

ANNUAL MSCOA WORKSHOP

mSCOA Chart Changes v7.1

PRESENTED BY:
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*Division: IGR: Local
Government Budget
Analysis*

**Date: 02 December
2025**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



REGIONAL SEGMENT

FAQ **QUERY** **CHANGES**

10507 Add two wards to the Kareeberg Local Municipality (NC074) as being described in the attachment. **Added:** Ward 5 – Vosburg and Ward 6 – Van Wyksvlei as reflected in the gazette and IDP

No. 2297 PROVINCIAL GAZETTE, EXTRAORDINARY, 20 SEPTEMBER 2019

SCHEDULE A (Category B municipalities)

CODE	NAME OF MUNICIPALITY	SEATS	WARD COUNCILLORS	PR SEATS
NC061	Richtersveld	11	6	5
NC062	Nama Khoi	17	9	8
NC064	Kamiesberg	11	6	5
NC065	Hantam	13	7	6
NC066	Karoo Hoogland	11	6	5
NC067	Khai-Ma	11	6	5
NC071	Ubuntu	11	6	5
NC072	Umsobomvu	13	7	6
NC073	Emthanjeni	15	8	7
NC074	Kareeberg	11	6	5

7	8	9
NC074 Kareeberg	Administrative or Head Office	
NC074 Kareeberg	Ward	Ward 1 Carnarvon
NC074 Kareeberg	Ward	Ward 2 Carnarvon
NC074 Kareeberg	Ward	Ward 3 Carnarvon
NC074 Kareeberg	Ward	Ward 4 Carnarvon
NC074 Kareeberg	Ward	Ward 5 Vosburg
NC074 Kareeberg	Ward	Ward 6 Van Wyksvlei
NC074 Kareeberg	Whole of the Municipality	

- NC074 Kareeberg(RX-002-003-007-001-003-004-004)
 - Administrative or Head Office (Including Satellite Offices)(RX-002-003-007-001-003-004-004-001)
 - Ward(RX-002-003-007-001-003-004-004-002)
 - Ward 1(RX-002-003-007-001-003-004-004-002-001)
 - Ward 2(RX-002-003-007-001-003-004-004-002-002)
 - Ward 3(RX-002-003-007-001-003-004-004-002-003)
 - Ward 4(RX-002-003-007-001-003-004-004-002-004)
 - Whole of the Municipality(RX-002-003-007-001-003-004-004-003)

FAQ **QUERY**

10563 Mtubatuba LM Wards have changed from 19 to 23. Therefore, there is a request to add the additional wards. Attachment from municipal demarcation board.

CHANGES

Added wards 20 - 23 as per the demarcation board gazette

- KZN275 Mtubatuba(RX-002-003-004-002-007-004-005)	3
Administrative or Head Office (Including Satellite Offices)(RX-002-003-004-002-007-004-005-001)	
- Ward(RX-002-003-004-002-007-004-005-002)	19
Ward 1(RX-002-003-004-002-007-004-005-002-001)	
Ward 2(RX-002-003-004-002-007-004-005-002-002)	
Ward 3(RX-002-003-004-002-007-004-005-002-003)	
Ward 4(RX-002-003-004-002-007-004-005-002-004)	
Ward 5(RX-002-003-004-002-007-004-005-002-005)	
Ward 6(RX-002-003-004-002-007-004-005-002-006)	
Ward 7(RX-002-003-004-002-007-004-005-002-007)	
Ward 8(RX-002-003-004-002-007-004-005-002-008)	
Ward 9(RX-002-003-004-002-007-004-005-002-009)	

Ward 10(RX-002-003-004-002-007-004-005-002-010)
Ward 11(RX-002-003-004-002-007-004-005-002-011)
Ward 12(RX-002-003-004-002-007-004-005-002-012)
Ward 13(RX-002-003-004-002-007-004-005-002-013)
Ward 14(RX-002-003-004-002-007-004-005-002-014)
Ward 15(RX-002-003-004-002-007-004-005-002-015)
Ward 16(RX-002-003-004-002-007-004-005-002-016)
Ward 17(RX-002-003-004-002-007-004-005-002-017)
Ward 18(RX-002-003-004-002-007-004-005-002-018)
Ward 19(RX-002-003-004-002-007-004-005-002-019)

MUNICIPAL DEMARCATION BOARD : DELIMITATION OF MUNICIPAL WARDS IN TERMS OF THE LOCAL GOVERNMENT : MUNICIPAL STRUCTURES ACT, 1998.C

MUNICIPALITY NAME
Inkosi Mtubatuba Local Municipality
MUNICIPALITY CODE
KZN275

NUMBER OF REGISTERED VOTERS	105361
NUMBER OF COUNCILLORS	45
NUMBER OF WARDS	23
Min Norm	3893
Norm	4580
Max Norm	5267

FAQ

QUERY

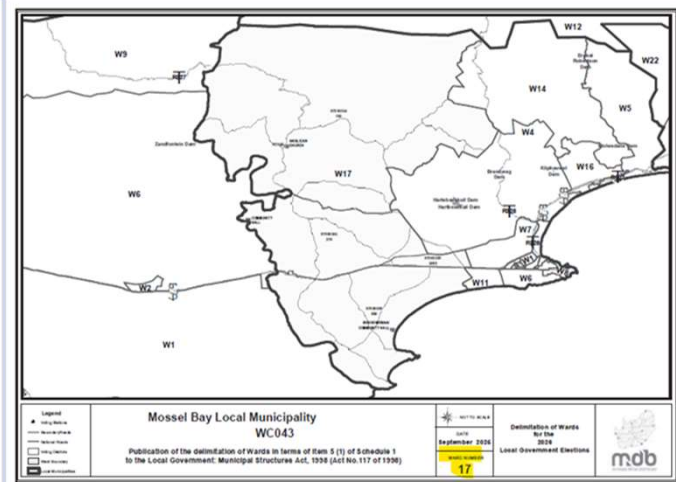
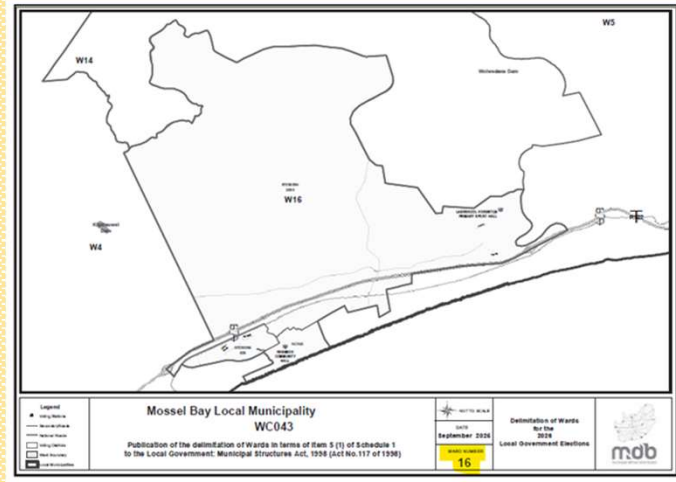
CHANGES

11010

Add two new Wards for Mossel Bay Municipality (WC043) on the mSCOA chart under the Region Segment namely: Ward 16 and 17.
 This needs to be available on the next version of mSCOA for 2026/27 budget year. This can be viewed on pages where Mossel Bay demarcation is indicated for 2026 elections.

Added ward 16 and 17 as indicated in the gazette

- WC043 Mossel Bay(RX-002-003-009-002-004-004-003) 3
- Administrative or Head Office (Including Satellite Offices)(RX-002-003-009-002-004-004-003-001)
- Ward(RX-002-003-009-002-004-004-003-002) 15
- Ward 1(RX-002-003-009-002-004-004-003-002-001)
- Ward 2(RX-002-003-009-002-004-004-003-002-002)
- Ward 3(RX-002-003-009-002-004-004-003-002-003)
- Ward 4(RX-002-003-009-002-004-004-003-002-004)
- Ward 5(RX-002-003-009-002-004-004-003-002-005)
- Ward 6(RX-002-003-009-002-004-004-003-002-006)
- Ward 7(RX-002-003-009-002-004-004-003-002-007)
- Ward 8(RX-002-003-009-002-004-004-003-002-008)
- Ward 9(RX-002-003-009-002-004-004-003-002-009)
- Ward 10(RX-002-003-009-002-004-004-003-002-010)
- Ward 11(RX-002-003-009-002-004-004-003-002-011)
- Ward 12(RX-002-003-009-002-004-004-003-002-012)
- Ward 13(RX-002-003-009-002-004-004-003-002-013)
- Ward 14(RX-002-003-009-002-004-004-003-002-014)
- Ward 15(RX-002-003-009-002-004-004-003-002-015)
- Whole of the Municipality(RX-002-003-009-002-004-004-003-003)



FAQ **QUERY**

CHANGES

11013 Request to Update CoT Region Segment Following New Ward Delimitation. In July 2023, the City of Tshwane approved the revised regional boundaries, following the implementation of newly delimited wards as legislated by the Municipal Demarcation Board. As a result of these changes, the City has updated its regional and ward configurations.

