



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR 26

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA) VERSION 5

1. The purpose of this circular is to inform all government financial practitioners of the changes made to the Standard Chart of Accounts (SCOA).
2. Changes to the chart are discussed according to each segment of the chart. Reasons for amendments to the chart are provided along with an illustration of the impact thereof. Please refer to chart version 5 19.20.03 for detailed changes implemented.
3. Departments should note that this circular only focuses on ITEM and ASSET segments. Items shown in **red** indicate that they have been deleted/ removed; **blue** indicates that they have been changed/re-named, and **green** implies that a new item has been created/added in the chart.
4. Departments are requested to ensure that where necessary the PERSAL and BAS links are updated.

FUND SEGMENT

5. Changes to the Fund Segment have been aligned to the published Adjusted Appropriation Bill and Adjusted Division of Revenue Bills for 2019 and distributed to the relevant departments. Please refer to chart version 19.20.03 in this regard.

OBJECTIVE SEGMENT

6. No changes were made to this category of payments.

RESPONSIBILITY SEGMENT

7. 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.

ITEM SEGMENT

PAYMENTS

COMPENSATION OF EMPLOYEES

8. No changes were made to this category of payments.

GOODS AND SERVICES

Administrative fees: Accreditation fees

9. A new item has been added to this category of payments for *Accreditation Fees*. The item is used to provide for a fee payable for accreditation process to ensure that certification practices are acceptable.

Figure 1. Illustration of new item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
				PAYMENTS	5	N
				PAYMENTS	26	N
				GOODS AND SERVICES	652	N
				ADMINISTRATIVE FEES: PAYMENTS	4840	Y
				ACCREDITATION FEES		

10. The item *Property Payments: Electricity Compliance Certificate* has been renamed to *Property Payments: Compliance Certificate*. This is to provide for payments to a licensed authority for the inspection and issuing of any building related compliance certificates including but not limited to electricity certificates and occupational health certificates.

Figure 2. Current chart Illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
				PAYMENTS	5	N
				PAYMENTS	26	N
				GOODS AND SERVICES	615	N
				PROPERTY PAYMENTS	1018	Y
				P/P:ELECTRCTY Cmpliance Cert		

Figure 3. Illustration of the amended item on the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
				PAYMENTS	5	N
				PAYMENTS	26	N
				GOODS AND SERVICES	615	N
				PROPERTY PAYMENTS	1018	Y
				P/P:COMPLIANCE CERTIFICATE		

Travel and subsistence

11. *This item has been addressed before, however, this is just to remind users of the chart of this change.* The item *Travel and Subsistence: Domestic kilometer allowance for SMS (BAS code 969)* has been removed with effect from 1 April 2019 to align SCOA to PERSAL requirements. PERSAL received instruction from DPSA that the 500 km rule no longer exists. Also, there is no requirement in the AFS to report on KM for SMS separately from other employees.

The departments should use *Travel and Subsistence: Domestic Kilometer Allowance (Own Transport)* (BAS code 968) for all qualifying officials. The relevant Persal allowance codes have been aligned to link to the SCOA code 968. Persal allowance codes 267, 397,417, 469,470, and 515 are all linked to SCOA Code 968.

Figure 4. Chart Illustration of item removed on the chart

1	2	3	4	5	6	7	SEGMENT DETAIL NO	POST LEV
	PAYMENTS						1	N
		PAYMENTS					2	N
			GOODS AND SERVICES				26	N
				TRAVEL AND SUBSISTENCE			617	N
					T&S DOMESTIC		691	N
						T&S:DOM:TRANSPORT	723	N
						T&S DOM:KM ALL (OWN TRANSPORT)	968	Y
						T&S DOM:KM ALL (SMS)	969	Y

Minor assets: Machinery and equipment

12. The item code under Minor Assets category for *Air, Gas, Light And Temperature Measuring and Analysis Equipment* has been renamed to provide for all types of measuring and analysis equipment. This item may include but is not limited to equipment to measure or analyses any aspect of air, gas, light, weight or temperature, distance, power, energy, voltage, current, resistance, capacitance, inductance, air flow, fluid flow, humidity, luminance, sound level, pressure, humidity and combustion products.

Figure 6. Current chart Illustration

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					1	N
		PAYMENTS				5	N
			GOODS AND SERVICES			26	N
				MINOR ASSETS		654	N
					MACHINERY & EQUIPMENT<R5000	700	N
					EQP<R5000: AIR,GAS,LGT,TEM M&A EQ	3898	Y

Figure 7. Illustration of the amended item on the chart

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					1	N
		PAYMENTS				5	N
			GOODS AND SERVICES			26	N
				MINOR ASSETS		654	N
					MACHINERY & EQUIPMENT<R5000	700	N
					EQP<R5000: MEASURING & ANALYSIS EQUIPMENT	3898	Y

TRANSFERS AND SUBSIDIES

PROVINCIAL AND LOCAL GOVERNMENTS

13. No changes were made to this category of payments

TRANSFERS AND SUBSIDIES: MUNICIPALITIES

14. No changes were made to this category of payments

DEPARTMENTAL AGENCIES AND ACCOUNTS

15. No changes were made to this category of payments

HIGHER EDUCATION INSTITUTIONS

16. No changes were made to this category of payments

FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

17. No changes were made to this category of payments

PUBLIC CORPORATIONS AND PRIVATE ENTERPRISE

18. Transfer payments' descriptions have been aligned to details as approved in the ENE and EPRE on transfers and subsidies to public and private organisations.

