



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR 50

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA)

1. This classification circular aims to inform government departments' financial practitioners of the changes made to the SCOA COR 5 in the **third quarter of the 2024/25 financial year**.
2. Changes to the chart are discussed according to each chart segment. Reasons for amendments to the chart are provided along with an illustration of the impact thereof. Please refer to SCOA Version 5 of 2024/25 (SCOA **COR 5 Version 24.25.03**) published in December 2024 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.

FUND SEGMENT

4. Fund Segment amendments have been aligned to the published Adjustments Appropriation Bill 2024 and distributed to the relevant departments.

OBJECTIVE SEGMENT

5. Objective Segment amendments have been aligned to the published Adjusted Estimates of National Expenditure (AENE) 2024 and the Adjusted Estimates of Provincial Revenue and Expenditure (AEPREs) 2024 and distributed to the relevant departments.

RESPONSIBILITY SEGMENT

6. No changes were made to the Responsibility segment.

INFRASTRUCTURE SEGMENT

7. No changes were made to the Infrastructure segment.

PROJECT SEGMENT

8. No changes were made to the Project segment.

ITEM SEGMENT

Goods and Services

Minor Assets

9. An item C/EQP<R5000:POINT OF SALES TERMN has been created for a type of user computing equipment costing less than R5000 primarily used in retail, hospitality, and other service-oriented environments to facilitate transactions and manage sales operations.

Figure 1: Chart Illustration of the item created.

1	2	3	4	5	6	7	SEGMENT DETAIL NO	POSTING LEVEL
							1	N
							5	N
							26	N
							654	N
							700	N
							738	N
							6705	Y

10. The item below was renamed from CONTRACTORS: FORENSIC INVESTIGATORS to CONTRACTORS: INVESTIGATION SERVICES. This item is used for the investigation services provided by contractors typically involved in conducting thorough examinations and analyses to uncover facts, gather evidence and provide insights into specific matters.

Figure 2: Chart Illustration before the change.

1	2	3	4	5	SEGMENT DETAIL NO	POSTING LEVEL
					1	N
					5	N
					26	N
					637	N
					4084	Y

Figure 3: Chart Illustration after the change.

1	2	3	4	5	SEGMENT DETAIL NO	POSTING LEVEL
					1	N
					5	N
					26	N
					637	N
					4084	Y

Transfers and Subsidies

11. Details of transfers and subsidies on the chart of accounts have been aligned to the approved ENE and EPRE. The items have not been individually listed in this Classification Circular as they are department specific.

Purchase / Construction of Capital Assets

12. An item POINT OF SALES TERMINAL has been created for user computing equipment primarily costing more than R5000 used in retail, hospitality, and other service-oriented environments to facilitate transactions and manage sales operations.

Figure 4: Chart Illustration of the item created.

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	POSTING LEVEL
								1	N
								7	N
								36	N
								602	N
								609	N
								6704	Y

Receipts

13. The item SALES: LIFTING & HANDLING EQUIP has been created for the sale of a broad category of machinery and tools designed to move, lift and handle materials safely and efficiently.

Figure 5: Chart Illustration of the item created.

1	2	3	4	5	SEGMENT DETAIL	POSTING LEVEL
					2	N
					23	N
					4120	N
					4121	N
					6805	Y

Assets, Liabilities and Equity

14. As per the Modified Cash Standard (MCS), prepayments and advances are payments for goods, services or capital assets that are yet to be received and in the case of transfers and subsidies cash is yet to be earned by the recipient, in accordance with the agreement under which the payment is made.
15. An allocation to prepayments is made when the agreement involves the department with a non-governmental entity whereas an allocation to advances is only made when the agreement involves one or more government entities.

16. Therefore, the following items have been created on the chart for prepayments made to Private Enterprises and Non-Profit Institutions for different categories.

Figure 6: Chart Illustration of the items created.

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	POSTING LEVEL
ASSETS, LIABILITIES & EQUITY								4	N
ASSETS								95	N
CURRENT ASSETS								96	N
PREPAYMENTS & ADVANCES:CA								2020	N
PREPAYMENTS:CA								2024	N
PREPAYMENTS:DOMESTIC:CA								6557	N
PREPMNT:DOM:PRIVATE ENTRPRIS:CA								6794	N
PREPMNT:DOM:PRIVATE ENT:G&S:CA								6800	Y
PREPMNT:DOM:PRIVATE ENT:CAPEX:CA								6801	Y
PREPMNT:DOM:PRIVAT ENT:TRNSFR:CA								6802	Y
PREPMNT:DOM:NPI:CA								6795	N
PREPMNT:DOM:NPI:TRNSFR:CA								6803	Y

ASSET SEGMENT

17. A new asset POINT OF SALES TERMINAL has been created for user computing equipment primarily used in retail, hospitality, and other service-oriented environments to facilitate transactions and manage sales operations.

Figure 7: Chart Illustration of the asset added.

1	2	3	4	5	6	SEGMENT DETAIL NO	POSTING LEVEL
ASSET RELATED						1	N
MACHINERY & EQUIPMENT						4	N
OTHER MACHINERY & EQUIPMENT						27	N
COMPUTER EQUIPMENT						113	N
POINT OF SALES TERMINAL						977	N
POINT OF SALES TERMINAL						978	Y

REGIONAL IDENTIFIER SEGMENT

18. No changes were made to the Regional Identifier segment.

CONTACT INFORMATION

19. Please contact the SCOA Technical Committee via the SCOA Call Center at (012) 315 5311, or by sending a concise mail to scoa@treasury.gov.za for further clarification or discussion on the amendments mentioned above.
20. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za>

Regards,

SCOA Technical Committee

Date: 24 December 2024