Added wards under each region – as reflected in the gazette

<ul style="list-style-type: none"> - TSH City of Tshwane(RX-002-003-003-001-003) 3 <ul style="list-style-type: none"> Administrative or Head Office(RX-002-003-003-001-003-001) - Regions(RX-002-003-003-001-003-002) 11 <ul style="list-style-type: none"> Region 1: Northwest(RX-002-003-003-001-003-002-001) Region 2: Northeast(RX-002-003-003-001-003-002-002) Region 3 A: Central Region(RX-002-003-003-001-003-002-003) Region 3 B: Central Region(RX-002-003-003-001-003-002-004) Region 4: South(RX-002-003-003-001-003-002-005) Region 5: Nokeng(RX-002-003-003-001-003-002-006) Region 6: East(RX-002-003-003-001-003-002-007) Region 7: Kungwini(RX-002-003-003-001-003-002-008) Cross-border(RX-002-003-003-001-003-002-009) Administrative or Head Office(RX-002-003-003-001-003-002-010) Multi-regional(RX-002-003-003-001-003-002-011) Whole of the Metro(RX-002-003-003-001-003-003)
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CITY OF TSHWANE REGIONS								
Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Administrative or Head Office	
Ward 2	Ward 5	Ward 1	Ward 48	Ward 87	Ward 6	Ward 102		
Ward 4	Ward 8	Ward 3	Ward 57	Ward 99	Ward 10	Ward 103		
Ward 9	Ward 13	Ward 7	Ward 61	Ward 100	Ward 15	Ward 104		
Ward 11	Ward 14	Ward 42	Ward 64		Ward 16	Ward 105		
Ward 12	Ward 49	Ward 51	Ward 65		Ward 17			
Ward 19	Ward 50	Ward 52	Ward 66		Ward 18			
Ward 20	Ward 73	Ward 53	Ward 69		Ward 23			
Ward 21	Ward 74	Ward 54	Ward 70		Ward 28			
Ward 22	Ward 75	Ward 55	Ward 77		Ward 38			
Ward 24	Ward 76	Ward 56	Ward 78		Ward 40			
Ward 25	Ward 95	Ward 58	Ward 79		Ward 41			
Ward 26	Ward 96	Ward 59	Ward 106		Ward 43			
Ward 27		Ward 60			Ward 44			
Ward 29		Ward 62			Ward 45			
Ward 30		Ward 63			Ward 46			
Ward 31		Ward 68			Ward 47			
Ward 32		Ward 71			Ward 67			
Ward 33		Ward 72			Ward 83			
Ward 34		Ward 80			Ward 85			
Ward 35		Ward 81			Ward 86			
Ward 36		Ward 82			Ward 91			
Ward 37		Ward 84			Ward 93			
Ward 39		Ward 92			Ward 97			
Ward 88		Ward 107			Ward 101			
Ward 89								
Ward 90								
Ward 94								
Ward 98								
Total number of wards per region	28	12	24	12	3	24	4	107

ITEM SEGMENT: REVENUE

FAQ QUERY

10502, 10539, 10562 **Construction contract revenue** be moved out of sales of goods and rendering of services. It must be at the same level as sales of goods and rendering of services. The current asset item on the chart relating to construction revenue stands alone and does not fall under any other trade and other receivable.

Replicate this in the Fund Source as its own Funding Source (instead of using the current FD: Operational: Sale of Goods and Services) to allow for specific reporting and tracking.

The change also needs to take place on the MBRR as it will no longer fall under operational revenue. This will ensure alignment between AFS Specimen, the mSCOA Chart and the MBRR Schedules

CHANGES

Retired: Revenue: Exchange Revenue: Sales of Goods and Rendering of Services: Construction Contract Revenue (IR-002-005-049)

Created: Revenue: Exchange Revenue: Construction Contract Revenue (IR-002-010).

Created: FD: General Revenue: Construction Contract Revenue (FD:001-001-001-017) under the Funding Segment

- Revenue(IR)
Discontinued Operations(IR-001)
- Exchange Revenue(IR-002)
+ Agency Services(IR-002-001)
+ Interest, Dividend and Rent on Land(IR-002-002)
+ Operational Revenue(IR-002-003)
+ Rental from Fixed Assets(IR-002-004)
- Sales of Goods and Rendering of Services(IR-002-005)
Construction Contract Revenue(IR-002-005-049)

- Revenue(IR)	4
Discontinued Operations(IR-001)	
- Exchange Revenue(IR-002)	3
+ Agency Services(IR-002-001)	3
+ Interest, Dividend and Rent on Land(IR-002-002)	3
+ Operational Revenue(IR-002-003)	20
+ Rental from Fixed Assets(IR-002-004)	2
+ Sales of Goods and Rendering of Services(IR-002-005)	50
+ Service Charges(IR-002-006)	4
Intercompany/Parent-subsiidiary Transactions(IR-002-007)	
+ Licences or Permits(IR-002-008)	14
+ Special Rating Levies(IR-002-009)	11
Construction Contracts Revenue	
- Non-exchange Revenue(IR-003)	10

- Revenue(FD-001-001)
- General Revenue(FD-001-001-001)
Special Rating Levies(FD-001-001-001-016)
Construction Contracts Revenue (FD-001-001-001-017)


FAQ	QUERY
<p>10522 & 10538</p>	<p>Development Charges should be moved out of Operational Revenue. Development Charges is separately presented on the statement of financial performance as its material. Create Development Charges as a standalone item same level as Operational Revenue.</p> <p>The change also needs to take place on the MBRR as it will no longer fall under operational revenue. This will ensure alignment between AFS Specimen, the mSCOA Chart and the MBRR Schedules.</p> <p>The proposed item for the chart needs to be Revenue: Exchange Revenue: Development Charges</p>

CHANGES
<p>Retired: Revenue: Exchange Revenue: Operational Revenue: Development Charges (IR-002-003-020)</p> <p>Created: Revenue: Exchange Revenue: Development Charges (IR-002-011)</p>

- Exchange Revenue(IR-002)
- + Agency Services(IR-002-001)
- + Interest, Dividend and Rent on Land(IR-002-002)
- Operational Revenue(IR-002-003)

Development Charges(IR-002-003-020)

- Revenue(IR)
 - Discontinued Operations(IR-001)
 - Exchange Revenue(IR-002)
 - + Agency Services(IR-002-001)
 - + Interest, Dividend and Rent on Land(IR-002-002)
 - + Operational Revenue(IR-002-003)
 - + Rental from Fixed Assets(IR-002-004)
 - + Sales of Goods and Rendering of Services(IR-002-005)
 - + Service Charges(IR-002-006)
 - Intercompany/Parent-subsidiary Transactions(IR-002-007)
 - + Licences or Permits(IR-002-008)
 - + Special Rating Levies(IR-002-009)

FAQ	QUERY	CHANGES
<p>10573</p>	<p>Additional Revenue items are required for Traffic services regarding Revenue: Exchange Revenue: Licences or Permits: Road and Transport for the following revenue sources:</p> <ol style="list-style-type: none"> 1. Issuing of Duplicate vehicle registration certificates / De-registration of vehicle registration certificate 2. Application for special permits / temporary permits (Example: Permits issued when vehicle has been scrapped but must be transported somewhere. Special permit or temporary permit issued) <p>Additional Revenue items can be created or the Definition of Revenue: Exchange Revenue: Licences or Permits: Road and Transport: Motor Vehicle Licence must be extended to include above.</p> <div style="margin-top: 20px;"> <div style="border: 1px solid red; padding: 5px; margin-bottom: 5px;">- Exchange Revenue(IR-002)</div> <div style="border: 1px solid red; padding: 5px; margin-bottom: 5px;">+ Licences or Permits(IR-002-008)</div> <div style="border: 1px solid red; padding: 5px; margin-bottom: 5px;">- Road and Transport(IR-002-008-012)</div> <div style="border: 1px solid red; padding: 5px; margin-bottom: 5px;">Motor Vehicle Licence(IR-002-008-012-011)</div> <div style="display: inline-block; vertical-align: middle; margin-left: 10px;">  </div> <div style="border: 1px solid red; padding: 5px; display: inline-block; margin-left: 20px;"> Definition of SCOA Code: </div> <div style="border: 1px solid red; padding: 5px; display: inline-block; margin-left: 10px; background-color: #f0f0f0;"> Annual renewal/new issue of motor vehicle licences. </div> </div>	<p>Amended the definition of Exchange Revenue: Licences or Permits: Road and Transport: Motor Vehicle Licence as follows:</p> <p>Annual renewal, deregistration, new issue including special permits of motor vehicle licenses</p>

