets_Level_2	Item_Level_4	Item_Lowest_Level
EX INFR:MAINT&REP: OWN ACCOUNT	BUILD & OTHER FIXED STRUCTURES	CONTRACTORS	OWN:CONTRCTRS:NEW BLDNG&CONSTRUCT
EX INFR:MAINT&REP: OWN ACCOUNT	MACHINERY & EQUIPMENT	CONTRACTORS	OWN:CONTRCTRS:UPG&ADD OT INF A
EX INFR:REFURB&REHAB:OWN ACCOUNT	NON-ASSETS RELATED	CONTRACTORS	OWN:CONTRCTRS:NEW BLDNG&CONSTRUCT
EX INFR:REFURB&REHAB:OWN ACCOUNT	BUILD & OTHER FIXED STRUCTURES	CONTRACTORS	OWN:CONTRCTRS:MNT&REP N-INF ASS
EX INFR:REFURB&REHAB:OWN ACCOUNT	BUILD & OTHER FIXED STRUCTURES	CONTRACTORS	OWN:CONTRCTRS:UPG&ADD OT INF A
EX INFR:REFURB&REHAB:OWN ACCOUNT	BUILD & OTHER FIXED STRUCTURES	CONTRACTORS	OWN:CONTRCTRS:NEW BLDNG&CONSTRUCT
EX INFR:UPGRADE&ADD: OWN ACCOUNT	BUILD & OTHER FIXED STRUCTURES	CONTRACTORS	OWN:CONTRCTRS:MNT&REP OT INF A
	BUILD & OTHER FIXED STRUCTURES	CONTRACTORS	
CONSTRUCTION - OWN ACCOUNT	NON-ASSETS RELATED	CONTRACTORS	OWN:CONTRCTRS:MNT&REP N-INF ASS
CONSTRUCTION - OWN ACCOUNT	NON-ASSETS RELATED	CONTRACTORS	OWN:CONTRCTRS:MNT&REP OT INF A

7. The changes are necessary in order to tighten the rules on the own account items and to ensure the correct capturing and reporting of the final economic classification using the Infrastructure segment.

Illustration of items amended on the chart

1	2	3	4	5	SEGMENT DETAIL NO	P/NP LEVEL
					1	N
					4	N
					17	N
					18	N
					30	Y
					31	Y
					110	Y
					19	N
					32	Y
					33	Y
					111	Y
					20	N
					34	Y
					35	Y
					112	Y
					21	N
					22	N
					36	Y
					37	Y
					38	Y
					113	Y

PUBLICATION AND CONTACT DETAILS

1. Please contact the SCOA project team via the SCOA call centre at (012) 315 5311, or by sending a concise mail to scoa@treasury.gov.za if further clarity or discussion is required regarding the changes highlighted above.
2. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za/>

Regards,

SCOA Technical Committee

Date: 10 January 2014



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA) VERSION 4

PURPOSE

1. The purpose of this circular is to inform all government financial practitioners of the changes made to the SCOA for the 2014/15 financial year.

DISCUSSION

2. Changes to the chart will be discussed according to each of the segments. Please note where applicable in a segment, all terminology has been aligned to the changes introduced and implemented 1 April 2013.
3. Departments are also requested to ensure that all the necessary PERSAL and BAS links will be updated to the structure where proposed changes have been recommended in the segments of the chart, i.e. amended Fund segment for Earmarked and Specific funds, Programmes and Subprogrammes in the Objective segment and the newly introduced Infrastructure segments which has been introduced specifically for reporting purposes (Economic Reporting Format).
4. Reasons for the amendments to the SCOA are provided along with an illustration of the impact thereof.
5. The introduction of the new Infrastructure segment necessitates continuous effort to adjust the chart to accommodate the new segment. Such adjustments affect other segments. The Infrastructure segment is the most affected by the adjustment, as it needs to be aligned with the Item segment to eliminate misclassifications.

FUND SEGMENT

6. This segment has been aligned to the published Appropriation and Division of Revenue Bills for 2014.

OBJECTIVE SEGMENT

7. Programme structures of national and provincial departments were updated and aligned to the budget statements of departments as tabled in Parliament and the Legislatures.

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

8. Where a programme and subprogramme name changed, the entire programme and its subprogrammes were recreated in the financial system. Departments must activate the entire new structure and re-link the codes to the various transversal systems for interfaces.

RESPONSIBILITY SEGMENT

9. This segment is non-standardised; therefore departments need to amend the structure according to their needs in terms of the requirements of their organisational structure.
10. Therefore no changes were made by the National Treasury to this segment of the chart.

