



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR 36

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 second quarter of the 2021/22 financial year.
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 21.22.03 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.

FUND SEGMENT

5. No changes were made to the segment.

OBJECTIVE SEGMENT

6. No changes were made to the segment.

RESPONSIBILITY SEGMENT

7. No changes were made to the segment.

INFRASTRUCTURE SEGMENT

8. No changes were made to the segment

ITEM SEGMENT

COMPENSATION OF EMPLOYEES

9. A new item has been added for use by National Treasury only. This item is used to allocate contributions made by the department towards employees' pension and provident fund benefits while the employee is still in service of the Department. "The Department of Public Service and Administration ("DPSA") Circular 1 of 2012 provided SMS employees admitted to the Government Employees Pension Fund ("GEPF") a once-off choice to increase the pensionable salary component of the all-inclusive Total Cost to Company ("TCTC") remuneration package from 60% to 70% of TCTC with effect from 1 April 2012. The employer is liable for this additional liability in terms of Section 17(4) of the Government Employees Pension Law."

Figure 1. Chart Illustration of item added to the chart

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	POSTING LEVEL
								1	N
	PAYMENTS							5	N
		COMPENSATION OF EMPLOYEES						25	N
			SOCIAL CONTRIBUTIONS					56	N
				SOCIAL CONTRIBUTIONS RESIDENTS				57	N
					SOC CONTRIB: SERV BENEFITS(RES)			58	N
						EMPLOYER CONTRIBUTIONS(RES)		59	N
								5602	Y

GOODS AND SERVICES

10. The item "Cellular Routers" has been changed to "Signal Coverage Device" to provide for all internet/Wi-Fi routers, modems and boosters and not only those related to cellular phones. The item caters for such devices, costing less than R5000.

Figure 2. Chart Illustration of item before amendments

1	2	3	4	5	6	SEGMENT DETAIL NO	POSTING LEVEL
						1	N
	PAYMENTS					5	N
		GOODS AND SERVICES				26	N
			MINOR ASSETS			654	N
				MACHINERY & EQUIPMENT <R5000		700	N
						1238	Y

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Figure 3. Chart Illustration of the item after amendments

1	2	3	4	5	6	SEGMENT DETAIL NO	POSTING LEVEL
	PAYMENTS					1	N
		PAYMENTS				5	N
			GOODS AND SERVICES			26	N
				MINOR ASSETS		654	N
					MACHINERY & EQUIPMENT <R5000	700	N
					EQUIP<R5000: SIGNAL COVERAGE DEVICE	1238	Y

TRANSFERS AND SUBSIDIES

11. Details of transfers and subsidies in the SCOA have been aligned to details in the approved ENE and EPRE on transfers and subsidies. These are not individually listed in this classification circular as they are department-specific.

PURCHASE / CONSTRUCTION OF CAPITAL ASSETS

12. The item “Cellular Routers” has been changed to Signal Coverage Device, to provide for all internet/Wi-Fi routers, modems and boosters and not only those related to cellular phones. The item caters for purchase of such assets, costing more than R5000.

Figure 4. Chart Illustration of item before amendments

1	2	3	4	5	SEGMENT DETAIL NO	POSTING LEVEL
	PAYMENTS				1	N
		PUR/CONST CAPITAL ASSETS			7	N
			MACHINERY AND EQUIPMENT		36	N
			OTHER MACHINERY & EQUIPMENT		60	N
				CELLULAR ROUTERS	1659	Y

Figure 5. Chart Illustration of the item after amendments

1	2	3	4	5	SEGMENT DETAIL NO	POSTING LEVEL
	PAYMENTS				1	N
		PUR/CONST CAPITAL ASSETS			7	N
			MACHINERY AND EQUIPMENT		36	N
			OTHER MACHINERY & EQUIPMENT		60	N
				SIGNAL COVERAGE DEVICES	1659	Y

RECEIPTS

13. A new item has been added under Sales of Capital assets for collection of money received from the sale of medical and allied equipment. Medical and allied equipment includes items such as diagnostic equipment (imaging: - ultrasound, MRI, CT scanners, x-ray), therapeutic equipment (infusion pumps, medical lasers, Lasik surgical machines), life support (ventilators, heart-lung, ECMO and dialysis), monitors (ECG, EEG, blood pressure and dissolved gases in the blood), diagnostic medical equipment (control of diabetes mellitus). Also included are wheelchairs, hospital beds, side tables, medicine trolleys and other medical furniture and equipment.

Figure 6. Chart Illustration of item added to the chart

1	2	3	4	5	SEGMENT DETAIL NO	POSTING LEVEL
	RECEIPTS				2	N
	SALES:CAPITAL ASSETS				23	N
	SALES:MACHINERY & EQUIPMENT				4120	N
	SALES:OTHER MACHINRY & EQUIPMENT				4121	N
	SALES:ASS DEV, MED&ALLIED EQUIP				5601	Y

ASSETS, LIABILITIES & EQUITY

14. No changes were made to the Assets, Liabilities and Equity category in the item segment.

ASSETS SEGMENT

15. The asset “Cellular Routers” has been changed to Signal Coverage Devices, to provide for all internet/Wi-Fi routers, modems and boosters and not only those related to cellular phones.

Figure 7. Chart Illustration of asset before amendments

1	2	3	4	5	SEGMENT DETAIL NO	POSTING LEVEL
	ASSET RELATED				1	Y
	MACHINERY & EQUIPMENT				4	Y
	OTHER MACHINERY & EQUIPMENT				27	Y
	CELLULAR ROUTERS				110	N
	CELLULAR ROUTERS				285	Y

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Figure 8. Chart Illustration of asset after amendments

1	2	3	4	5	SEGMENT DETAIL NO	POSTING LEVEL
	ASSET RELATED				1	Y
		MACHINERY & EQUIPMENT			4	Y
			OTHER MACHINERY & EQUIPMENT		27	Y
				SIGNAL COVERAGE DEVICES	110	N
				SIGNAL COVERAGE DEVICES	285	Y

REGIONAL SEGMENT

16. No changes were made to the segment.

Contact information

17. 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.

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

Regards,

SCOA Technical Committee

Date: 30 September 2021