FAQ	QUERY	CHANGES
10540	<p>No item codes exists for Interest - Receivable exchange - Shared services</p> <ul style="list-style-type: none"> - Exchange Revenue(IR-002) <ul style="list-style-type: none"> + Agency Services(IR-002-001) - Interest, Dividend and Rent on Land(IR-002-002) <ul style="list-style-type: none"> - Interest(IR-002-002-001) <ul style="list-style-type: none"> + Receivables(IR-002-002-001-001) <ul style="list-style-type: none"> Water(IR-002-002-001-001-014) <p style="color: red; margin-left: 200px;">Shared Services (IR-002-002-001-001-015)</p> <div style="border: 1px solid gray; padding: 5px; margin-top: 10px;"> <p>Definition of SCOA Code: Interest raised on outstanding accounts for <u>Shared Services</u></p> </div>	<p>Created: Exchange Revenue: Interest Receivables: Shared Services (IR 002-002-001-015).</p> <p>Definition: Interest raised on outstanding accounts for shared services</p>
10528	<p>Municipalities are required to raise finer for tampered meters on the financial system for customers that have tampered with their meters. It certain instances, due to the rand value of the fines, customers can then enter into an agreement to pay this fine in instalments. Tampered metered fines are non-exchange in nature and therefore both the receivable and revenue recognised must be classified on the AFS as such. Please consider separating the mSCOA account structure for Assets: Current Assets: Receivables from Non-exchange Transactions: Fines into Traffic Fines and Tampered Meter Fines, maintaining all account structures under the chart.</p> <ul style="list-style-type: none"> - Receivables from Non-exchange Transactions(IA-001-004) <ul style="list-style-type: none"> + Insurance Claims(IA-001-004-001) + (Retired) Property Rates(IA-001-004-002) + (Retired) Unauthorised, Irregular, Fruitless and Wasteful - Fines(IA-001-004-004) <div style="border: 1px solid gray; padding: 5px; margin-top: 10px;"> <p>Definition of SCOA Code: Receivable from non-exchange transactions recognised under GRAP 23 for receivables raised from fines.</p> </div>	<p>Amended the definition of Current Assets: Receivables from Non-exchange Transactions: Fines as follows :</p> <p>Receivable from non-exchange transactions recognised under GRAP 23 for receivables raised from Traffic fines and “Other fines”</p>

ITEM: EXPENDITURE

FAQ	QUERY																				
10564	<p>Request to expand the definition of Item:</p> <ul style="list-style-type: none"> Expenditure: Contracted Services: Contractors: Removal of Hazardous Waste [Item Long code: IE00300304900000000000000000000000, GUID: 1bce2fd6-34e8-4137-96d9-44f78b027850]. The current definition reads as follows: Deals with any chemical waste that needs to be disposed off and not medical waste. Amendment: Deals with any chemical- or electrical waste that needs to be disposed off and not medical waste. <p>Reason for amendment:</p> <ul style="list-style-type: none"> The Energy Efficiency Demand Side Management Grant requires that a contractor provide a certificate for the disposal of old electrical light. Old electrical bulbs or "lighting waste" are toxic and must be disposed of in a certain manner. Therefore an accredited company must remove the bulbs and dispose of it and provides the municipality with a disposal certificate which they must submit to EEDSM as part of the grant compliance. <table border="1" data-bbox="178 971 1304 1388"> <tr> <td>Parent Level Description:</td> <td>Contractors</td> </tr> <tr> <td>Parent SCOAID:</td> <td>bdc7fcba-90b2-4ce9-b3b6-31a5298f67b6</td> </tr> <tr> <td>SCOAID:</td> <td>1bce2fd6-34e8-4137-96d9-44f78b027850</td> </tr> <tr> <td>Account Number:</td> <td>IE00300304900000000000000000000000</td> </tr> <tr> <td>Level Description:</td> <td>Removal of Hazardous Waste</td> </tr> <tr> <td>LGDB Import Level?:</td> <td>Yes</td> </tr> <tr> <td>Posting Allowed?:</td> <td>Yes</td> </tr> <tr> <td>Breakdown Allowed?:</td> <td>No</td> </tr> <tr> <td>Has Children:</td> <td>No</td> </tr> <tr> <td>Definition of SCOA Code:</td> <td>Deals with any chemical waste that needs to be disposed off and not medical waste</td> </tr> </table>	Parent Level Description:	Contractors	Parent SCOAID:	bdc7fcba-90b2-4ce9-b3b6-31a5298f67b6	SCOAID:	1bce2fd6-34e8-4137-96d9-44f78b027850	Account Number:	IE00300304900000000000000000000000	Level Description:	Removal of Hazardous Waste	LGDB Import Level?:	Yes	Posting Allowed?:	Yes	Breakdown Allowed?:	No	Has Children:	No	Definition of SCOA Code:	Deals with any chemical waste that needs to be disposed off and not medical waste
Parent Level Description:	Contractors																				
Parent SCOAID:	bdc7fcba-90b2-4ce9-b3b6-31a5298f67b6																				
SCOAID:	1bce2fd6-34e8-4137-96d9-44f78b027850																				
Account Number:	IE00300304900000000000000000000000																				
Level Description:	Removal of Hazardous Waste																				
LGDB Import Level?:	Yes																				
Posting Allowed?:	Yes																				
Breakdown Allowed?:	No																				
Has Children:	No																				
Definition of SCOA Code:	Deals with any chemical waste that needs to be disposed off and not medical waste																				

CHANGES
<p>Amended the definition of Contracted Services: Contractors: Removal of Hazardous Waste as follows:</p> <p>Deals with any chemical or electrical waste that needs to be disposed off and not medical waste</p>

FAQ **QUERY**

CHANGES

11007 Please replicate the Senior Managers and Municipal Staff members structure for the entities on the chart. This is to accommodate the population of the SA22. Different GUIDS are required.
Senior Management of Entities and Entities Staff. Rename the Senior Management (IE-005-001) to Senior Management of Municipalities.

Created a line item: Employee Related Cost: Senior Management of Entities (E1-005-004) Replicate Senior Management structure

Created a line item: Entities Staff (E1-005-005) Replicate Senior Management structure

Renamed Employee Related Cost: Senior Management (IE-005-001) to **Employee Related Cost: Senior Management of Municipalities**

The descriptions on the chart will follow the municipal entities' organisational structure (e.g CEO instead of municipal manager)

- Employee Related Cost(IE-005)
 - + Senior Management(IE-005-001)
 - + Municipal Staff(IE-005-002)
 - + Board Members of Entities(IE-005-003)

- Allowance(IE-005-001-001-005)
 - Cellular and Telephone(IE-005-001-001-005-001)
 - Cellular and Telephone Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-005-002)
 - Housing Benefits(IE-005-001-001-005-003)
 - Housing Benefits: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-005-004)
 - Travel or Motor Vehicle(IE-005-001-001-005-005)
 - Travel or Motor Vehicle: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-005-006)
 - Accommodation, Travel and Incidental(IE-005-001-001-005-007)
 - Accommodation, Travel and Incidental: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-005-008)
 - Non-pensionable(IE-005-001-001-005-009)
 - Non-pensionable: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-005-010)
 - Voluntary Work(IE-005-001-001-005-011)
 - Voluntary Work: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-005-012)

- Employee Related Cost(IE-005)
 - Senior Management(IE-005-001)
 - Municipal Manager (MM)(IE-005-001-001)
 - Salaries and Allowances(IE-005-001-001-001)
 - Basic Salary(IE-005-001-001-001-001)
 - Basic Salary - Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-002)
 - Bonuses(IE-005-001-001-001-003)
 - Bonuses - Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-004)

- Service Related Benefits(IE-005-001-001-001-006)

- Overtime(IE-005-001-001-001-006-001)

- Overtime Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-006-002)

- Long Service Award(IE-005-001-001-001-006-003)

- Long Service Award: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-006-004)

- Leave Pay(IE-005-001-001-001-006-005)

- Leave Pay: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-006-006)

- Entertainment(IE-005-001-001-001-006-007)

- Entertainment : Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-006-008)

- Scarcity(IE-005-001-001-001-006-009)

- Scarcity: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-006-010)

- Acting and Post Related Allowances(IE-005-001-001-001-006-011)

- Acting: Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-006-012)

- In-kind Benefits(IE-005-001-001-001-006-013)

