



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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Date: 23 February 2018

TO: SCOA USERS

NOTICE NUMBER 01 OF 2018/19

ADJUSTMENTS TO THE STANDARD CHART OF ACCOUNTS (SCOA)

PURPOSE

1. The purpose of this document is to inform all government financial practitioners of the upcoming changes to chart of account to be implemented **01 April 2018**.

DISCUSSION

2. As part of the continued reform of SCOA, the SCOA Technical Committee periodically reviews the utilisation of accounts and the quality of data produced with the view of improving the accounts and structures. The following changes are a continued effort by the Committee to ensure that departments are able to meet the minimum reporting requirements as well as easy analysis of transactions.
3. Please note that the Classification Circular together with the publication of the Chart of Accounts (excel version) will be issued separately, in the same manner as they have always been issued on the SCOA website. This document is a notice to inform departments of the planned change to be made on the Chart of Accounts as well as financial system (BAS). At the time of writing this notice some of the codes were not created. Once created departments will be informed accordingly.

ITEM SEGMENT

RECEIPTS

SALES: CAPITAL ASSETS

4. The use of revenue item with the assets segment has been affected by the introduction of the category links which were implemented for expenditure transactions. The current items created under the item Sales: Capital Assets were created to meet the minimum reporting requirements of Estimates of National Expenditure (ENE) and Estimates of Provincial Revenue and Expenditure (EPRE).
5. However it has come to the attention of the Committee that departments are unable to meet the reporting requirements of disposals of movable tangible capital assets in the Annual Financial Statements (AFS) please refer to figure 1 due to the lack of details.

Figure 1

Disposals				
DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED MARCH 20XX				
	Sold for cash	Non-cash disposal	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
HERITAGE ASSETS				
Heritage assets		-	-	-
MACHINERY AND EQUIPMENT				
Transport assets				
Computer equipment				
Furniture and office equipment				
Other machinery and equipment				
SPECIALISED MILITARY ASSETS				
Specialised military assets		-	-	-
BIOLOGICAL ASSETS				
Biological assets		-	-	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS				

Current Extract of the Chart of Accounts

2	3	4	SEGMENT DETAIL NO	POSTLEV
RECEIPTS			2	N
SALES:CAPITAL ASSETS			23	N
SALES:BUILD&OTHER FIXED STRUCT			234	Y
SALES:MACHINERY & EQUIPMENT			235	Y
SALES:BIOLOGICAL ASSETS			236	Y
SALES:LAND & SUBSOIL ASSETS			237	Y
SALES:SOFTW&INTANG CAPITAL ASS			238	Y

Changes to be implemented 01 April 2018

2	3	4	5	6	7	SEGMENT DETAIL NO	POSTLEV
RECEIPTS						2	N
SALES:CAPITAL ASSETS						23	N
SALES:BUILD&OTHER FIXED STRUCT						TBC	N
SALES:RESIDENTIAL BUILDINGS						TBC	Y
SALES:NON-RESIDENTIAL BUILDINGS						TBC	Y
SALES:MACHINERY & EQUIPMENT						TBC	N
SALES:OTHER MACHINERY & EQUIPMENT						TBC	N
SALES:CELLULAR PHONES						TBC	Y
SALES:COMPUTER EQUIPMENT						TBC	N
SALES:COMP HARD&SYSTEMS - DESKTOP						TBC	Y
SALES:COMP HARD&SYSTEMS - LAPTOP						TBC	Y
SALES:COMPHARD&SYSTEMS - TABLET PC						TBC	Y
SALES:COMPUTER PERIPHERALS						TBC	Y
SALES:DESKTOP PRINTING EQUIPMENT						TBC	Y
SALES:DOMESTIC EQUIPMENT						TBC	Y
SALES:FURNITURE & OFFICE EQUIPMENT						TBC	N
SALES:CROCKERY & CUTLERY						TBC	Y
SALES:DOMESTIC FURNITURE						TBC	Y
SALES:OFFICE EQUIPMENT						TBC	Y
SALES:OFFICE FURNITURE						TBC	Y
SALES:TRANSPORT EQUIPMENT						TBC	N
SALES:MOTOR VEHICLES						TBC	Y
SALES:CYCLES						TBC	Y
SALES:TRUCKS						TBC	Y
SALES:EMERGENCY VEHICLES						TBC	Y
SALES:TRSP ACC&TRLRS						TBC	Y
SALES:BIOLOGICAL ASSETS						TBC	N
SALES:ANIMAL REPRODUCTION						TBC	Y
SALES:DAIRY CATTLE						TBC	Y
SALES:DOGS (LAW ENFORCE&SEC)						TBC	Y
SALES:LAND & SUBSOIL ASSETS						TBC	N
SALES:SOFTW&INTANG CAPITAL ASS						TBC	N

***TBC - To Be Created**

FUND SEGMENT

CONDITIONAL GRANTS – DEPARTMENT OF SOCIAL DEVELOPMENT

6. The Committee received a request from National Department of Social Development to create a reporting level for Early Child Development Grants. This will enable to department to draw an aggregate report on all Early Child Development Grants.

Current Extract of the Chart of Accounts

1	2	3	4	5	6	7	SEGMENT DETAIL NO	POSTLEV
EXPENDITURE:VOTED							1	N
DEPARTMENTAL APPROPRIATION							2	N
CONDITIONAL GRANT PAYMENTS							468	N
CONDITIONAL GRANTS: ALL DEPTS							469	N
SOCIAL DEVELOPMENT							479	N
ECD CENTRE MAINTENANCE GRANT							804	N
ECD CENTRE MAINTENANCE							805	Y
GEN ACC:ECD CENTRE MAINTENANCE							806	Y
ECD SUBSIDY EXPANSION GRANT							501	N
ECD SUBSIDY EXPANSION							544	Y
GEN ACC:ECD SUBSIDY EXPANSION							545	Y

Changes to be implemented 01 April 2018

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	POSTLEV
EXPENDITURE:VOTED								1	N
DEPARTMENTAL APPROPRIATION								2	N
CONDITIONAL GRANT PAYMENTS								468	N
CONDITIONAL GRANTS: ALL DEPTS								469	N
SOCIAL DEVELOPMENT								479	N
EARLY CHILD DEVELOPMENT GRANT								TBC	N
ECD CENTRE MAINTENANCE GRANT								TBC	N
ECD CENTRE MAINTENANCE								TBC	Y
GEN ACC:ECD CENTRE MAINTENANCE								TBC	Y
ECD SUBSIDY EXPANSION GRANT								TBC	N
ECD SUBSIDY EXPANSION								TBC	Y
GEN ACC:ECD SUBSIDY EXPANSION								TBC	Y

***TBC = To Be Created**

CONTACT INFORMATION

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 if further clarity or discussion is required regarding the changes highlighted above.

Regards,

SCOA Technical Committee

Date: 23 February 2018