



CLASSIFICATION CIRCULAR 44

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 third quarter of the 2023/24 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 SCOA Version 5 of 2023/24 (SCOA COR 5 Version 23.24.03) published 1 October 2023 for detailed changes implemented.

FUND SEGMENT

3. Fund Segment amendments have been aligned to the published Appropriation Bill and Division of Revenue Bills for 2023 and distributed to the relevant departments.

OBJECTIVE SEGMENT

4. Objective Segment amendments have been aligned to the published Estimates of National Expenditure (ENE) 2023 and Estimates of Provincial Revenue and Expenditure (EPRE) 2023 and distributed to the relevant departments.

RESPONSIBILITY SEGMENT

5. No changes were made to the segment.

INFRASTRUCTURE SEGMENT

6. No changes were made to the segment.

PROJECT SEGMENT

7. No changes were made to the segment.

ITEM SEGMENT

Goods and Services

8. The item *CONTRCTRS: FUMIGATION SERVICES/PEST CONTROL* has been added to the chart. The item is used to allocate expenditure for general fumigation and pest control services. Excluded in this allocation is cost incurred on pest control and fumigation services done on buildings as it is catered for under the item *P/P: PEST CNTRL/FUMIGATION SER.*

Figure 1: Chart Illustration of a new item added

| 1 | 2 | 3 | 4 | 5 | SEGMENT DETAIL NO | POSTING LEVEL |
|---|---|---|---|---|----------------------|------------------|
| | PAYMENTS | | | | 1 | N |
| | PAYMENTS | | | | 5 | N |
| | GOODS AND SERVICES | | | | 26 | N |
| | CONTRACTORS | | | | 637 | N |
| | CONTRCTRS:FUMIGAT SERV/PEST CONT | | | | 6319 | Y |

9. A new minor assets item *EQP<R5000:CEREMONIAL REGALIA* has been added to the chart. The item is used to allocate costs associated with the purchase of the symbols, emblems, or attire that indicate royal or noble status, or that are used in formal ceremonies. Included in the item are purchases of crowns, scepters, robes, jewels, medals, flags, banners, swords, and other items that signify authority, dignity, or prestige.

Figure 1: Chart Illustration of a new item added

| 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 |
| | EQP<R5000:CEREMONIAL REGALIA | | | | | 6341 | Y |

Transfers and Subsidies

10. Details of transfers and subsidies on the chart of accounts have been aligned to the approved ENE and EPRE. The items are not individually listed on the classification circular as they are department-specific.

Purchase / Construction of Capital Assets

11. A new capital assets item *CEREMONIAL REGALIA* has been added to the chart. The item is for costs of a capital nature that are associated with the purchase of the symbols, emblems, or attire that indicate royal or noble status, or that are used in formal ceremonies. Included are purchases of crowns, scepters, robes, jewels, medals, flags, banners, swords, and other items that signify authority, dignity, or prestige.

Figure 1: Chart Illustration of a new item added

| 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 | 602 | N |
| | | | | CEREMONIAL REGALIA | 6340 | Y |

Receipts

12. No changes were made to the receipts category in the item segment.

Assets, Liabilities and Equity

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

ASSETS SEGMENT

14. The new asset *CEREMONIAL REGALIA* has been added under the category Other Machinery and Equipment.

Figure 1: Chart Illustration of a newly asset added

| 1 | 2 | 3 | 4 | 5 | SEGMENT DETAIL NO | POSTING LEVEL |
|---|---------------|-------------------------|-------------------------------|---------------------------|----------------------|------------------|
| | ASSET RELATED | | | | 1 | N |
| | | MACHINERY AND EQUIPMENT | | | 4 | N |
| | | | OTHER MACHINERY AND EQUIPMENT | | 27 | N |
| | | | | CEREMONIAL REGALIA | 972 | N |
| | | | | CEREMONIAL REGALIA | 973 | Y |

REGIONAL SEGMENT

15. No changes were made to the segment.

Contact information

16. 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.
17. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za>

Regards,

SCOA Technical Committee

Date: 1 October 2023