



## national treasury

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

### CLASSIFICATION CIRCULAR 27

#### 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 19.20.04 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 all transversal system links are updated.

#### ITEM SEGMENT

##### PAYMENTS

##### COMPENSATION OF EMPLOYEES

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

##### GOODS AND SERVICES

##### MACHINERY AND EQUIPMENT LESS THAN R5000

6. A new item ***Equipment less than R5000: Pest Control Equipment*** been added to the goods and services payment category.

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Table 27.1 Chart amendments illustration

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					7	N
		PAYMENTS				35	N
			GOODS AND SERVICES			600	N
				MINOR ASSETS		654	N
					MACHINERY & EQUIPMENT<R5000	700	N
					<b>EQP&lt;R5000:PEST CONTROL EQUIPMENT</b>	<b>5169</b>	<b>Y</b>

**COMPUTER SERVICES**

7. A new item **SITA Cloud space** been added to the goods and services payment category.

Table 27.2 Chart additions illustration

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					7	N
		PAYMENTS				35	N
			GOODS AND SERVICES			600	N
				COMPUTER SERVICES		657	N
					SITA COMPUTER SERVICES	705	N
					<b>SITA CLOUD SPACE</b>	<b>5217</b>	<b>Y</b>

**INVENTORY OTHER SUPPLIES**

8. A new item **Inventory Material and Supplies: Disposable Testing Material** been added to the goods and services payment category.

Table 27.3 Chart additions illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV	
	PAYMENTS				7	N	
		PAYMENTS			35	N	
			GOODS AND SERVICES		600	N	
				INV:MATERIALS & SUPPLIES	647	N	
					<b>INV MAT&amp;SUP:DISPOSBL TESTING MAT</b>	<b>5134</b>	<b>Y</b>

9. A new item **Inventory Material and Supplies: Household: Brooms and Brushes** been added to the goods and services payment category.

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Table 27.4 Chart additions illustration

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					7	N
		PAYMENTS				35	N
			GOODS AND SERVICES			600	N
				INV:OTHER SUPPLIES		651	N
					INV MAT&SUP:HOUSEHOLD SUPPLIES	684	N
					<b>INV MAT&amp;SUP:HH:BROOM&amp;BRUSH</b>	<b>5218</b>	<b>Y</b>

**CONSUMABLE SUPPLIES**

10. The item **Consumable Supplies: Uniform and Clothing** has been amended to include purchases of consumable protective clothing.

Table 27.5 Current chart illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV	
	PAYMENTS				7	N	
		PAYMENTS			35	N	
			GOODS AND SERVICES		600	N	
				CONS SUPPLIES	612	N	
					<b>CONS SUPP:UNIFORM &amp; CLOTHING</b>	<b>1050</b>	<b>Y</b>

Table 27.6 Amended chart illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV	
	PAYMENTS				7	N	
		PAYMENTS			35	N	
			GOODS AND SERVICES		600	N	
				CONS SUPPLIES	612	N	
					<b>CONS SUPP:UNI/PROT CLTH&amp;CLOTHES</b>	<b>1050</b>	<b>Y</b>

11. A new item **Consumable Supplies: Medical supplies** has been added to the goods and services payment category.

Table 27.7 Chart additions illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV	
	PAYMENTS				7	N	
		PAYMENTS			35	N	
			GOODS AND SERVICES		600	N	
				CONS SUPPLIES	612	N	
					<b>CONS SUPP:MEDICAL SUPPLIES</b>	<b>5168</b>	<b>Y</b>

**TRANSFERS AND SUBSIDIES**

12. Items classified under Transfers and Subsidies have been aligned with the Adjusted Estimates of National Expenditure (AENE) and the Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE) for 2019.
13. Departments are requested to complete a new item addition form and ***provide detailed motivation*** for requesting transfers and subsidies line items to be added to the chart of accounts. Requests should be in line with classification circular 21 issued by the SCOA Technical Committee, a copy of the circular is available on the SCOA website.

**PROVINCIAL AND LOCAL GOVERNMENTS**

**MUNICIPAL BANK ACCOUNTS**

14. A new item ***Municipal Bank Account: Atmospheric Emission License*** has been added to the provincial and local governments payment category.

*Table 27.8 Chart additions illustration*

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					7	N
	TRANSFERS AND SUBSIDIES					6	N
	PROVINCIAL AND LOCAL GOVERNMENTS					28	N
	TRNSF&SUB:MUNICIPALITIES					624	N
	MUNICIPAL BANK ACCOUNTS					658	N
						<b>5135</b>	<b>Y</b>

**DEPARTMENTAL AGENCIES AND ACCOUNTS**

15. Transfer payments' descriptions have been aligned to the latest list of public entities listed in PFMA schedule 1, 2, 3A, 3B, 3C and 3D. Please refer to chart version 5 9.20.04 for detailed changes implemented.

**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 AENE and AEPRE on transfers and subsidies to public and private organisations. Detailed posting levels have been added

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as requested by individual departments. Break-down allowed has since been discontinued (please refer to classification circular 17 and 21 published on the SCOA website), however it was decided that details will be added on behalf of the departments.