ITEM SEGMENT

PAYMENTS

Compensation of Employees

11. No changes were made to this category of payments items in the chart

Goods and Services

Assets <R5000

12. The item Assets less than R5000 has been renamed to Capital Assets less than R5000. The change is in line with Modified Cash Standard which refers to capital asset as non-current tangible or intangible assets of a department that are expected to be used or held by that department for longer than one year. Thus the definition includes both capital assets below the capitalisation threshold ¹(Minor capital assets) and capital assets above the capitalisation threshold (Major capital assets).

Table 1.1: Extract of the current items from the chart

3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
		GOODS AND SERVICES	64	N	3
		ASSETS <R5000	343	N	4
		BUILDINGS AND OTHER FIXED STRUCTURES	1089	N	5
		BIOLOGICAL ASSET <R5000	1090	N	5
		HERITAGE ASSET <R5000	1091	N	5
		MACHINERY AND EQUIPMENT <R5000	1092	N	5
		TRANSPORT ASSETS <R5000	1093	N	5
		SOFTW AND INTANGIBLE ASSETS <R5000	1094	N	5
		SPECIALISED MILITRY ASSETS <R5000	1095	N	5

¹ Currently set at R5000 per individual item.

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

Table 1.2: Highlight of the amended item from the chart

3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
		GOODS AND SERVICES	64	N	3
		CAPITAL ASSETS <R5000	343	N	4
		BUILDINGS AND OTHER FIXED STRUCTURES	1089	N	5
		BIOLOGICAL ASSET<R5000	1090	N	5
		HERITAGE ASSET<R5000	1091	N	5
		MACHINERY AND EQUIPMENT<R5000	1092	N	5
		TRANSPORT ASSETS<R5000	1093	N	5
		SOFTW AND INTANGIBLE ASSETS<R5000	1094	N	5
		SPECIALISED MILITRY ASSETS<R5000	1095	N	5

Consumable Household Supplies: Linen, Crockery and Cutlery

13. A split has been introduced in the CONS HOUS SUP:LINEN,CROCKERY&CUTLERY item. Two new separate items have been created for Linen and Crockery and Cutlery. Soft Furnishing has been included with Linen into one expenditure line item.
14. The deleted consumable items are highlighted in red in Table 2.1 below. These items are replaced by the green highlighted non-posting level items in Table 2.2.

Table 2.1: Extract of the deleted items from the chart

3	4	5	6	7	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
		GOODS AND SERVICES			64	N	3
		CONS SUPPLIES			331	N	4
		CONS:HOUSEHOLD SUPP			891	N	5
		CONS HOUS SUP:LIN,CRCKRY&CUTLRY			2286	N	6
		CONS HOUS SUP:LIN,CRCKRY&CUTLRY			3430	Y	7
		OWN:CON HOUS SUP:LIN,CRCKRY&CUTL			3431	Y	7

Table 2.2: Introduction of new items in the chart

3	4	5	6	7	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
		GOODS AND SERVICES			64	N	3
		CONS SUPPLIES			331	N	4
		CONS:HOUSEHOLD SUPP			891	N	5
		CONS LINEN & SOFT FURNISHINGS			4842	N	6
		CONS LINEN & SOFT FURNISHINGS			4843	Y	7
		OWN:CONS LINEN & SOFT FURNISHINGS			4844	Y	7
		CONS HOUS SUP: CROCKERY & CUTLERY			4845	N	6
		CONS HOUS SUP:CROCKERY & CUTLERY			4846	Y	7
		OWN:CON HOUS SUP:CROCKERY & CUTLERY			4847	Y	7

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

Operating Leases

15. The Operating Lease item has been split into two: Infrastructure and Non-Infrastructure. This split was made to facilitate the appropriate linking and accurate reporting and classification of leased infrastructure and non-infrastructure codes in the Infrastructure segment.
16. Table 3.1 illustrates the deleted posting level operating lease items in the chart. These items are replaced by the green highlighted non-posting level items in Table 3.2.