- In-kind Benefits - Cost Capitalised to PPE (Credit Account)(IE-005-001-001-001-006-014)

- Social Contributions(IE-005-001-001-002)

- Group Life Insurance(IE-005-001-001-002-001)

- Medical(IE-005-001-001-002-002)

- Pension(IE-005-001-001-002-003)

- Unemployment Insurance(IE-005-001-001-002-004)

- Group Life Insurance - Cost Capitalised to PPE (Credit Account)(IE-005-001-001-002-005)

- Medical - Cost Capitalised to PPE (Credit Account)(IE-005-001-001-002-006)

- Pension - Cost Capitalised to PPE (Credit Account)(IE-005-001-001-002-007)

- Unemployment Insurance - Cost Capitalised to PPE (Credit Account)(IE-005-001-001-002-008)

- Bargaining Council(IE-005-001-001-002-009)

- Bargaining Council Cost Capitalised to PPE (Credit Account)(IE-005-001-001-002-010)

FAQ QUERY

CHANGES

10548 Page 9 of the NT Accounting Guideline on GRAP 2 indicates that Cash flows should be classified in accordance with the nature of the activity to which they relate (operating, investing or financing). Therefore, **proceeds for insurance claims related to capital assets should be classified as investing activities**. Please consider breaking down insurance claims proceeds into a level that relates to capital assets and another level that relates to operating activities (employee claims, third party liability claims etc). **Creating a matching fund source will assist in automating the cash flow alignment in this regard.**

Funding source
Created: FD: Insurance Refund: Capital (FD-001-001-001-017)

+ Service Charges(FD-001-001-008)	5
+ Taxes(FD-001-001-009)	2
Operational Revenue(FD-001-001-010)	
Sales of Goods and Rendering of Services(FD-001-001-011)	
Fuel Levy(FD-001-001-012)	
Transfer to Capital Funds(FD-001-001-013)	
Consumer Deposits(FD-001-001-014)	
VAT Receipts(FD-001-001-015)	
Special Rating Levies(FD-001-001-016)	
+ Commercial Services(FD-001-001-002)	13

← Insurance Refund - Capital (FD-001-001-001-017)

- General Revenue(FD-001-001-001)
Disposal of Property, Plant and Equipment(FD-001-001-001-001)
Equitable Share(FD-001-001-001-002)
Fines, Penalties and Forfeits(FD-001-001-001-003)
+ Interest, Dividend and Rent on Land(FD-001-001-001-004)
Licences and Permits(FD-001-001-001-005)
Rental from Fixed Assets(FD-001-001-001-006)
Agency Services(FD-001-001-001-007)
+ Service Charges(FD-001-001-001-008)
+ Taxes(FD-001-001-001-009)
Operational Revenue(FD-001-001-001-010)
Sales of Goods and Rendering of Services(FD-001-001-001-011)
Fuel Levy(FD-001-001-001-012)
Transfer to Capital Funds(FD-001-001-001-013)
Consumer Deposits(FD-001-001-001-014)
VAT Receipts(FD-001-001-001-015)
Special Rating Levies(FD-001-001-001-016)

ITEM: ASSETS

FAQ QUERY

10571 FAQ 10553 & 10554 Refers: **Vat Control (Payable) due to SARS and VAT Control (Receivable) due from SARS are both statutory in nature** and should be reflected under statutory payable / receivable in the notes to the AFS. This change has already been affected. Based on the above the following amendments must be made on the CHART. Vat Control (Payable), Output Tax and VAT Control (Receivable), Input Tax General, Input Tax Capital, must be retired. Statutory payable/receivable must be created to reflect Vat Control (Payable) and Output Tax and VAT Control (Receivable) and Input Tax General & Input Tax Capital. The respective Output Tax Accrual including provision for Debt Impairment and Input Tax Accrual accounts must be moved/created within Trade and other receivables (Input Tax Accrual) and Trade and Other Payables (Output Tax Accrual Including provision for Debt Impairment). Please note that the Output Tax accrual and Provision for debt Impairment must be duplicated with Trade and Other payable from Exchange and Non-Exchange.

CHANGES

Retired: VAT (Receivable) (IA-001-011)
 Input Tax Accrual (IA-001-011-001)
 Input Tax General (IA-001-011-002),
 Input Tax Capital (IA-001-011-003),
 VAT control receivable (IA-001-011-004)

Retired: VAT Payable (VAT Control) (IL-001-008),
 VAT Payable: Output Tax Accrual (IL-001-009)
 VAT Payable: Output Tax (IL-001-010),
 VAT Payable: Out Tax: Provision for Debt Impairment (IL-001-011)

- Current Assets(IA-001)
+ Cash and Cash Equivalents(IA-001-001)
+ Construction Contracts and Receivables(IA-001-002)
+ Current Portion of Non-current Receivables(IA-001-003)
+ Receivables from Non-exchange Transactions(IA-001-004)
+ Operating Lease - Straight Lining(IA-001-005)
+ Control, Clearing and Interface Accounts(IA-001-006)
+ Fair Value Adjustments(IA-001-007)
+ Income Tax Receivable(IA-001-008)
+ Inventory(IA-001-009)
+ Trade and other Receivables from Exchange Transactions(IA-001-010)
+ VAT Receivable(IA-001-011)

- VAT Receivable(IA-001-011)
+ Input Tax Accrual(IA-001-011-001)
+ Input Tax General(IA-001-011-002)
+ Input Tax Capital(IA-001-011-003)
+ VAT Control (Receivable)(IA-001-011-004)

+ VAT Payable: VAT Control(IL-001-008)
+ VAT Payable: Output Tax Accrual(IL-001-009)
+ VAT Payable: Output Tax(IL-001-010)
+ VAT Payable: Output Tax: Provision for Doubtful Debt Impairment(IL-001-011)

FAQ QUERY

CHANGES

10571 FAQ 10553 & 10554 Refers: Vat Control (Payable) due to SARS and VAT Control (Receivable) due from SARS are both statutory in nature and should be reflected under statutory payable / receivable in the notes to the AFS. This change has already been affected. Based on the above the following amendments must be made on the CHART. Vat Control (Payable), Output Tax and VAT Control (Receivable), Input Tax General, Input Tax Capital, must be retired. Statutory payable/receivable must be created to reflect Vat Control (Payable) and Output Tax and VAT Control (Receivable) and Input Tax General & Input Tax Capital. The respective Output Tax Accrual including provision for Debt Impairment and Input Tax Accrual accounts must be moved/created within Trade and other receivables (Input Tax Accrual) and Trade and Other Payables (Output Tax Accrual Including provision for Debt Impairment). Please note that the Output Tax accrual and Provision for debt Impairment must be duplicated with Trade and Other payable

Created: Statutory receivable (IA-001-013)
 Input Tax General (IA-001-013-001)
 Input Tax Capital (IA-001-013-002)
 VAT Control (Receivable) (IA-001-013-003)
 and
Created: VAT Receivable: Input Tax Accrual (IA-001-010-004) within Trade and other receivables

+ Inventory(IA-001-009)
- Trade and other Receivables from Exchange Transactions(IA-001-010)
+ Affiliated/Related Parties/Associated Companies(IA-001-010-001)
+ Prepayments and Advances(IA-001-010-002)
+ Trading Service and Customer Service Debtors(IA-001-010-003)
- VAT Receivable(IA-001-011)
+ Input Tax Accrual(IA-001-011-001)
+ Input Tax General(IA-001-011-002)
+ Input Tax Capital(IA-001-011-003)
+ VAT Control (Receivable)(IA-001-011-004)
+ Deposits(IA-001-012)
+ Non-current Assets(IA-002)

Statutory Receivable (IA-001-013)
 - Input Tax General (IA-001-012-001)
 - Input Tax Capital (IA-001-012-002)
 - VAT Control (Receivable) (IA-001-012-003)

+ Inventory(IA-001-009)
- Trade and other Receivables from Exchange Transactions(IA-001-010)
+ Affiliated/Related Parties/Associated Companies(IA-001-010-001)
+ Prepayments and Advances(IA-001-010-002)
+ Trading Service and Customer Service Debtors(IA-001-010-003)
+ VAT Receivable(IA-001-011)
+ Deposits(IA-001-012)
+ Non-current Assets(IA-002)

VAT Receivable - Input Tax Accrual (IA - 001-010-004)

