



## **CLASSIFICATION CIRCULAR 45**

### **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 23.24.04**) published for detailed changes implemented.

### **FUND SEGMENT**

3. Fund segment amendments have been aligned to the published Adjusted 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 Adjusted Estimates of National Expenditure (AENE) 2023 and Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE) 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. No changes were made to the category.

**Transfers and Subsidies**

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

**Purchase / Construction of Capital Assets**

10. No changes were made to the category.

**Receipts**

11. The item below was renamed from “*Reimbursement of Goods Issued*” to “*Reimbursement of Goods& Services*”. This item is used for money collected by the department for the reimbursement of goods issued and services rendered.

Figure 1: Chart Illustration before the change

1	2	3	4	5	6	SEGMENT DETAIL NO	POSTING LEVEL
						2	N
						12	N
						13	N
						103	N
						128	N
						<b>322</b>	<b>Y</b>

Figure 2: Chart Illustration after the change

1	2	3	4	5	6	SEGMENT DETAIL NO	POSTING LEVEL
						2	N
						12	N
						13	N
						103	N
						128	N
						<b>322</b>	<b>Y</b>

## ASSETS, LIABILITIES AND EQUITY

12. It came to the attention of the SCOA Technical Committee that some of the items under the categories below have been created without matching fields.
  - **PREPAYMENTS AND ADVANCES: NON-CURRENT ASSETS, and**
  - **DEPOSITS: NON CURRENT ASSETS**
13. Matching fields are required for these items. Therefore, the Committee removed the items with no matching fields and recreated them with the necessary matching fields. The Changes were articulated in **NOTICE NUMBER 1 OF 2023.24** titled **REMOVAL AND RE-CREATION OF PREPAYMENTS, ADVANCES AND DEPOSITS ITEMS**.
14. The newly created items contain two matching fields which are: **MISCELLANEOUS** and **YEAR/MONTH (YYYYMM)**
15. Departments are requested to obtain **BAS Detail Reports** to determine if the items mentioned in paragraph 12 above with no matching fields were used to post transactions. If transactions were posted against the mentioned items, correction journals must be done amending the incorrect items (without matching fields) to the newly created items (with matching fields).
16. The descriptions of the items are the same in the various segments. Therefore, care must be exercised that the correct segments are used on the correction journals. The prefix (**REM**) has been added before the name of each removed item. To access these items, departments will have to log requests with the BAS Call Centre to activate the removed items before they process the correction journal. The removed item will then only be activated for the journal to be processed after which it will be de-activated again.
17. The illustration below depicts items that were deleted (in red and proceeded by REM prefix) and new items replacing them (in green).

Standard Chart of Accounts (SCOA) COR 5 VERSION 23.24.04 – Classification Circular 45

Illustration: The updated chart showing the deleted and new items

4	5	6	7	SEGMENT DETAIL NUMBER	POSTING LEVEL
				760992	N
			PREPAYMENTS & ADVANCES:NCA		
			PREPAYMNT&ADV:DOMESTIC:NCA	815992	N
			ADVANCES:DOM:NCA	852992	N
			ADV:DOM:PRIVATE ENTERPRISES:NCA	886992	N
			<b>ADVANCES TO PRIV ENTERPRISES:NCA</b>	<b>1873992</b>	<b>Y</b>
			(REM) ADV:DOM:MUNICIPALITIES:NCA	6209992	N
			<b>(REM) ADV TO MUNICIPALITIES:NCA</b>	<b>6210992</b>	<b>Y</b>
			(REM)ADV:DOM:PUBLIC CORPORTN:NCA	6211992	N
			<b>(REM)ADV TO PUBLIC CORPORTN:NCA</b>	<b>6212992</b>	<b>Y</b>
			ADV:DOM:MUNICIPALITIES:NCA	6493992	N
			<b>ADV TO MUNICIPALITIES:NCA</b>	<b>6494992</b>	<b>Y</b>
			ADV:DOM:PUBLIC CORPORTN:NCA	6495992	N
			<b>ADV TO PUBLIC CORPORTNS:NCA</b>	<b>6496992</b>	<b>Y</b>
			ADVANCES:FOREIGN:NCA	854992	N
			RENTAL ADVANCES:FOREGN:NCA	913992	N
			<b>RENTAL ADVANCES:FOREIGN:NCA</b>	<b>1876992</b>	<b>Y</b>
			(REM) DEPOSITS:NCA	6213992	N
			(REM) DEPOSIT:DOMESTIC:NCA	6214992	N
			<b>(REM)DEP MUNICIPALITIES:DOM:NCA</b>	<b>6215992</b>	<b>Y</b>
			<b>(REM)DEP PRIV ENTERPRISE:DOM:NCA</b>	<b>6216992</b>	<b>Y</b>
			<b>(REM)DEP PUB CORPORTNS:DOM:NCA</b>	<b>6217992</b>	<b>Y</b>
			(REM)DEPOSIT:FOREIGN:NCA	6218992	N
			<b>(REM)DEPOSIT:FOREIGN:NCA</b>	<b>6219992</b>	<b>Y</b>
			DEPOSITS:NCA	6497992	N
			DEPOSIT:DOMESTIC:NCA	6498992	N
			<b>DEP MUNICIPALITIES:DOM:NCA</b>	<b>6499992</b>	<b>Y</b>
			<b>DEP PRIV ENTERPRISE:DOM:NCA</b>	<b>6500992</b>	<b>Y</b>
			<b>DEP PUB CORPORTNS:DOM:NCA</b>	<b>6501992</b>	<b>Y</b>
			DEPOSIT:FOREIGN:NCA	6502992	N
			<b>DEPOSIT:FOREIGN:NCA</b>	<b>6503992</b>	<b>Y</b>

**ASSETS SEGMENT**

18. No changes were made to the segment.

**REGIONAL SEGMENT**

19. No changes were made to the segment.

**CONTACT INFORMATION**

20. 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](mailto:scoa@treasury.gov.za) if further clarity or discussion is required regarding the changes highlighted above.
21. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za>

Regards,

SCOA Technical Committee

Date: 31 January 2024