19. Please refer to chart version 5 9.20.04 for detailed changes implemented.

**NON PROFIT INSTITUTIONS (NPI)**

20. Transfer payments' descriptions have been aligned to details as approved in the AENE and AEPRE on transfers and subsidies to non-profit institutions. Detailed posting levels have been added as requested by individual departments. Break-down allowed has since been discontinued (please refer to classification circular 17 and 21 published on the SCOA website), however it was decided that details will be added on behalf of the departments.

21. Please refer to chart version 5 9.20.04 for detailed changes implemented.

**HOUSEHOLDS (HH)**

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

**PURCHASE / CONSTRUCTION OF CAPITAL ASSETS**

**OTHER MACHINERY AND EQUIPMENT**

23. A new item **Pest Control Equipment** has been added to the purchase of capital assets payment category.

*Table 27.9 Chart additions illustration*

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	PAYMENTS				7	N
		PUR/CONST CAPITAL ASSETS			7	N
			MACHINERY AND EQUIPMENT		36	N
				OTHER MACHINERY & EQUIPMENT	602	N
				<b>PEST CONTROL EQUIPMENT</b>	<b>5216</b>	<b>Y</b>

**RECEIPTS**

**SALES OF OTHER MACHINERY AND EQUIPMENT**

24. A new item **Sales: Advertising boards** has been added to the receipts category.

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Table 27.10 Chart additions illustration

1	2	3	4	5	6	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:FURNITURE&OFFICE EQUIPMENT		4141	N
					SALES:ADVERTISING BOARDS	5138	Y

25. A new item **Sales: Photographic Equipment** has been added to the receipts category.

Table 27.11 Chart additions illustration

1	2	3	4	5	6	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:PHOTOGRAPHIC EQUIPMENT		5026	N
					SALES:PHOTOGRAPHIC EQUIPMENT	5027	Y

26. A new item **Sales: Survey Equipment** has been added to the receipts category.

Table 27.12 Chart additions illustration

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:SURVEY EQUIPMENT	5028	Y

27. A new item **Sales: Telecommunications Equipment** has been added to the receipts category.

Table 27.13 Chart additions illustration

1	2	3	4	5	6	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:TELECOMMUNICATION EQUIP		5140	N
					SALES:TELECOM EQUIPM - EQUIPMENT	5141	Y

28. A new item **Sales: Workshop Equipment and Tools** been added to the receipts category.

Table 27.14 Chart additions illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
RECEIPTS					2	N
	SALES:CAPITAL ASSETS				23	N
		SALES:TRANSPORT EQUIPMENT			4126	N
			SALES:WORKSHOP EQUIPMENT & TOOLS		5034	Y

**SALES OF TRANSPORT EQUIPMENT**

29. A new item **Sales: Busses** has been added to the receipts category.

Table 27.15 Chart additions illustration

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
RECEIPTS					2	N
	SALES:CAPITAL ASSETS				23	N
		SALES:MACHINERY & EQUIPMENT			4120	N
			SALES:TRANSPORT EQUIPMENT		4126	N
				SALES:BUSSES	5142	Y

**TRANSFERS RECEIVED: DEPARTMENTAL AGENCY AND ACCOUNTS**

30. A new item **Transfers Received: National Heritage Council of South Africa** has been added to the receipts category.

Table 27.16 Chart additions illustration

1	2	3	4	SEGMENT DETAIL NO	POST LEV
RECEIPTS				2	N
	TRANSFERS RECEIVED			575	N
		TRNSF REC:DEPT AGENCY&ACCOUNTS		2756	N
			NATIONAL HERITAGE COUNCIL SA	5167	Y

**ASSETS, LIABILITIES & EQUITY**

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

**ASSETS SEGMENT**

**OTHER MACHINERY AND EQUIPMENT**

32. A new item **Pest Control Equipment** been added to the machinery and equipment category of the assets segment.

Table 27.18 Chart additions illustration

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1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	ASSET RELATED				1	N
		MACHINERY & EQUIPMENT			4	N
			OTHER MACHINERY & EQUIPMENT		27	N
				PEST CONTROL EQUIPMENT	952	N
				<b>PEST CONTROL EQUIPMENT</b>	<b>953</b>	<b>Y</b>

**TRANSPORT EQUIPMENT**

33. The spelling for **Busses** has been captured correctly.

*Table 27.19 Current chart illustration*

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	ASSET RELATED				1	N
		MACHINERY & EQUIPMENT			4	N
			TRANSPORT EQUIPMENT		28	N
				BUSES	74	N
				<b>BUSES</b>	<b>201</b>	<b>Y</b>

*Table 27.20 Amended chart illustration*

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	ASSET RELATED				1	N
		MACHINERY & EQUIPMENT			4	N
			TRANSPORT EQUIPMENT		28	N
				BUSSES	74	N
				<b>BUSSES</b>	<b>201</b>	<b>Y</b>

**Contact information**

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](mailto: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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Date: 1 April 2020