VAT Payable: VAT Control(IL-001-008)	Retire
Opening Balance(IL-001-008-001)	
Transfers(IL-001-008-002)	
Payments(IL-001-008-003)	
(Retired) Receipts(IL-001-008-004)	
Prior period corrections(IL-001-008-005)	
+ VAT Payable: Output Tax Accrual(IL-001-009)	
+ VAT Payable: Output Tax(IL-001-010)	Retire
+ VAT Payable: Output Tax: Provision for Doubtful Debt Impairment(IL-001-011)	
Intercompany/Parent-subsidiary Transactions(IL-001-012)	Statutory Payable (IL-001-015) - VAT Payable:Output Tax (IL-001-015-001)
+ Defined Benefit Obligations(IL-001-013)	Copy from (IL-001-010)
Deferred Tax Liabilities(IL-001-014)	- Vat Payable: VAT Control (IL-001-015-002) Copy from IL-001-008)

+ Payables and Accruals : Inventory(IL-001-006-023)	
+ Payables and Accruals : Contracted Services(IL-001-006-024)	
+ Tender documentation(IL-001-006-025)	
+ Municipal Debt Relief(IL-001-006-026)	
+ Deferred Revenue(IL-001-006-027)	Creat with breakdown (IL-001-009) as VAT Payable: Output Tax Accrual (IL-001-006-028) Also include Provision
- Trade and Other Payable Non-exchange Transactions(IL-001-007)	
+ Transfers and Subsidies Payable(IL-001-007-001)	
+ Transfers and Subsidies Unspent(IL-001-007-002)	
+ VAT Payable: VAT Control(IL-001-008)	
- VAT Payable: Output Tax Accrual(IL-001-009)	Retire and move create under
Opening Balance(IL-001-009-001)	IL-001-006-027)
Recognised(IL-001-009-002)	
Transfers(IL-001-009-003)	
- VAT Payable: Output Tax(IL-001-010)	

+ Municipal Debt Relief(IL-001-006-026)	
+ Deferred Revenue(IL-001-006-027)	VAT Payable: Output Tax: Provision for Doubtful Impairment (IL001-006-029)
- Trade and Other Payable Non-exchange Transactions(IL-001-007)	
+ Transfers and Subsidies Payable(IL-001-007-001)	Copy from (IL-001-011)
+ Transfers and Subsidies Unspent(IL-001-007-002)	
+ VAT Payable: VAT Control(IL-001-008)	
- VAT Payable: Output Tax Accrual(IL-001-009)	
Opening Balance(IL-001-009-001)	
Recognised(IL-001-009-002)	
Transfers(IL-001-009-003)	
- VAT Payable: Output Tax(IL-001-010)	
Opening Balance(IL-001-010-001)	
Recognised(IL-001-010-002)	
Transfers(IL-001-010-003)	
VAT Payable: Output Tax: Provision for Doubtful Debt Impairment(IL-001-011)	Retire
Opening Balance(IL-001-011-001)	
Recognised(IL-001-011-002)	
Transfers(IL-001-011-003)	

Created: Statutory payable (IL-001-015)

- VAT Payable: Output Tax (IL-001-015-001)
- VAT Payable: Vat Control (Payable)(IL-001-015-002)
- VAT Payables: Output Tax Accrual (IL-001-006-028) within Trade and Other Payables exchange transactions
- VAT Payables: Out Tax Provision for Debt Impairment provision for debt Impairment (IL-001-006-029) within Trade and Other Payables exchange transactions

FAQ	QUERY				
10544	<p>We currently have Liabilities: Current Liabilities: VAT Payable: Output Tax: Provision for Doubtful Debt Impairment included in the chart. The intention of this account is to provide for the VAT portion of the Debt Impairment to be recognised. This account therefore should be called Liabilities: Current Liabilities: VAT Payable: Output Tax ACCRUAL: Provision for Doubtful Debt Impairment, as it represents the impairment on the outstanding receivables, and not just output tax, as output tax represents monies already collected by SARS that needs to be paid over to SARS in this regard. Please also consider creating an impairment account for the VAT control account receivable. Municipalities have large amounts outstanding with SARS that is currently under dispute, some of which relate to previous years where disputes have been logged and not resolved. At year end, this balance must be considered in terms of GRAP 108, to determine whether impairment should be recognised as well.</p> <table border="1" data-bbox="189 917 955 1209"> <tr> <td data-bbox="189 917 955 998">- VAT Payable: Output Tax: Provision for Doubtful Debt Impairment(IL-001-011)</td> </tr> <tr> <td data-bbox="189 998 955 1063">Opening Balance(IL-001-011-001)</td> </tr> <tr> <td data-bbox="189 1063 955 1128">Recognised(IL-001-011-002)</td> </tr> <tr> <td data-bbox="189 1128 955 1209">Transfers(IL-001-011-003)</td> </tr> </table>	- VAT Payable: Output Tax: Provision for Doubtful Debt Impairment(IL-001-011)	Opening Balance(IL-001-011-001)	Recognised(IL-001-011-002)	Transfers(IL-001-011-003)
- VAT Payable: Output Tax: Provision for Doubtful Debt Impairment(IL-001-011)					
Opening Balance(IL-001-011-001)					
Recognised(IL-001-011-002)					
Transfers(IL-001-011-003)					

CHANGES
<p>Amended item description (name) - Liabilities: Current Liabilities: VAT Payable: Output Tax: Provision for Doubtful Debt Impairment to Liabilities: Current Liabilities: VAT Payable: Output Tax ACCRUAL: Provision for Doubtful Debt Impairment</p>

FAQ	QUERY	CHANGES
11004	<p>Item: Assets: Non-Current Assets: Non-Exchange Receivables requires additional break-downs.</p> <ol style="list-style-type: none">1. Property Rates by Usage must be catered for the same per category as it is done on the Current Asset side. The Non-Current chart must be a mirror image of the Current asset side, as and when long term agreements come to an end we must transfer it to Current Assets but we did not have the detail on the Item to reclassify it easily.2. There is currently no items under Non-Current Assets: Non-exchange Receivables for the Trading services. We have no items available on the mSCOA chart to allocate the non-current portion of availability fees where long-term agreements have been made per service. There is also no Impairment for non-current on services and as such we had to utilize property rates Impairment under non-current assets which distorts the mSCOA strings vs AFS disclosure.	<p>Created: Property Rates by Usage per category under Non-Current Assets: Non-Exchange Receivables . The Non-Current chart is the mirror image of the Current asset.</p>

<ul style="list-style-type: none"> - Assets(IA) 	<ul style="list-style-type: none"> - Property Rates by Usage(IA-001-004-010) 	<ul style="list-style-type: none"> - Business and Commercial Properties(IA-001-004-010-001)
<ul style="list-style-type: none"> - Current Assets(IA-001) 	<ul style="list-style-type: none"> + Business and Commercial Properties(IA-001-004-010-001) 	<ul style="list-style-type: none"> Opening Balance(IA-001-004-010-001-001)
<ul style="list-style-type: none"> - Receivables from Non-exchange Transactions(IA-001-004) 	<ul style="list-style-type: none"> + Industrial Properties(IA-001-004-010-002) 	<ul style="list-style-type: none"> Monthly Billing(IA-001-004-010-001-002)
	<ul style="list-style-type: none"> + Mining Properties(IA-001-004-010-003) 	<ul style="list-style-type: none"> Interest Charge(IA-001-004-010-001-003)
	<ul style="list-style-type: none"> + Residential Properties(IA-001-004-010-004) 	<ul style="list-style-type: none"> Prior Period Corrections and Adjustments(IA-001-004-010-001-004)
	<ul style="list-style-type: none"> + Agricultural Properties(IA-001-004-010-005) 	<ul style="list-style-type: none"> Collections(IA-001-004-010-001-005)
	<ul style="list-style-type: none"> + Public Benefit Organisations(IA-001-004-010-006) 	<ul style="list-style-type: none"> Debt Write-offs(IA-001-004-010-001-006)
	<ul style="list-style-type: none"> + Public Service Purposes Properties(IA-001-004-010-007) 	<ul style="list-style-type: none"> Accrued Revenue(IA-001-004-010-001-007)
	<ul style="list-style-type: none"> + Public Service Infrastructure Properties(IA-001-004-010-008) 	<ul style="list-style-type: none"> - Impairment(IA-001-004-010-001-008)
	<ul style="list-style-type: none"> + Vacant Land(IA-001-004-010-009) 	<ul style="list-style-type: none"> Opening Balance(IA-001-004-010-001-008-001)
	<ul style="list-style-type: none"> + Sports Clubs and Fields(IA-001-004-010-010) 	<ul style="list-style-type: none"> Recognised(IA-001-004-010-001-008-002)
		<ul style="list-style-type: none"> Reversal(IA-001-004-010-001-008-003)
		<ul style="list-style-type: none"> Transfer (to) from Non-current assets(IA-001-004-010-001-009)
		<ul style="list-style-type: none"> Interest Collection(IA-001-004-010-001-010)

