

CLASSIFICATION CIRCULAR 6

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA)

Purpose

The purpose of this circular is to inform all government financial practitioners of the amendments, and the reasons for amendments, made to the Standard Chart of Accounts (SCOA) versions 0910.9 to 0910.11

PAYMENTS

1. Compensation of employees

No changes have been made to this section.

2. Goods and services

2.1 Assets < R5000

A new item was added for bags. This item caters for all kinds of bags e.g. laptop bags, moon bags, briefcases, etc that are separately procured. Please note that the laptop bag acquired together with the laptop is included as a component of an asset.

| ITEM ADDED | BAS SEGMENT NUMBER |
|---------------------------|---------------------------|
| EQP<R5000: BAGS | 3062 |

TRANSFERS AND SUBSIDIES

3. Provinces and municipalities

No changes have been made to this section.

4. Departmental agencies and accounts.

No changes have been made to this section.

5. Universities and technikons

No changes have been made to this section.

6. Foreign government and international organisations

No changes have been made to this section.

7. Public corporations and private enterprises

The Schedule 3 entity, Mafikeng Industrial Development Zone, was **added** under other transfers to public corporations and private enterprises.

| ITEM ADDED | BAS SEGMENT NUMBER |
|----------------------------------|--------------------|
| MAFIKEN INDUS DEV ZONE (Pty) Ltd | 3060 |

The following item was **added** under other transfers to public corporations and private enterprises. This is government funding to the Forest Sector Charter Council for the implementation of the transformation charter for the forest sector in terms of par 5 of the Broad-Based Black Economic Empowerment (BBBEE) act (Act no 53 of 2003).

| ITEM ADDED | BAS SEGMENT NUMBER |
|-------------------------------|--------------------|
| FOREST SECTOR CHARTER COUNCIL | 3064 |

8. Non-profit institutions

No changes have been made to this section.

9. Households

No changes have been made to this section.

PAYMENTS FOR CAPITAL ASSETS

10. Purchase/construction of capital assets

10.1 Machinery and equipment

Similarly, the item below was **added** to cater for all kinds of bags e.g. laptop bags, moon bags, briefcases, etc that are separately procured. The cost must be more than the capitalisation threshold. Please note that the laptop bag acquired together with the laptop is included as a component of an asset.

| ITEM ADDED | BAS SEGMENT NUMBER |
|------------|--------------------|
| BAGS | 3065 |

RECEIPTS

11. Tax receipts

No changes have been made to this section.

12. Sales of goods and services

The item below was **changed** from **REQ INFO: DUP IRP5 CERTIFICATE** to cater for revenue flowing from the re-issuing of certificates. This includes IRP5 certificates, Bond certificates, etc.

| ITEM CHANGED | BAS SEGMENT NUMBER |
|--------------------------|--------------------|
| REQ INFO:DUP CERTIFICATE | 931 |

A new item was **added** as requested by Department of Health. This is for fees collected from performing quality control testing by Medical Depot on pharmaceutical products from the clients.

| ITEM ADDED | BAS SEGMENT NUMBER |
|-------------------------------|--------------------|
| LAB SERVICES:PHARM QC TESTING | 3059 |

A new item was **added** to provide for the issuing of all Occupational Health Safety (OHS) related certificates and licenses. This includes the revenue stamp fees payable when applying for OHS certificates and licenses.

| ITEM ADDED | BAS SEGMENT NUMBER |
|------------------------------|--------------------|
| OCCUP HEALTH SAFETY LICENCES | 3061 |

13. Fines penalties and forfeits

No changes have been made to this section.

14. Interest, dividends and rent on land

No changes have been made to this section.

15. Sale of capital assets

No changes have been made to this section.

ASSETS, LIABILITIES AND NET ASSETS

16. Current assets

No changes have been made to this section.

17. Non-current assets

These items were **changed** to be more generic to cater for all loans given to South African Public Corporations. This item was previously only used by the SABC.

A loan is an arrangement in which a lender gives money to a borrower, and the borrower agrees to repay the money, usually along with interest, at some future point(s) in time. Usually, there is a predetermined time for repaying a loan, and generally the lender has to bear the risk that the borrower may not repay a loan.

| ITEM CHANGED | BAS SEGMENT NUMBER |
|---------------------------|--------------------|
| LOANS :RECOV CAPITAL:NCA | 748 |
| LOANS :RECOV INTEREST:NCA | 749 |
| LOANS:NCA | 750 |

18. Current liabilities

The item below was **changed** to cater for recording of deposits received from Foreigners, as required by the Immigration Act. These deposits are payable back after a claim is received. The item is exclusively used by the Department of Home Affairs (DHA)

Classification circular 6 (issued 26 January 2010)

| ITEM CHANGED | BAS SEGMENT NUMBER |
|--------------------------------|--------------------|
| REPATRIATION FORGN DEP DHA: CL | 3036 |

This item was **added** for revenue collected by Department of International Relations and Cooperation (DIRCO) on behalf of DHA. DIRCO acts as an agent in assisting DHA at the South African embassies abroad with the collection of revenue (VISA and repatriation fees) as well payment of allowances for officials transferred abroad. The monies collected are allocated per transaction per currency in the DIRCO cashbook (allocation used claims recoverable: CA). Due to the fact that only one item is available (claims recoverable: CA) both types of transactions interface to this one account. The matching field created for the item is miscellaneous and year/month (YYYYMM)

| ITEM ADDED | BAS SEGMENT NUMBER |
|----------------------------------|--------------------|
| REPATRIATION FORGN DEP DIRCO: CL | 3067 |

19. Non- current liabilities

No changes have been made to this section.

20. Net assets

No changes have been made to this section.

21. Direct exchequer receipts

A new item was **added** under for direct exchequer transfers received from Departmental Agencies and Accounts.

| ITEM ADDED | BAS SEGMENT NUMBER |
|------------------------------------|--------------------|
| DEPARTMENTAL AGENCIES AND ACCOUNTS | 3066 |

22. Direct exchequer payments

No changes have been made to this section.

Please contact the SCOA project team via the **SCOA call centre**, 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 <http://scoa.treasury.gov.za/>

Regards,

SCOA Technical Committee

Date: 26 January 2010