Table 3.1: Extract of the deleted items from the chart

3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
	GOODS AND SERVICES		64	N	3
	OPERATING LEASES		333	N	4
	OPERATING LEASES		879	Y	5
	OWN:OPERATING LEASES		880	Y	5

Table 3.2: Introduction of new items in the chart

3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
	GOODS AND SERVICES		64	N	3
	OPERATING LEASES		333	N	4
	OPERATING LEASES: INFRSTRCTR		4854	Y	5
	OWN:OPERATING LEASES: INFRSTRCTR		4855	Y	5
	OPERATING LEASES: NON-INFRSTRCTR		4856	Y	5
	OWN:OPERATING LEASES: NON-INFRST		4857	Y	5

Property Payments

17. There was duplication between fumigation services and pest control with the same objective which is to remove pests and plaques under property payments. It was then decided that both items be amended into one item.
18. Table 4.1 illustrates the deleted posting level operating lease items in the chart. The newly amended item is highlighted in blue in Table 4.2 below.

Table 4.1: Extract of the deleted items from the chart

3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
	GOODS AND SERVICES			64	N	3
	PROPERTY PAYMENTS			335	N	4
	P/P:FUMIGATION SERV			867	N	5
	P/P:FUMIGATION SERV			2221	Y	6
	OWN:P/P:FUMIGATION SERV			2222	Y	6
	P/P:PEST CONTROL			871	N	5
	P/P:PEST CONTROL			2213	Y	6
	OWN:P/P:PEST CONTROL			2214	Y	6

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

Table 4.2: Highlight of the amended item from the chart

3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
GOODS AND SERVICES				64	N	3
PROPERTY PAYMENTS				335	N	4
P/P:PEST CNTRL/FUMIGATION SER				871	N	5
P/P:PEST CNTRL/FUMIGATION SER				2213	Y	6
OWN:P/P:PEST CNTRL/FUMIGATI SER				2214	Y	6

Interest and Rent on Land

19. No changes have been made to this section of the chart.

PAYMENTS FOR FINANCIAL ASSETS

20. No changes have been made to this section of the chart.

TRANSFERS AND DSUBSIDIES

21. Transfer payments descriptions have been aligned to the latest list of public entities listed in PFMA schedule 1, 2, 3A, 3B, 3C and 3D as at 15 March 2013. Details of additions, changes and deletions are available from the latest version of the chart.

PURCHASE / CONSTRUCTION CAPITAL ASSETS

22. No changes have been made to this section of the chart.

ASSETS SEGMENT

Minor Assets < R5000

23. The Minor Assets less than R5000 category has been renamed to Capital Assets less than R5000. The change is in line with Modified Cash Standard which refers to capital asset as non-current tangible or intangible assets of a department that are expected to be used or held by that department for longer than one year. Thus the definition includes both capital assets below the capitalisation threshold ²(*Minor capital assets*) and capital assets above the capitalisation threshold (*Major capital assets*).

² Currently set at R5000 per individual item

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

Table 5.1: Extract of the current Minor Asset<R5000 category from the chart

1	2	3	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
	MINOR ASSETS<R5000		4	N	1
	TANGIBLE ASSETS<R5000		12	N	2
	BUILDINGS&OTHER FIXED STRUCTURES		14	N	3
	BIOLOGICAL ASSET<R5000		15	N	3
	HERITAGE ASSET<R5000		16	N	3
	TRANSPORT ASSETS<R5000		17	N	3
	MACHINERY & EQUIPMENT <R5000		18	N	3
	SPECIALISED MILITARY ASS<R5000		19	N	3

Table 5.2: Highlight of the amended item from the chart

1	2	3	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
	CAPITAL ASSETS<R5000		4	N	1
	TANGIBLE ASSETS<R5000		12	N	2
	BUILDINGS&OTHER FIXED STRUCTURES		14	N	3
	BIOLOGICAL ASSET<R5000		15	N	3
	HERITAGE ASSET<R5000		16	N	3
	TRANSPORT ASSETS<R5000		17	N	3
	MACHINERY & EQUIPMENT <R5000		18	N	3
	SPECIALISED MILITARY ASS<R5000		19	N	3

PROJECT SEGMENT

24. This segment is non-standardised; therefore departments need to amend and capture projects according to their requirements.
25. Therefore no changes were made by the National Treasury to this segment of the chart.

INFRASTRUCTURE SEGMENT

Infrastructure Assets

26. Infrastructure codes for Own account Infrastructure related transactions have been amended and restricted to the use of *Own Account Contractors Other Infrastructure Assets* and *Own Account Contractors Property Payments* goods and services items as communicated in Classification Circular 6 and version 13.14.04 of the chart.
27. The implemented changes mainly enforces the correct use of Own Account Contractors codes in the Item segment to the correct Own Account Infrastructure codes in the Infrastructure segment using the accounting systems (BAS) category links. Own Account Infrastructure codes, both for Contractors items as well as for other own account expenditure items is currently created on the same posting level and this makes it impossible to request one report.

