



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR 12

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA)

PURPOSE

1. The purpose of this circular is to inform all government financial practitioners of the changes made to the SCOA with effect from 1 April 2012 of the 2012/2013 financial year.
2. Reasons for the amendments to the SCOA chart are provided along with an illustration of the impact on the respective segments. Items shown in **pink** indicate that the item have been removed/deleted, **orange** indicates that the item have been changed/re-named, while **turquoise** implies that a new item have been created/added.

CHART DESIGN

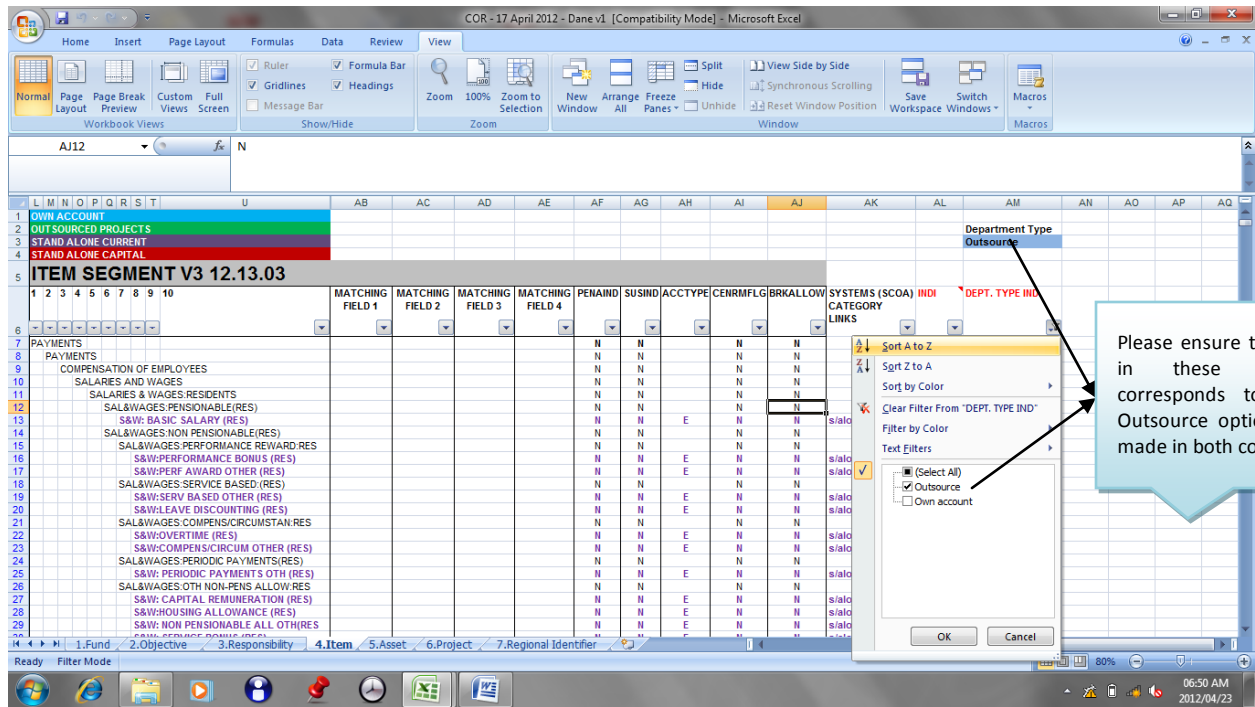
3. The current Chart design makes provision for two types of Departments, namely Stand-alone/Outsourced Departments and Own Account departments. The use of the Own Account chart will be limited to those departments that are involved in Own Account capital construction, upgrades and additions, refurbishment and rehabilitation and maintenance and repairs of Assets. This effectively meant that two types of Chart were designed and maintained continuously.
4. The two previous versions of the published chart were based on the Stand-alone/Outsourced Departments; however going forward only one version of the chart will be maintained and published for use of departments. Departments need to ensure that they select the correct chart in the provided drop-down column **Department Type** (Column AM3) and **Dept. Type Ind** (Column AM6).

Departments using only stand-alone or outsourced items

Departments using the stand-alone or outsourced chart of accounts have to select **Department Type: Outsource** (Column AM3) and must ensure that they select only **Outsource for the Dept. Type Ind** (Column AM6). This selection will ensure that Departments will only be able to view items only relevant to the stand-alone or outsourced departments.

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An illustration of the stand-alone or outsourced chart of accounts



Departments using only own account items

Departments using the stand-alone or outsourced chart of accounts have to select **Department Type: Own Account** (Column AM3) and must ensure that they select only **Own Account for the Dept. Type Ind** (Column AM6). This selection will ensure that Departments will only be able to view items only relevant to the own account departments.

An illustration of the own account chart of accounts

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The screenshot shows an Excel spreadsheet with the following columns: CHARACTER COUNT, SOWO, POST LEV, LEVEL, APPIND, MFIND, MATCHING FIELD 1, MATCHING FIELD 2, MATCHING FIELD 3, MATCHING FIELD 4, PENAIND, SUSIND, ACCTYPE, CENRIFLG, BRKALLOW, SYSTEMS (SCOA) CATEGORY LINKS, and DEPT. TYPE IND. A dropdown menu is open for 'Department Type' with 'Own account' selected. A callout box points to the dropdown with the text: 'Please ensure that the selection in these two columns corresponds to one another. Own account option must be made in both columns.'

