

Annexure A

Changes made in 'mSCOA Chart version 5.5' and incorporated into 'mSCOA Chart version 6.0':

This table provides a high-level summary of the changes made in 'mSCOA Chart Versions 5.5 and 6.0' compared to the previous 'mSCOA Chart Version 5.4 take 5':						
Change / Revision	SEGMENTS					
	Costing	Function	Regional	Funding	Project	Item
1. General						
1.1 The wording of some definitions changed to broaden, clarify or include specific examples to assist in understanding the account description. Definitions changed are summarised below:						
i. Improvement/Changes made to definition for accounts within the group for "Recoveries".	√					
ii. Libraries and Archives		√				
iii. Museums and Art Galleries						
iv. Markets						
v. Recreational Facilities						
1.2 Indicator within the "Principle column" changed to N/a for accounts not requiring breakdown.	√	√				
2. Specific Comments						
2.1 Some VAT indicators added subject to review after finalising Version 6.		√				√
2.2 Sub-sub-function removed for Swimming Pools. Swimming pools included in the definitions for "Recreational Facilities".		√				
2.3 Removed the "Breakdown Required" indicator and the posting level as per Version 5.4 take 5 and change the parent account to posting level. Further breakdown is at the discretion of the municipalities as National Treasury is not interested in this level of information of a non-standardised nature.		√				
2.4 The sub-function duplication for "Police Forces, Traffic and Street Parking removed.		√				
2.5 More sub-function added for Health:		√				
<ul style="list-style-type: none"> • Food Control • Health Surveillance of Premises • Surveillance and Prevention of Communicable Diseases, 						

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excluding Immunizations. • Vector Control						
2.6 Regional Indicators updated based on emails and FAQ DB following the request for information issued by National Treasury. In the absence of information received from a municipality the ward demarcation as per the information published on the Demarcation Board Website had been issued for setting up the regional indicators.			√			
2.7 Added classifications within Revenue for: • Operational Revenue • Sales of Goods and Rendering of Services				√		
2.8 Removed detail posting levels from Equitable Share and made Equitable Share the posting level.				√		
2.9 Changes to account description to align with the classification made in the Revenue Segment for: • Interest to Interest, Dividends and Rent on Land • External Investments to Current and Non-Current Assets • Outstanding Debtors to Receivables • Rent from Fixed Assets to Rental of Facilities and Equipment				√		
2.10 Updated/ Changed Transfers and Subsidies based on responses received following the request for information issued, comparison to the Departmental SCOA and Provincial DORA (if available).				√		Revenue Unspent
2.11 Changed the classification for Borrowing (Current and Non-current) to provide for financial institutions within which the municipality need to define posting level information.				√		Liabilities
2.12 Align classification structure in mSCOA with the CIDMS Framework. In summary the following changes						

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were made.						
<ul style="list-style-type: none"> Level 4 Asset Group informed the classification structure applied in Project Segment for Capital Expenditure. 					√	
<ul style="list-style-type: none"> Level 5 Asset Type informed the classification structure applied in the Project Segment for Operational Expenditure specifically Maintenance. 					√	
<ul style="list-style-type: none"> Rehabilitation and Refurbishment replaced with Renewal. 					√	
<ul style="list-style-type: none"> Upgrade and Additions replaced with Upgrade. 					√	
<ul style="list-style-type: none"> Classification for Maintenance being planned and unplanned replaced with: <ul style="list-style-type: none"> Preventative Maintenance <ul style="list-style-type: none"> Interval Based Condition Based Corrective Maintenance <ul style="list-style-type: none"> Planned Emergency 					√	
<ul style="list-style-type: none"> Removed Buildings and Other Structures and replaced with Community Assets and Other Assets. 					√	Non-current Assets / Gains and Losses / Expenditure
<ul style="list-style-type: none"> Removed the classification within the Capital section for Transfers. 					√	Non-current Assets / Gains and Losses / Expenditure
<ul style="list-style-type: none"> Classifications added for Coastal Infrastructure and Information and Communication Infrastructure. 					√	Non-current Assets / Gains and Losses / Expenditure
<ul style="list-style-type: none"> Removed the option for complying/not complying to NERSA requirements. 					√	Non-current Assets
<ul style="list-style-type: none"> Airports removed included in Community Assets. 					√	Non-current Assets
2.13 Changes in Terminology: <ul style="list-style-type: none"> Electrical Infrastructure Solid Waste Infrastructure Rail Infrastructure Water Supply Infrastructure 					√	Non-current Assets / Gains and Losses / Expenditure

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<ul style="list-style-type: none"> Sanitation Infrastructure 						
2.14 Additions to typical work streams: <ul style="list-style-type: none"> Added Nurseries and Biodiversity and Climate Control to Environmental Added Municipal Health Services to Health and Welfare 						
2.15 Added Way Leave and Refuse to Consumer Deposits.						Current Liabilities
2.16 Account description and definition changed for Annuity and Bullet Loan.				√		Current/Non-current Liabilities
2.17 Financial Assets/Liabilities included to replace various other groups.						Assets / Liabilities
2.18 Provision and Impairment Current / Non-current <ul style="list-style-type: none"> 2.18.1 Leave Accrual changed to Leave 2.18.2 Landfill Site changed to a posting level within Decommissioning, Restoration and Similar Liabilities and added a Posting Level for Unspecified. 						Liabilities
2.19 More accounts added at specific request to Control, Interface and Clearing Accounts.						Liabilities / Assets
2.20 Accounts added to Trade and Other Payables from Exchange Transactions: <ul style="list-style-type: none"> 2.20.1 Goods/Invoices Received 2.20.2 Prepaid Electricity 2.20.3 Cash and Bank 2.20.4 Licensing and Regulation' 2.20.5 Inventory Stores 2.20.6 Fair Value Adjustment 						Liabilities
2.21 Defined Benefits Obligations – Movement analysis added.						Liabilities
2.22 Transfers and Subsidies Receivables delete form part of Unspent. System requirements to deal with						Assets

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movement of accounts depending on credit/debit balance.						
2.23 Accounts added to Current/Non-current Receivables: 2.23.1 Employee Benefits 2.23.2 Associates 2.23.3 Joint Ventures 2.23.4 Subsidiaries 2.23.5 Public Organisations 2.23.6 Operating Lease						
2.24 Receivables from Non-Exchange Transactions updated with changes made to Property Rates.						Assets
2.25 Classification for Borrowing Cost added to Construction-work-in-progress.						Assets
2.26 Separate account added for Investment in Associate.						Net Assets
2.27 Definitions changed for: 2.27.1 Agency Services 2.27.2 Receivables Housing 2.27.3 Inspection Fees 2.27.4 Animal Housing 2.27.5 Facilities 2.27.6 Health Services 2.27.7 Penalties 2.27.8 Transfers and Subsidies						Revenue
2.28 Changes made to Transfers and Subsidies as discussed above.						Expenditure / Liabilities
2.29 Change made to Depreciation and Amortisation following the changes made to the Assets Classification as discussed above.						Expenditure
2.30 Change made to Impairment and Gains and Losses on Disposal of Assets following the changes made to the Assets Classification as discussed above.						Gains and Losses