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

28. The newly created non-posting level (on level 5) will enable the departments to request one report for own account expenditure which will include both contractors and other own account expenditure items.
29. Table 6.1 illustrates the deleted posting level Own Account Infrastructure codes in the chart. These items are replaced by the green highlighted non-posting level items in Table 6.2.

Table 6.1: Extract of the deleted items from the chart

1	2	3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
					1	N	1
					4	N	2
					17	N	3
					18	N	4
					30	Y	5
					31	Y	5
					110	Y	5
					19	N	4
					32	Y	5
					33	Y	5
					111	Y	5
					20	N	4
					34	Y	5
					35	Y	5
					112	Y	5
					21	N	3
					22	N	4
					36	Y	5
					37	Y	5
					38	Y	5
					113	Y	5

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

Table 6.2: Introduction of new items in the chart

1	2	3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
DEPARTMENTAL EXPENDITURE						1	N	1
INFRASTRUCTURE ASSETS						4	N	2
EXISTING INFRASTRUC ASSETS						17	N	3
MAINTENANCE & REPAIR CURRENT						18	N	4
EX INFR:MNT&REP:OUTSOURCED						30	Y	5
EX INFR:MNT&REP:OWN ACCOUNT						115	N	5
EX INFR:MNT&REP:O/A - CNTRCTRS						116	Y	6
EX INFR:MNT&REP:O/A - OTHER EXP						117	Y	6
UPGRADE & ADDITIONS CAPITAL						19	N	4
EX INFR:UPGRADE&ADD: OUTSOURCED						32	Y	5
EX INFR:UPGRADE&ADD:OWN ACCOUNT						118	N	5
EX INFR:UPGRADE&ADD:O/A CNTRCTRS						119	Y	6
EX INFR:UPGRAD&ADD:O/A OTHER EXP						120	Y	6
REFURB & REHAB CAPITAL						20	N	4
EX INFR:REFB&REHAB: OUTSOURCED						34	Y	5
EX INFR:REFB&REHAB:OWN ACCOUNT						121	N	5
EX INFR:REFB&REHAB:O/A CNTRCTRS						122	Y	6
EX INFR:REFB&REHAB:O/A OTHER EXP						123	Y	6
NEW INFRASTRUC ASSETS						21	N	3
NEW INFRASTRUC ASSETS CAPITAL						22	N	4
CONSTRUCTION - OUTSOURCED						37	Y	5
CONSTRUCTION - OWN ACCOUNT						124	N	5
CONSTRUCTION - O/A CNTRCTRS						125	Y	6
CONSTRUCTION - O/A OTHER EXP						126	Y	6

Non-Infrastructure

30. Similarly to the Infrastructure changes, Non-Infrastructure codes for Own accounts Non-Infrastructure related transactions have been amended and restricted to the use of *Own Account Contractors Non-Infrastructure* goods and services items as communicated in Classification Circular 6 and version 13.14.04 of the chart.
31. Table 7.1 illustrates the deleted posting level Own Account Non-Infrastructure codes in the chart. These items are replaced by the green highlighted non-posting level items in Table 7.2.

Main Adjustments to Standard Chart of Accounts (SCOA) – Circular 7 issued 18 February 2014

Table 7.1: Extract of the deleted items from the chart

1	2	3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
					1	N	1
					72	N	2
					75	N	3
					77	N	4
					96	Y	5
					97	Y	5
					32	Y	5
					78	Y	3
					80	N	4
					101	Y	5
					102	Y	5
					81	N	4
					103	Y	5
					85	Y	5

Table 7.2 Introduction of new items in the chart

1	2	3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
						1	N	1
						72	N	2
						75	N	3
						77	N	4
						99	N	5
						127	N	5
						128	Y	6
						129	Y	6
						78	Y	3
						80	N	4
						101	Y	5
						130	N	5
						131	Y	6
						132	Y	6
						81	N	4
						103	Y	5
						133	N	5
						134	Y	6
						135	Y	6

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REGIONAL IDENTIFIER

32. Changes have been made to align the current structure with the latest details from the Municipal Demarcation Board.

Contact information

33. Please contact the SCOA project team via the **SCOA call centre at (012) 315 5311**, or by sending a concise mail to scoa@treasury.gov.za if further clarity or discussion is required regarding the changes highlighted above.
34. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za/>

Regards,

SCOA Technical Committee

Date: 18 February 2014