<ul style="list-style-type: none"> - Assets(IA) 	<ul style="list-style-type: none"> - Property Rates(IA-002-011-017) 	<ul style="list-style-type: none"> - Trade and Other Receivables from Exchange Transactions(IA-002-012)
<ul style="list-style-type: none"> - Non-current Assets(IA-002) 	<ul style="list-style-type: none"> Opening Balance(IA-002-011-017-001) 	<ul style="list-style-type: none"> - Trading Service Debtors(IA-002-012-001)
<ul style="list-style-type: none"> - Non-current Receivables from Non-exchange Transactions(IA-002-011) 	<ul style="list-style-type: none"> Transfer from Current Assets(IA-002-011-017-002) 	<ul style="list-style-type: none"> + Electricity(IA-002-012-001-001)
	<ul style="list-style-type: none"> Transfer to Current Assets(IA-002-011-017-003) 	<ul style="list-style-type: none"> + Property Rental Debtors(IA-002-012-001-002)
	<ul style="list-style-type: none"> Write-offs(IA-002-011-017-004) 	<ul style="list-style-type: none"> + Waste Water Management(IA-002-012-001-003)
	<ul style="list-style-type: none"> - Impairment(IA-002-011-017-005) 	<ul style="list-style-type: none"> + Service Charges(IA-002-012-001-004)
	<ul style="list-style-type: none"> Opening Balance(IA-002-011-017-005-001) 	<ul style="list-style-type: none"> + Waste Management(IA-002-012-001-005)
	<ul style="list-style-type: none"> Recognised(IA-002-011-017-005-002) 	<ul style="list-style-type: none"> + Water(IA-002-012-001-006)
	<ul style="list-style-type: none"> Reversal(IA-002-011-017-005-003) 	

FAQ	QUERY	CHANGES
<p>10551</p>	<p>Please consider the use of "other changes" under the asset accumulated depreciation chart accounts. Currently, there is no correction of error lines for depreciation, therefore other changes are being used to reflect this and restate the prior year opening balance. It may be appropriate to align this to GRAP 3, correction of error naming convention.</p> <ul style="list-style-type: none"> - Transport Assets(IA-002-015-001-002) - Accumulated Depreciation(IA-002-015-001-002-001-002) <ul style="list-style-type: none"> Opening Balance(IA-002-015-001-002-001-002-001) Other Changes(IA-002-015-001-002-001-002-002) Depreciation(IA-002-015-001-002-001-002-003) Disposals(IA-002-015-001-002-001-002-004) Transfers(IA-002-015-001-002-001-002-005) - Dairy Cattle Accumulated Depreciation(IA-002-001-001-001-001-002) <ul style="list-style-type: none"> Opening Balance(IA-002-001-001-001-001-002-001) Depreciation(IA-002-001-001-001-001-002-002) Disposals/Transfers Out(IA-002-001-001-001-001-002-003) Changes not specifically listed(IA-002-001-001-001-001-002-004) 	<p>Amended the definitions of “Other changes” and “Changes not specifically listed” to Changes such as corrections of errors and change in measurements to be reflected in this item and anything else impacting on the reconciliation not provided in the detail.</p>

Account provides for any other changes to be reflected

Changes such as corrections of errors and change in accounting policies to be reflected in this item and anything else impacting on the reconciliation not provided in the detail.

ITEM: GAINS AND LOSSES

FAQ **QUERY**

CHANGES

10503 The municipality incurred a decrease in a provision for landfill sites.

Currently the chart only accommodates IE: Contributions to Provisions (Landfills). Decreases in provisions represent a gain as defined in terms of IFRS. Consideration that an item be included in Revenue to acknowledge the "decrease/reduction" in contribution to provision. By using IE: Contributions to Provisions, this may create a negative expenditure in a year of assessment.

An alternative to the above is to Move to IE: Contributions to Provisions (Landfills)Contributions to Provisions (Increases/Decreases) to the IZ Chart.

Created the following items within Gains and Losses - Contributions to Provisions (Increases/Decreases) to the IZ Chart:

IZ: Gains and Losses - Contributions to Provisions for landfill sites.

IZ: Gains and Losses – Reversal of Provisions of landfill sites

Retire IE: Contributions to Provisions (Landfills)

- Operational Cost(IE-010)
- Contribution to Provisions(IE-010-016)
 - Alien Vegetation(IE-010-016-001)
 - Decommissioning, Restoration and Similar Liabilities(IE-010-016-002)
 - Landfill Sites(IE-010-016-002-001)

- Gains and Losses(IZ)
- + Discontinued Operations and Disposals of Non-current Assets(IZ-001)
- + Disposal of Fixed and Intangible Assets(IZ-002)
- + Fair Value Adjustment(IZ-003)
- + Foreign Exchange(IZ-004)
- + Impairment Loss(IZ-005)
- + Reversal of Impairment Loss(IZ-006)
- + Inventory(IZ-007)
- + Water Losses(IZ-008)

FAQ	QUERY	CHANGES
<p>10576</p>	<p>A further break-down is required under Gains and Losses - Impairment and Reversal of Impairment for Property Rates.</p> <p>The current chart only has one item named: Gains and Losses: Impairment Loss - Other Receivables from Non-exchange Revenue - Property Rates and Gains and Losses: Reversal of Impairment Loss - Other Receivables from Non-exchange Revenue - Property Rates</p> <p>It is thus hard to budget and monitor actuals of impairment against the various categories of property rates by usage if the gains and losses side is not split accordingly same as revenue and asset receivables.</p>	<p>Added the breakdown of various property rates categories by usage within impairment loss and reversal of impairment to align to the Item Assets- Receivables from non exchange revenue.</p>
<ul style="list-style-type: none"> - Gains and Losses(IZ) + Discontinued Operations and Disposals of Non-current Assets(IZ-001) + Disposal of Fixed and Intangible Assets(IZ-002) + Fair Value Adjustment(IZ-003) + Foreign Exchange(IZ-004) - Impairment Loss(IZ-005) <ul style="list-style-type: none"> - Other Receivables from Non-exchange Revenue(IZ-005-006) <ul style="list-style-type: none"> Non Specific Accounts(IZ-005-006-001) Property Rates(IZ-005-006-002) 	<ul style="list-style-type: none"> - Reversal of Impairment Loss(IZ-006) <ul style="list-style-type: none"> Biological or Cultivated Assets(IZ-006-001) Heritage Assets(IZ-006-002) Intangible Assets(IZ-006-003) Investment Property(IZ-006-004) + Property, Plant and Equipment(IZ-006-005) - Other Receivables from Non-exchange Revenue(IZ-006-006) <ul style="list-style-type: none"> Non Specific Accounts(IZ-006-006-001) Property Rates(IZ-006-006-002) 	

The various property rates categories from the Item Asset.

- Property Rates by Usage(IA-001-004-010)
 - + Business and Commercial Properties(IA-001-004-010-001)
 - + Industrial Properties(IA-001-004-010-002)
 - + Mining Properties(IA-001-004-010-003)
 - + Residential Properties(IA-001-004-010-004)
 - + Agricultural Properties(IA-001-004-010-005)
 - + Public Benefit Organisations(IA-001-004-010-006)
 - + Public Service Purposes Properties(IA-001-004-010-007)
 - + Public Service Infrastructure Properties(IA-001-004-010-008)
 - + Vacant Land(IA-001-004-010-009)
 - + Sports Clubs and Fields(IA-001-004-010-010)
 - + Residential Sectional Title Garages(IA-001-004-010-011)

- Property Rates by Usage(IA-001-004-010)
 - Business and Commercial Properties(IA-001-004-010-001)
 - Opening Balance(IA-001-004-010-001-001)
 - Monthly Billing(IA-001-004-010-001-002)
 - Interest Charge(IA-001-004-010-001-003)
 - Prior Period Corrections and Adjustments(IA-001-004-010-001-004)
 - Collections(IA-001-004-010-001-005)
 - Debt Write-offs(IA-001-004-010-001-006)
 - Accrued Revenue(IA-001-004-010-001-007)
 - + Impairment(IA-001-004-010-001-008)

- Impairment(IA-001-004-010-001-008)
 - Opening Balance(IA-001-004-010-001-008-001)
 - Recognised(IA-001-004-010-001-008-002)
 - Reversal(IA-001-004-010-001-008-003)
 - Transfer (to) from Non-current assets(IA-001-004-010-001-009)
 - Interest Collection(IA-001-004-010-001-010)

PROJECT SEGMENT

FAQ	QUERY
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CHANGES

10525	It is noted that the Medium Term Strategic Objective on the Schedule Codes still incorrectly refers to the 2014-19 MSTF: >>> please ensure that at least the 2019-24 should reflect on the Schedule
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Added new strategic priorities in line with the MTDP - government strategy for 2024-2029. Also included these strategic priorities column on the PR data strings

