



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR 14

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 Standard Chart of Accounts (SCOA) version 4 16.17.01 (hereinafter referred to as the chart). The chart changes will be implemented from 01 April 2016.

DISCUSSION

2. Changes to the chart are discussed according to each segment of the chart. Please note that where applicable in each segment of the chart, all terminologies have been aligned to the changes introduced in the chart.
3. Changes to the Fund, Objective and Regional Identifier segment will be captured and updated as soon as the budget process (Estimates of National Expenditure – ENE and the Estimates of Provincial Revenue and Expenditure – EPRE) has been finalised. The chart will all the changes will be published 31 March 2016
4. Reasons for the amendments of the chart are provided along with illustrations of the impact on the respective segments. Whereas items shown in **red** indicate that they have been **removed/deleted**, **blue** indicates that they have been **changed/re-named**, and **green** implies that a new item has been **created/added** in the chart.
5. As indicated in the prelim of this circular, all changes communicated herein will only be implemented from the 1st April 2016. Therefore, departments are strongly advised not to load budgets on the items to be **removed/deleted**, as these items will not be available for transactional purposes on 01 April 2016 thenceforth. Name changes will however not affect the loading of budgets on items as item codes will not change and will continue to be used post 01 April 2016.
6. Newly added items have been captured on BAS already, with effective date from 01 April 2016. In the meantime, departments can use the items to load budgets; however the item will only be available for transactional use from 01 April 2016.

ITEM SEGMENT

GOODS AND SERVICES

Changes to *Inventory Medicine Supplies* and *Inventory Medicine* has been updated and aligned to the request by the Health Sector. All the definitions have been provided for by the sector.

INVENTORY: MEDICAL SUPPLIES

Inventory: Intravenous Feeds

The item *Inventory Intravenous Feeds* will be removed as it is included under the new item *Inventory Medicine: Large Volume Parenteral*

Inventory: In Vitro Diagnostic Test Strips

A new item *Inventory: In Vitro Diagnostic Test Strips* has been added for purchases of all in vitro diagnostic test strips used for blood or urine.

Table 1.1: Chart illustration

3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL
				64	N
			GOODS AND SERVICES		
			INV:MEDICAL SUPPLIES	327	N
			INV MED:INTRAVENOUS FEEDS	927	N
			INV MED:INTRAVENOUS FEEDS	2367	Y
			OWN:INV MED:INTRAVENOUS FEEDS	2368	Y

Table 1.2 Chart changes illustration

3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL
				64	N
			GOODS AND SERVICES		
			INV:MEDICAL SUPPLIES	327	N
			INV MED:INTRAVENOUS FEEDS	927	N
			INV MED:INTRAVENOUS FEEDS	2367	Y
			OWN:INV MED:INTRAVENOUS FEEDS	2368	Y
			INV MED:IN VITRO DIAG TST STRPS	5004	N
			INV MED:IN VITRO DIAG TST STRPS	5005	Y
			OWN:INV M:IN VITRO DIAG TST STR	5006	Y

INV: MEDICINE

Inventory Medicine: Antiretroviral Drugs

The item *Inventory Medicine: Antiretroviral Drugs* has been renamed to *Inventory Medicine: Antiretroviral Medicine*.

Inventory Medicine: Medicine Other

The item *Inventory Medicine: Medicine Other* has been renamed to *Inventory Medicine: Other Medicine*.

Inventory Medicine: Oral Contraceptives

The item *Inventory Medicine: Oral Contraceptives* has been renamed to *Inventory Medicine: Contraceptives*.

Inventory Medicine: Tablets, Capsules & Lozenges

The item *Inventory Medicine: Tablets, Capsules & Lozenges* has been removed as it has become obsolete.

Inventory Medicine: Anti-Tuberculosis Medicines

A new item *Inventory Medicine: Anti-Tuberculosis Medicines* has been added for all medicines on the HP01 contracts and any other off-contract purchases of items directly linked to treating TB.

Inventory Medicine: Large Volume Parenteral

A new item *Inventory Medicine: Large Volume Parenteral* has been added for all items on HP11, including TPN and any related off-contract purchases.

