



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR 35

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA)

1. The purpose of this circular is to inform government departments' financial practitioners of the changes made to the SCOA COR 5 in the first quarter of the 2021/22 financial year.
2. Changes to the chart are discussed according to the affected segments 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 21.22.02 for detailed changes implemented.
3. Items shown in **red** indicate that they have been deleted/ removed; **blue** indicates that they have been changed/renamed, 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.

ITEM SEGMENT

PAYMENTS

GOODS AND SERVICES

LEGAL COST PRIVATE FIRM: CONVEYANCING SERVICES

5. A new item has been added under Legal services for conveyancing services payable to private legal firms.

Figure 1. Chart Illustration of item added to the chart

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					7	N
		PAYMENTS				35	N
			GOODS AND SERVICES			600	N
				LEGAL SERVICES		635	N
					L/CST:PRIVATE FIRMS SERV	709	N
					L/PVT FIRM:CONVEYANCING SERV	5535	Y

INVENTORY ASSETS FOR DISTRIBUTION: SOFTWARE AND INTANGIBLE ASSETS

6. A new item has been added under inventory assets for distributions: software and intangible assets. This item should be used for purchases of software and intangible assets by departments for distribution as part of their service delivery mandate. Such purchases should be classified as inventory only if they meet the definition of inventory in line with the Modified Cash Standards.

Figure 2. Chart Illustration of item added to the chart

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:ASSTS FOR DSTR	682	N
					INV ASSTS DSTR:SOFTWARE&INT ASS	5536	Y

INVENTORY ASSETS FOR DISTRIBUTION: MUNICIPAL DUSTBINS

7. The item Inventory assets for distribution: municipal dustbins has been amended to include purchase of skips.

Figure 3. Current chart 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:ASSTS FOR DSTR	682	N
					INV ASSTS DSTR:MUN DUSTBINS	1074	Y

Figure 4. Amended chart 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:ASSTS FOR DSTR	682	N
					INV ASSTS DSTR:MUN DUSTBIN&SKIPS	1074	Y

TRANSFERS AND SUBSIDIES

- 8. Specific details of transfers and subsidies in the SCOA have been added. These will not be individually listed in this classification circular as they are department-specific.
- 9. Newly added items have been created under various categories of Transfers for Payments for cash payments to different sectors that were impacted by COVID-19 pandemic. COVID-19 outbreak has since been declared a global pandemic by the World Health Organisations (WHO) and classified as a national disaster, in terms of the Disaster Management Act, 2002. Excluded in these items is COVID-19 social relief of distress payments paid by SASSA.

DEPT AGENCY: COVID-19 RELIEF

Figure 5. Chart Illustration of item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	PAYMENTS				7	N
	TRANSFERS AND SUBSIDIES				6	N
	DEPARTMENTAL AGENCIES & ACCOUNTS				29	N
	TRNSF&SUB:DEPARTMENTAL AGENCIES				62	N
				DEPT AGENCY:COVID-19 RELIEF	5527	Y

HIGH EDUCAT INSTITUTIONS: COVID-19 RELIEF

Figure 6. Chart Illustration of item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	PAYMENTS				7	N
	TRANSFERS AND SUBSIDIES				6	N
	HIGHER EDUCATION INSTITUTIONS				30	N
				HIGH EDUCAT INST COVID-19 RELIEF	5528	Y

OTHER PUBLIC CORPORATIONS: COVID-19 RELIEF

Figure 7. Chart Illustration of item added to the chart

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					7	N
	TRANSFERS AND SUBSIDIES					6	N
	PUBLIC CORPORATIONS&PRIV ENT					32	N
	TRNSF&SUB:PUBLIC CORPORATIONS:PC					627	N
	P/C:OTH TRNSF PUB CORPORATIONS					663	N
					OTH PUB CORP COVID-19 RELIEF	5529	Y

PRIVATE ENTERPRISES: COVID-19 RELIEF

Figure 8. Chart Illustration of item added to the chart

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
	PAYMENTS					7	N
	TRANSFERS AND SUBSIDIES					6	N
	PUBLIC CORPORATIONS&PRIV ENT					32	N
	TRNSF&SUB:PRIVATE ENTERPRISES					628	N
	T/F:OTHER TRNSF PVT ENTERPRISES					665	N
	PVT ENT COVID-19 RELIEF					5530	Y

NON-PROFIT INSTITUTIONS: COVID-19 RELIEF

Figure 9. Chart Illustration of item added to the chart

1	2	3	4	SEGMENT DETAIL NO	POST LEV
	PAYMENTS			7	N
	TRANSFERS AND SUBSIDIES			6	N
	NON PROFIT INSTITUTIONS (NPI)			33	N
	NPI:COVID-19 RELIEF			5531	Y

HOUSEHOLDS: COVID-19 RELIEF

Figure 10. Chart Illustration of item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV
	PAYMENTS				7	N
	TRANSFERS AND SUBSIDIES				6	N
	HOUSEHOLDS (HH)				34	N
	H/H:OTHER TRANSFERS(CASH)				634	
	HH:COVID-19 RELIEF				5532	Y

FUND SEGMENT

10. Changes were made in consultation with the affected department. Please refer to the excel version of the chart for details relating to the latest changes.

INFRASTRUCTURE SEGMENT

NON INFRASTRUCTURE/STANDALONE: ASSETS FOR DISTRIBUTION - SOFTWARE AND INTANGIBLE ASSETS

11. A new infrastructure code has been added. This code is linked to the newly created item: inventory assets for distribution: software and intangible assets.

Figure 11. Chart Illustration of item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POST LEV	
EXPENDITURE					1	N	
NON INFRASTRUCTURE					8	N	
NON INFRASTRUCTURE: CURRENT					9	N	
NON INFRASTRUCTURE: CURRENT					26	N	
					N/I S/A CUR:INV ASS DST SOF&INT A	129	Y

REGIONAL SEGMENT

EC443 MBIZANA

12. The name change of the local municipality is in terms of paragraph 5 of part 3 in the provincial gazette no. 687 (extraordinary) dated 2 December 2000 issued in terms of section 12 of the local government: municipal structures act, (act no. 117 of 1998).

Figure 12. Current chart illustration

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV
REGIONAL IDENTIFIER						2	N
REGION:PROVINCIAL						5	N
EASTERN CAPE						6	N
EC: MUNICIPALITIES						21	N
ALFRED NZO MUNICIPALITIES						89	N
EC443 MBIZANA						359	N

Figure 13. Amended chart illustration

1	2	3	4	5	6	SEGMENT DETAIL NO	POST LEV	
REGIONAL IDENTIFIER						2	N	
REGION:PROVINCIAL						5	N	
EASTERN CAPE						6	N	
EC: MUNICIPALITIES						21	N	
ALFRED NZO MUNICIPALITIES						89	N	
						EC443 WINNIE MADIKIZELA-MANDELA	359	N

Contact information

13. 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.
14. 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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