MTSFcde	MTSF Service Delivery Outcome
01	Quality basic education
02	A long and healthy life for all South Africans
03	All people in South Africa are and feel safe
04	Decent employment through inclusive growth
05	A skilled and capable workforce to support an inclusive growth path
06	An efficient, competitive and responsive economic infrastructure network
07	Vibrant, equitable, sustainable rural communities contributing towards food security for all
08	Sustainable human settlements and improved quality of household life
09	Responsive, accountable, effective and efficient local government
10	Protect and enhance our environmental assets and natural resources
11	Create a better South Africa and contribute to a better Africa and a better world
12	An efficient, effective and development-oriented public service
13	A comprehensive, responsive and sustainable social protection system
14	A diverse, socially cohesive society with a common national identity

IUDFcde	IUDF Integrated Urban Development Framework
01	Spatial integration
02	Inclusion and access
03	Growth
04	Governance

Strategic Priorities
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation
01. Increased employment and work opportunities
02. Accelerated growth of strategic industrial and labour-intensive sectors
03. Enabling environment for investment and improved competitiveness
04. Increased infrastructure investment, access, and efficiency
05. Improved energy security and a just energy transition
06. Increased trade and investment
07. A dynamic science, technology, and innovation ecosystem for growth
08. Supportive and sustainable economic policy environment
09. Economic transformation and equitable inclusion of women, youth, and persons with disabilities
Strategic Priority 2: Reduce Poverty and Tackle the High Cost of Living
01. Reduced poverty and improved livelihoods
02. Improved coverage of social protection
03. Improved access to affordable and quality healthcare
04. Improved education outcomes and skills
05. Skills for the economy
06. Social cohesion and nation-building
Strategic Priority 3: Build a Capable, Ethical, and Developmental State
01. Improved service delivery in the local government sphere
02. Improved governance and performance of public entities
03. An ethical, capable, and professional public service
04. Digital transformation across the state
05. Mainstreaming of gender, youth, and disability empowerment
06. A reformed, integrated, and modernised criminal justice system
07. Effective border security
08. Secured cyber space
09. Increased safety for women and children in communities
10. Combatting priority offences (economic, organised crime, and corruption)
11. Advancing South African foreign policy
12. Enhanced peace and security in Africa

FAQ

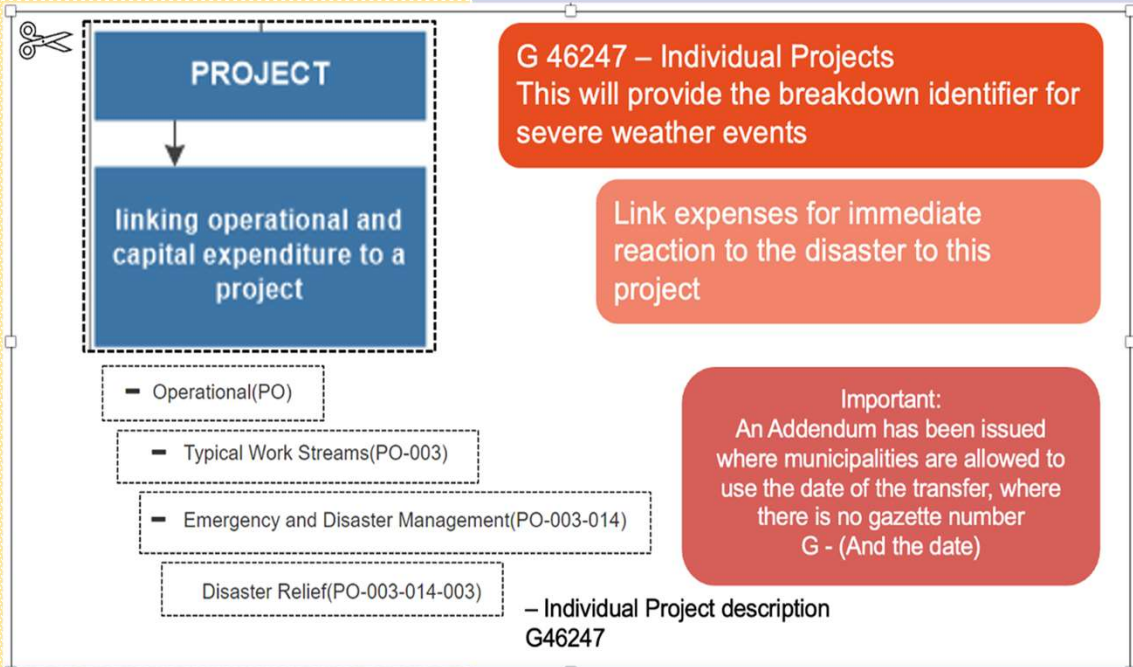
QUERY

CHANGES

UDFG must be ring-fenced by using 'Project segment. An example of the FMG grant below will be used for operational projects.

UDFG is ring-fenced by using 'Project segment. An example of the Of what was used for reporting on Disaster. More details must be provided for Capital Projects. It is suggested a UDFG - Code is standardized and communicated within an MFMA Circular (Dec).

Website Development and Maintenance(PO-003-049)
- Financial Management Grant(PO-003-050)
Audit Outcomes(PO-003-050-001)
Budget and Treasury Office(PO-003-050-002)
Financial Recovery Plans(PO-003-050-003)
Financial Statements(PO-003-050-004)
Financial Systems(PO-003-050-005)
Interns Compensation(PO-003-050-006)
Supply Chain Management, Internal Audit and Audit(PO-003-050-007)
System of Delegation(PO-003-050-008)
Training Minimum Competency(PO-003-050-009)
Integrated Rapid Transport Network(PO-003-051)



CHANGES

Standardized Codes:
UDFG – Metro Trading Services (MTS)
UDFG- Neighborhood Development Partnership (NDPG)
UDGF – Project and Programme Preparation Support (PPP)
UDFG – Public Employment Programme (PEP)

PROJECTCODE	Account Name	INDIVIDUAL_PROJECTS
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Lovu Landfill Cell Phases and Infrastructure Works
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Lovu Landfill Cell Phases and Infrastructure Works
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Lovu Landfill Cell Phases and Infrastructure Works
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Lovu Landfill Cell Phases and Infrastructure Works
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Lovu Landfill Cell Phases and Infrastructure Works
PC00100100200100000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Lovu Landfill Cell Phases and Infrastructure Works
PC00100100600100000000000000000000	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	G46247 : Roads
PC00100100600100000000000000000000	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	G46247 : Roads
PC00100100600100000000000000000000	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	G46247 : Roads
PC00100100600100000000000000000000	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	G46247 : Roads
PC00100100600100000000000000000000	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	G46247 : Roads
PC0010010020060010000000000000000000	Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure:Roads	G46247 : Roads Infrastructure : Roads
PC0010010020060010000000000000000000	Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure:Roads	G46247 : Roads Infrastructure : Roads
PC0010020020010000000000000000000000	Capital:Infrastructure:New:Solid Waste Infrastructure:Landfill Sites	G46247 : Mariannahill: Stormwater & Environmental protection provision
PC0010020020010000000000000000000000	Capital:Infrastructure:New:Solid Waste Infrastructure:Landfill Sites	G46247 : Mariannahill: Stormwater & Environmental protection provision
PC0010020020010000000000000000000000	Capital:Infrastructure:New:Solid Waste Infrastructure:Landfill Sites	G46247 : Mariannahill: Stormwater & Environmental protection provision

COSTING SEGMENT

FAQ **QUERY**

CHANGES

11008 Please review the Description field starting from line 169 onwards. Several lines mention "Charge-outs" instead of "Recovery." Since this is under the Recoveries section, shouldn't the descriptions begin with "Recovery of ..." instead? I marked them in red on the attached file.