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Table 2.1: Chart illustration

3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL
	GOODS AND SERVICES			64	N
	INV: MEDICINE			328	N
		INV MEDI:ANTIRETROVIRAL DRUGS		913	N
		INV MEDI:ANTIRETROVIRAL DRUG		2315	Y
		OWN:INV MEDI:ANTIRETROVIRAL DRUG		2316	Y
		INV MEDI:MEDICINE OTHER		915	N
		INV MEDI:MEDICINE OTHER		2323	Y
		OWN:INV MEDI:MEDICINE OTHER		2324	Y
		INV MEDI:ORAL CONTRACEPTIVES		917	N
		INV MEDI:ORAL CONTRACEPTIVES		2323	Y
		OWN:INV MEDI:ORAL CONTRACEPTIVES		2324	Y
		INV MEDI:TABLTS,CAPSLS&LOZENGs		918	N
		INV MEDI:TABS,CAPSLS&LOZENGs		2325	Y
		OWN:INV MEDI:TABS,CAPSLS&LOZENGs		2326	Y

Table 2.2 Chart changes illustration

3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL
	GOODS AND SERVICES			64	N
	INV: MEDICINE			328	N
		INV MEDI:ANTIRETROVIRAL MEDICINE		913	N
		INV MEDI:ANTIRETROVIRAL MEDICINE		2315	Y
		OWN:INV MEDI:ANTIRETROVIRAL MEDICINE		2316	Y
		INV MEDI:OTHER MEDICINE		915	N
		INV MEDI:OTHER MEDICINE		2319	Y
		OWN:INV MEDI:OTHER MEDICINE		2320	Y
		INV MEDI:CONTRACEPTIVES		917	N
		INV MEDI:CONTRACEPTIVES		2323	Y
		OWN:INV MEDI:CONTRACEPTIVES		2324	Y
		INV MEDI:TABLTS,CAPSLS&LOZENGs		918	N
		INV MEDI:TABS,CAPSLS&LOZENGs		2325	Y
		OWN:INV MEDI:TABS,CAPSLS&LOZENGs		2326	Y
		INV MEDI:ANTI-TB MEDICINES		4998	N
		INV MEDI:ANTI-TB MEDICINES		4999	Y
		OWN:INV MEDI:ANTI-TB MEDICINES		5000	Y
		INV MEDI:LARGE VOL PARENTERALS		5001	N
		INV MEDI:LARGE VOL PARENTERALS		5002	Y
		OWN:INV MEDI:LARGE VOL PARENTRLS		5003	Y

PROJECT SEGMENT

7. The Project segment has been standardised according to budget allocations to enforce appropriate reporting and monitoring of infrastructure projects during the financial year. The list of project items will be sourced from the infrastructure sheet tabled during the Estimates of National Expenditure (ENE) budget process for national departments and the B4/B5 infrastructure list tabled during the Estimates of Provincial Revenue and Expenditure (EPRE) budget process for provincial departments.
8. The project list for National departments has been created according to the three project size as categorized on the ENE. The reason for following this principle was to avoid duplication between the project segment and the other segments as the names of the project in some instances cut across the different segments, for example, the infrastructure, asset or objective segments. Categories of the project size are as follows:
 - *Mega projects* (total project cost of at least R1 billion over the project life cycle),
 - *Large projects* (total project cost of at least R250 million but less than R1 billion over the project life cycle) , or
 - *Small projects* (total project cost of less than R250 million over the project life cycle).
9. The project list for Provincial departments has been created according to the departments or sector. The reason for following this principle was to avoid duplication between the project segment and the other segments as the names of the project in some instances cut across the different segments, for example, the infrastructure, asset or objective segments. The structure on a high level has been captured as follows:
 - *Agriculture and Rural Development*
 - *Coop Governance and Traditional Affairs*
 - *Economic Development and Tourism*
 - *Education*
 - *Health*
 - *Public Works*
 - *Social Development*
 - *Sport and Culture*
 - *Transport (Roads)*
10. The project segment has been standardised to level 5 for both National and Provincial project list. Departments are allowed to capture additional infrastructure project details from level 6. Non-infrastructure project list can be added from level 3 (*DEPARTMENTAL SPECIFIC PROJ LIST – BAS Code 9*), please refer to the extract of the chart as per the annexures.
11. Changes to the Project list will be implemented **01 April 2016**, however departments will be allowed to keep the current “status quo” on projects list that they have captured for continuity and proper reporting and monitoring of already captured projects. The Committee strongly recommends that the new projects be created under the newly created structure.
12. Departments are encouraged to refer to the published chart of accounts for the new Project segment structures. Extracts of the charts have been included for illustration purposes (please refer to the annexures).

Changes to Standard Chart Of Accounts (SCOA) 2016/17 – Circular 14 Issued 09 February 2016

Contact information

13. 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.
14. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za/>

Regards,

SCOA Technical Committee

Date: 11 February 2016

Annexure A

Extract of the project list for National Departments (for a full list please refer to the excel version).