FUND SEGMENT

- Donor Funds have been added to the chart using the donor projects names as posting level for capturing. The Donor project name is agreed upon between the departments and the donors when signing the documents for the use of funds. The duns has been made break-down allowed to in order to allow departments to create the relevant posting levels applicable to their own departments.

OBJECTIVE SEGMENT

- Programme structures of national and provincial departments were updated and aligned to the budget statements of departments as tabled in Parliament and the Legislatures.

RESPONSIBILITY SEGMENT

- 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.
- Consequently no changes were made by the National Treasury to this segment of the chart.

ITEM SEGMENT

Compensation of employees

- No changes have been made to this section of the chart.

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Goods and services

Computer Services

SITA Computer Services

10. Additional items were created for Agricultural Debtors System Mainframe Time and for the Exam Mainframe Time. Please refer to the chart for detailed definition of the use of the item.

An illustration of the amended items for SITA Computer Services

2	3	4	5	6	7	8	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
							3291	N	2
							3312	N	3
							3344	N	4
							3547	N	5
							3553	N	6
							6358	N	7
							6359	Y	8
							6364	Y	8
							6361	N	7
							6362	Y	8
							6365	Y	8

Property Payments

Property Payments: Municipal Services

11. Additional items were created under property Payments for Municipal Services (Electricity, Water, Sewerage and Waste Removal). The Committee took a decision not to allow break-down allowed items during the review if the chart for implementation 1 April 2012 due to the negative impact break-down allowed item had on Vulindlela processes.

12. The Committee has therefore created posting level items for Municipal Services in order to replace the item P/P:MUNICIPAL SERV EXCL R&T which was previously a break-down allowed item.

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An illustration of the amended items for Property Payments: Municipal Services

2	3	4	5	6	7	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
PAYMENTS						3291	N	2
GOODS AND SERVICES						3312	N	3
PROPERTY PAYMENTS						3332	N	4
P/P:MUNICIPAL SERVICES						6366	N	5
P/P:WATER						6367	N	6
P/P:WATER						6368	Y	7
PRJ P/P:WATER						6369	Y	7
P/P:ELECTRICITY						6370	N	6
P/P:ELECTRICITY						6371	Y	7
PRJ P/P:ELECTRICITY						6372	Y	7
P/P:SEWERAGE						6373	N	6
P/P:SEWERAGE						6374	Y	7
PRJ P/P:SEWERAGE						6375	Y	7
P/P:WASTE/REFUSE REMOVAL						6376	N	6
P/P:WASTE/REFUSE REMOVAL						6377	Y	7
PRJ P/P:WASTE/REFUSE REMOVAL						6378	Y	7

Receipts

Sale of goods and services non capital assets

Administrative fees: Receipts

Environmental Authorisation fees

13. Provision for revenue items relating to Environmental authorisation application fees, licence fees and fines have been broken down as indicated in the Environmental impact assessment authorisation application fees and the National Environmental Management Act, 1998.

The item is limited for use by the department of Economic Affairs, Environment and Tourism.

1	2	3	4	5	6	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
RECEIPTS						3	N	1
SALES GOODS & SERV NON CAP ASS						167	N	2
SALE GOODS&SERV PRODUCED BY DEPT						261	N	3
ADMINISTRATIVE FEES:RECEIPTS						264	N	4
LICENCES/PERMITS/FEES:RECEIPTS						288	N	5
ENVIRONMENTAL AUTH APPLIC FEES						6379	Y	6
ENVIRONMENTAL AUTH LICENCE FEES						3212	Y	6
FINES, PENALITES AND FORFEITS						169	N	2
FINES						249	N	3
ENVIRONMENTAL UTHORIZATION FINE						6381	Y	4

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Other receipts

Services Rendered: Commission

Services: Commission AARTO

14. A new item has been created for commission received on collection fee of registering authority or driving licenses testing stations centers according to the AARTO regulations.

An illustration of the amended items for Services: Commission AARTO

1	2	3	4	5	6	7	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
	RECEIPTS						3	N	1
	SALES GOODS & SERV NON CAP ASS						167	N	2
	SALE GOODS&SERV PRODUCED BY DEPT						261	N	3
	OTHER SALES: RECEIPTS						265	N	4
	SERVICES RENDERED						266	N	5
	SERV REND:COMMISSION						279	Y	6
						SERV:COMMISSION AARTO	6380	Y	7

Assets, liabilities and net assets

Assets

Non Current assets

15. The item staff debt under the category receivables has been renamed to cater for accounts specifically related to debt owed to the department.

An illustration of the amended items for departmental debt

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL	
	ASSETS, LIABILITIES & EQUITY							5	N	1	
	ASSETS							6	N	2	
	NON CURRENT ASSETS							46	N	3	
	PREPAYMENTS & ADVANCES:NCA							49	N	4	
	PREPAYMNT&ADV:DOMESTIC:NCA							56	N	5	
	PREPAYMENTS:DOM:NCA							61	N	6	
	DEPOSITS:DOM:NCA							62	N	7	
								DEP PROVATE			
								ENTERPRISES:DOM:NCA	6832	Y	8

ASSET SEGMENT

Tangible capital assets

16. No changes have been made to this section of the chart.

REGIONAL IDENTIFIER SEGMENT

17. Changes have been made to align the current structure with the latest details from the Municipal Demarcation Board.

PROJECT SEGMENT

18. No changes have been made to this section of the chart.

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.

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

Regards,

SCOA Technical Committee

Date: 24 April 2012