NON-PROFIT INSTITUTIONS (NPI)

19. Transfer payments' descriptions have been aligned to details as approved in the ENE and EPRE on transfers and subsidies to non-profit institutions.

HOUSEHOLDS (HH)

20. The following items added to the chart of accounts were based on annexure B of the DPSA circular on early retirement without penalization of pension benefits in terms of section 16(6) of the public service act, 1994. (For detail please refer to SCOA Notice 1 of 19/20).

Figure 8. Illustration of new item additions on the chart

1	2	3	4	5	6	7	SEGMENT DETAIL NO	PST LEVEL
							1	N
							6	N
							34	N
							629	N
							2123	Y
							2124	Y
							666	N
							2125	Y
							2126	Y
							2127	N
							4934	N
							4935	Y
							4936	Y
							4937	Y
							4938	Y
							4939	Y
							4940	Y

PURCHASE / CONSTRUCTION OF CAPITAL ASSETS

Incinerator

21. A new item has been added to this category of payments to provide an incinerator. An incinerator is a huge burner with a chimney that is used to dispose medical waste through burning process. It is used together with either electricity or diesel. Medical waste includes items such as dead animals and/or carcasses that were sent for a post mortem to detect for example rabies.

Figure 9. Chart Illustration of new item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
				PUR/CONST CAPITAL ASSETS	7	N
				MACHINERY AND EQUIPMENT	36	N
				OTHER MACHINERY & EQUIPMENT	602	N
				INCINERATOR	4820	Y

Air, Gas, Light and Temperature Measuring and Analysis Equipment

22. The item code under payments for capital assets for Air, Gas, Light and Temperature Measuring and Analysis Equipment, has been renamed to provide for all types of measuring, and analysis equipment. This item may include but is not limited to equipment to measure or analyses any aspect of air, gas, light, weight or temperature, distance, power, energy, voltage, current, resistance, capacitance, inductance, air flow, fluid flow, humidity, luminance, sound level, pressure, humidity and combustion products.

Figure 10. Current chart illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
				PUR/CONST CAPITAL ASSETS	7	N
				MACHINERY AND EQUIPMENT	36	N
				OTHER MACHINERY & EQUIPMENT	602	N
				AIR, GAS, LIGHT&TEMP M&A EQUIPMENT	3911	Y

Figure 11. Illustration of the amended item on the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
				PUR/CONST CAPITAL ASSETS	7	N
				MACHINERY AND EQUIPMENT	36	N
				OTHER MACHINERY & EQUIPMENT	602	N
				MEASURING & ANALYSIS EQUIPMENT	3911	Y

New Other Fixed Structure: Contractor: Casual Labour

23. A new item for *New Other Fixed Structure: Contractor: Casual Labour* has been added to this category of payments to provide payments to casual labourers involved in various projects related to the construction of new fixed infrastructure assets

Figure 12. Illustration of new item added to the chart

1	2	3	4	5	6	7	8	9	10	SEGMENT NUMBER	POST LEVEL
PAYMENTS										1	N
PUR/CONST CAPITAL ASSETS										7	N
BUILDINGS & OTHER FIX STRUCT										35	N
OTHER FIXED STRUCTURES										600	N
NEW OTHER FIXED STRUCTURES										676	N
CONSTRUCTN:NEW OTHER FIX STRUCT										735	N
NEW OTH FIX STR:OTH CONTRACTOR										4872	N
NEW OTH FIX STR:CON:CASUAL LABOR										4873	Y

RECEIPTS

Sales capital assets

Audio visual equipment

24. A new item has been added under Sales: Machinery and Equipment category to provide for allocation of revenue generated from the sales of audio-visual equipment.

Figure 13. Illustration of new item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
RECEIPTS					2	N
SALES: CAPITAL ASSETS					23	N
SALES: MACHINERY AND EQUIPMENT					4120	N
SALES: OTHER MACHINRY & EQUIPMENT					4121	N
SALES: AUDIO VISUAL EQUIPMENT					4827	Y

Construction and maintenance equipment

25. A new item under Sales: Machinery and Equipment category has been added to provide for allocation of revenue generated from the sales of construction and maintenance equipment.

Figure 14. Illustration of new item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
RECEIPTS					2	N
SALES: CAPITAL ASSETS					23	N
SALES: MACHINERY & EQUIPMENT					4120	N
SALES: OTHER MACHINRY & EQUIPMENT					4121	N
SALES: CONSTRUCTION & MAINT EQUIP					4826	Y

ASSETS, LIABILITIES & EQUITY

26. No changes were made to this category of assets, liabilities and equity.

ASSETS SEGMENT

Buildings and other fixed structures: Residential buildings

27. The items under Hostels and Residence/personnel/officials previously cater for KZN province only. The pre-fix has been removed so that it could be used by all hostels and residential buildings.