1	2	3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	BREAKDOWN ALLOWED
	PROJECTS				1	N	N
	PROJECT				3	N	Y
	DEPARTMENTAL SPECIFIC PROJ LIST				9	N	Y
	ENE/EPRE PROJECT LIST				10	N	N
	NATIONAL DEPARTMENT				11	N	N
	AGRICULTURE, FORESTRY & FISHERIES				125	N	N
	LARGE PROJECTS(COST 250M < 1BIL)				134	N	Y
	SMALL PROJECTS(COST LESS 250MIL)				135	N	Y
	ARTS AND CULTURE				126	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				176	N	Y
	LARGE PROJECTS(COST 250M < 1BIL)				177	N	Y
	SMALL PROJECTS(COST LESS 250MIL)				178	N	Y
	BASIC EDUCATION				127	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				179	N	Y
	PPP				180	N	Y
	COOP GOVERNANCE & TRADITION AFF				128	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				181	N	Y
	CORRECTIONAL SERVICES				129	N	N
	LARGE PROJECTS(COST 250M < 1BIL)				182	N	Y
	SMALL PROJECTS(COST LESS 250MIL)				183	N	Y
	PPP				184	N	Y
	DEFENCE AND MILITARY VETERANS				130	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				185	N	Y
	LARGE PROJECTS(COST 250M < 1BIL)				186	N	Y
	SMALL PROJECTS(COST LESS 250MIL)				187	N	Y
	ENERGY				131	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				188	N	Y
	LARGE PROJECTS(COST 250M < 1BIL)				156	N	Y
	ENVIRONMENTAL AFFAIRS				132	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				157	N	Y
	LARGE PROJECTS(COST 250M < 1BIL)				158	N	Y
	SMALL PROJECTS(COST LESS 250MIL)				159	N	Y
	PPP				160	N	Y
	HEALTH				133	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				161	N	Y
	LARGE PROJECTS(COST 250M < 1BIL)				162	N	Y
	SMALL PROJECTS(COST LESS 250MIL)				163	N	Y
	HIGHER EDUCATION AND TRAINING				105	N	N
	MEGA PROJECTS(COST AT LST 1BIL)				164	N	Y
	HOME AFFAIRS				106	N	N
	SMALL PROJECTS(COST LESS 250MIL)				165	N	Y

Annexure B

Extract of the project list for Provincial Departments (for a full list please refer to the excel version).

1	2	3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	BREAKDOWN ALLOWED
	PROJECTS				1	N	N
	PROJECT				3	N	Y
	DEPARTMENTAL SPECIFIC PROJ LIST				9	N	Y
	ENE/EPRE PROJECT LIST				10	N	N
	PROVINCIAL DEPTS - SECTOR				12	N	N
	AGRICULTURE & RURAL DEVELOPMENT				189	N	N
	ACCESS ROAD				303	N	Y
	ANIMAL HOUSING FACILITY				304	N	Y
	BOREHOLE				305	N	Y
	COOP GOVERNANCE&TRADITIONAL AFF				190	N	N
	ASBESTOS PIPES				311	N	Y
	BOREHOLES				312	N	Y
	DISASTER CENTRE				313	N	Y
	ECONOMIC DEVELOPMENT AND TOURISM				191	N	N
	CHALETS				317	N	Y
	FENCING				318	N	Y
	NATURE RESERVE				319	N	Y
	EDUCATION				192	N	Y
	ABLUTION FACILITIES				284	N	Y
	BUILDING MAINTENANCE				285	N	Y
	ELECTRICITY				286	N	Y
	HEALTH				193	N	N
	ACCOMMODATION				263	N	Y
	AMBULANCE/EMS STATION				264	N	Y
	BUILDING MAINTENANCE				265	N	Y
	PUBLIC WORKS				194	N	N
	ACCESS CONTROL				237	N	Y
	CARE FACILITY				238	N	Y
	COMMUNITY HALL				239	N	Y
	SOCIAL DEVELOPMENT				195	N	N
	CHILD JUSTICE CENTRE				230	N	Y
	DAY CARE CENTRE				231	N	Y
	MULTI PURPOSE CENTRE				232	N	Y
	SPORT AND CULTURE				196	N	N
	ARTS AND CULTURE CENTRE				229	N	Y
	LIBRARY AND ARCHIVES CENTRES				223	N	Y
	MULTI PURPOSE CENTRES				224	N	Y
	TRANSPORT (ROADS)				197	N	N
	ACCES ROAD				209	N	Y
	BETTERMENT AND GRAVELLING				210	N	Y
	BLACKTOP ROAD				211	N	Y