Figure 15. Current chart illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	ASSET RELATED				1	N
	BUILD & OTHER FIXED STRUCTURES				3	N
	RESIDENTIAL BUILDINGS				24	N
	HOSTELS				154	N
	KZN AGRICULTURE HOSTELS				749	Y
	RESIDENCE(PERSONNEL/OFFICIALS)				146	N
	KZN AGRICULTURE RESIDENCE				753	Y

Figure 16. Illustration of the amended item on the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	ASSET RELATED				1	N
	BUILD & OTHER FIXED STRUCTURES				3	N
	RESIDENTIAL BUILDINGS				24	N
	HOSTELS				154	N
	AGRICULTURE HOSTELS				749	Y
	RESIDENCE(PERSONNEL/OFFICIALS)				146	N
	AGRICULTURE RESIDENCE				753	Y

Buildings and other fixed structures: Non-Residential buildings

28. Previously provision was only made for KZN Agriculture libraries under the category *Non-Residential Buildings*. The pre-fix KZN has been removed to allow for other Agriculture libraries as well.

Figure 17. Current illustration of asset

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
						1	N
						3	N
						25	N
						135	N
						777	N
						778	Y
						779	Y

Figure 18: Illustration of the amended item on the chart

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
						1	N
						3	N
						25	N
						135	N
						777	N
						778	Y
						779	Y

Machinery and equipment

Incinerator

29. A new asset has been added for incinerators under machinery and equipment, to align with the payments for capital assets on the item segment. An incinerator is a huge burner with a chimney that is used to dispose medical waste through burning. It is used together with either electricity or diesel. Medical waste includes items such as dead animals and/or carcasses that were sent for a post mortem to detect for example rabies.

Figure 19. Illustration of new item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
					4	N
					27	N
					942	N
					943	Y

Air, Gas, Light, Temperature, and Measuring and Analysis Equipment

30. The asset code for *Air, Gas, Light, Temperature, And Measuring and Analysis Equipment* has been renamed to measuring and analysis equipment. This may include but is not limited to equipment to measure or analyses any aspect of air, gas, light, weight or temperature, distance, power, energy, voltage, current, resistance, capacitance, inductance, air flow, fluid flow, humidity, luminance, sound level, pressure, humidity, combustion products.

Figure 20. Current chart illustration.

1	2	3	4	5	SEGMENT DETAIL NO	POSTLE V
					1	N
					4	N
					27	N
					913	N
					914	Y

Figure 21. Illustration of the amended item on the chart.

1	2	3	4	5	SEGMENT DETAIL NO	POSTLE V
					1	N
					4	N
					27	N
					913	N
					914	Y

Office equipment

31. New assets have been added under *Office Equipment* to provide for hand held devices such as scanners and also for processing kits, such as fixed readers.

Figure 22. Illustration of new item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
					1	N
					4	N
					27	N
					266	N
					944	Y
					945	Y

Farming / agriculture equipment

32. New assets have been added under Farming/Agriculture equipment to provide for: a) a portable animal handling facility; b) a spray raise handling facility to be used when dipping animals; c) fish tunnels; d) a maize drier and maize thresher; and d) a hammermill.

Figure 23. Illustration of new item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
ASSET RELATED					1	N
MACHINERY & EQUIPMENT					4	N
OTHER MACHINERY & EQUIPMENT					27	N
FARM/AGRICULTURE EQUIPMENT					78	N
HAMMERMIL					947	Y
MAIZE DRIER					948	Y
MAIZE THRESHER					949	Y
PORTABLE ANIMAL HANDLING FACILITY					950	Y
SPRAY DIP HANDLING FACILITY					951	Y

REGIONAL SEGMENT

33. A name change has been made to the municipal name.

Figure 24. Current name on the chart

1	2	3	4	5	6	7	SEGMENT NUMBER	POST LEVEL
REGIONAL IDENTIFIER							1	N
REGION:PROVINCIAL							2	N
KWAZULU-NATAL							9	N
KZN:MUNICIPALITIES							27	N
UTHUNGULU MUNICIPALITIES							78	N
DC28 UTHUNGULU DIST MUNICIPAL							250	N

Figure 25. Illustration of the amended item on the chart

1	2	3	4	5	6	7	SEGMENT NUMBER	POST LEVEL
REGIONAL IDENTIFIER							1	N
REGION:PROVINCIAL							2	N
KWAZULU-NATAL							9	N
KZN:MUNICIPALITIES							27	N
UTHUNGULU MUNICIPALITIES							78	N
DC28 KING CETSHWAYO DIST MUN							250	N

Contact information

Standard Chart of Accounts (SCOA) Version 5 19.20.03 – Classification Circular 26

34. Please contact the SCOA project team via the **SCOA call center 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.
35. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za/>

Regards,

SCOA Technical Committee

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