Amended definitions for Bulk Services, Printing Services, Pumping Costs at Power Stations, Telephone and Internet, Vehicles, Plant and Equipment, as well as Capital and Operating costs to begin with **“Recovery of ...”** instead of **“Charge-outs.”**

STANDARD CHART OF ACCOUNTS				REPORTING STRUCTURE			GUID
VAT Status	Account No Prefix	Definitions	1	2	3		
N/a	00	Distinction is made at this level between "charges to receiving departments and recoveries made by sending departments". This specific is for recoveries by sender departments.	Recoveries			e2585e2e-949e-4cc8-8ede-1dddb5438a7f	
N/a	00	This refers to the allocation of overheads (receiving department) to a cost centre used by multiple functions, such as Information Technology for example; pro rata allocations based on the number of service points or users such as the electricity department.		Departmental Recoveries		000ad720-9702-4f8a-92fe-2a8b4785f511	
N/a	00	This refers to departmental use of internal services such as electricity, water, waste water management and waste management, for example cost allocation for the electricity departments water.		Internal Billing		385f7e75-d52e-4934-b2d0-f61fbaac51ea	
N/a	00	Charge-out from the billing system for the bulk provision of refuse, waste water, water, electricity and the water research levy by the various services to the applicable cost centres			Bulk Services	063c65a1-adde-4a95-89c2-3a53e94de85f	
N/a	00	This refers to the actual allocation of resources utilised by various departments, for example allocation of labour are based on time sheets, and the allocation of vehicles and plant equipment are based on log sheets.		Activity Based Recoveries		50990f96-c65d-4ac6-aa43-c6d697cebedc	
N/a	00	Charge-out of printing, reproduction and postage cost for work done by or at another cost centre or department. Activities in this regard will include copies, printing, binding and laminating etc. as well as franking machines in terms of a cost recovery agreement.			Printing Service	577bed74-c654-43e2-9bc6-be698f516309	
N/a	00	Charge out of pumping cost at power station based on an agreed rate in terms of a cost recovery agreement.			Pumping Cost at Power Stations	288f2f75-66b9-4717-ba46-44c978d620a9	

STANDARD CHART OF ACCOUNTS


CODE STRUCTURE

VAT Status Account No Prefix Definitions

REPORTING STRUCTURE

1 2 3 GUID

VAT Status	Account No Prefix	Definitions	1	2	3	GUID
		Charge-out of telephone expenses incurred per extension per cost centre. These extensions are on the internal telephone system and managed corporately. Cost include infrastructure network cost and call cost. Call costs are the costs incurred to make an external call via an external service provider for example Telkom, MTN, Vodacom, CellC and others telephone & internet providers. Infrastructure network costs are the costs to have a telephone instrument and the facility to make internal calls on the internal network without incurring of an external expense. Telephones and fax extensions are also included in this item. Allocation is based on predetermined rates in terms of a cost recovery agreement.			Telephone and Internet	
Na	CO	Charge-out of vehicles, plant and equipment to internal users based on a predetermined rate in terms of a cost recovery agreement.			Vehicles, Plant and Equipment	5a059140-0125-49bc-b262-5bef5ba2d716
Na	CO	Charge out of vehicles, plant and equipment to capital - allocation of plant and equipment utilised in capital projects based on actual measurement of usage for example per hour or km at an agreed rate (only including direct costs) in terms of a cost recovery agreement.				03970f13-e31e-45e6-9571-b8290bb3dc42
Na	CO	Charge-out of vehicles, plant and equipment to operating - allocation of plant and equipment utilised in maintenance and general operations. The recovery will be done on actual measurement of usage for example per hour or km at an agreed rate (including direct and indirect costs) in terms of a cost recovery agreement.				28b91901-4aae-4012-8d2c-7b7f6918ed73
Na	CO					afbb4d05-70e6-4314-99b9-399e666dc6fd

FAQ	QUERY	CHANGES
10463	<p>Green electricity was added under Internal Billing in v6.9 as it form part of trading services. The addition considered as a further breakdown against the current Internal Billing: electricity consumption costing segment as illustrated below:</p> <p>Internal billing: electricity consumption Internal billing: electricity consumption: Green Electricity Internal billing: electricity consumption: Eskom Internal billing: electricity consumption: Self Generation</p>  <pre>graph TD; A[Internal billing: electricity consumption] --> B[Departmental Charges(CO-001-001)]; A --> C[Green Electricity(CO-001-001-017)]; A --> D[Other internal billings(CO-001-001-032)]; B --> E[Departmental Recoveries(CO-002-001)]; C --> F[Green Electricity(CO-002-001-017)]; D --> G[Other internal billings(CO-002-001-030)];</pre>	<p>Retired under Departmental Charges and Recoveries: Green Electricity Other Internal Billing</p>

INTERCOMPANY TRANSACTIONS

FAQ QUERY

CHANGES

10545 Please consider if this account classification is correct: Assets: Non-current Assets: Intercompany/Parent-subsidiary Transactions. The definition indicates "Long term investment in subsidiary municipal entities and municipalities as a result of transactions between municipalities and their subsidiary municipal entities." Should this not be disclosed by nature of the transaction in GRAP 1, being long term investments, as opposed to inter-company transactions. It does not reflect the nature of the transaction in GRAP 1 and compromise the disclosure in the individual parent AFS.

Created: Assets: Current Assets: Intercompany/Parent-subsidiary Transactions

Def: "This account should record all current Assets related Intercompany transactions between parent municipalities and their subsidiary municipal entities."

Tree Structure

- Assets(IA)
 - + Current Assets(IA-001)
 - Non-current Assets(IA-002)

- + Intercompany/Parent-subsidiary Transactions(IA-002-014)

- Non-current Assets(IA-002)
 - + Biological Assets(IA-002-001)
 - + Defined Benefit Asset(IA-002-002)
 - + Deferred Tax Assets(IA-002-003)
 - + Heritage Assets(IA-002-004)
 - + Intangible Assets(IA-002-005)
 - + Investment in Associate(IA-002-006)
 - + Investment in Joint Venture(IA-002-007)
 - + Investment Property(IA-002-008)
 - + Investment in Subsidiary(IA-002-009)

CHANGES

Created: Liabilities: Non-current Liabilities: Intercompany/Parent-subsidary Transactions (IL-002-006)

Definition: “This account should record all Non-current Liabilities related Intercompany transactions between parent municipalities and their subsidiary municipal entities”

- Liabilities(IL)

- Current Liabilities(IL-001)

Intercompany/Parent-subsidary Transactions(IL-001-012)

- Non-current Liabilities(IL-002)

Deferred Tax Liabilities(IL-002-001)

+ Defined Benefit Obligations(IL-002-002)

+ Financial Liabilities(IL-002-003)

+ Provisions(IL-002-004)

+ Long term Trade and other Payables(IL-002-005)

CHANGES

Created: Net Assets: Intercompany/Parent-subsidary Transactions (LN-006)

Definition: “This account should record all Net Assets related Intercompany transactions between parent municipalities and their subsidiary municipal entities”

- Net Assets(LN)

+ Accumulated Surplus/(Deficit)(LN-001)

+ Equity(LN-002)

+ Non-controlling Interest(LN-003)

+ Reserves and Funds(LN-004)

Share Premium(LN-005)

FAQ	QUERY	CHANGES
10546	<p>Expenditure: Operational Cost: Intercompany/Parent-subsidiary Transactions does not reflect the nature of the items being procured / purchased as required in terms of GRAP 1. This could compromise the disclosure in the parent municipality AFS. All transactions should be disclosed by nature (municipal services, rental etc), with the impact on whether it is between a municipal entity as a subsequent disclosure in the financial statements.</p> <ul style="list-style-type: none"> - Expenditure(IE) <ul style="list-style-type: none"> + Irrecoverable Debts Written Off(IE-001) + Bulk Purchases(IE-002) + Contracted Services(IE-003) + Depreciation and Amortisation(IE-004) + Employee Related Cost(IE-005) + Interest, Dividends and Rent on Land(IE-006) + Inventory Consumed(IE-007) + Remuneration of Councillors(IE-008) + Operating Leases(IE-009) + Operational Cost(IE-010) + Surplus / Deficit(IE-019) <ul style="list-style-type: none"> - Revenue(IR) <ul style="list-style-type: none"> Discontinued Operations(IR-001) - Exchange Revenue(IR-002) Intercompany/Parent-subsidiary Transactions(IR-002-007) 	<p>Retired - Expenditure: Operational Cost: Intercompany/Parent-subsidiary</p> <p>Created - Expenditure: Intercompany/Parent-subsidiary (IE-020) for the elimination of intercompany transactions. The intercompany transactions for expenditure should be on the same level as reflected in revenue.</p> <p>Definition: “Expenses due to exchange transactions between municipalities and their subsidiary municipal entities”.</p>

ITEM: LIABILITIES

FAQ **QUERY**

CHANGES

11002 It is requested that the Liability accounts for Long Service Awards to be "moved" either on the chart to Defined Benefit Obligations or on the NT Schedule mapping. Currently on all schedules Long Service Awards is grouped together under Provisions with the Provision for the Landfill Site restoration. In the Appropriation statement and AFS Budget Statement the amounts are distorted as per GRAP 25 Employee Benefits consists of Defined Benefits obligations (Medical & Pension) as well as Long Service Awards, as Long Service Awards related directly to employee benefits.

Retired: Current Liabilities: Provisions: Long Service Awards (IL-001-005-004)Retire and Non-Current Liabilities: Provisions: Long Service Awards (IL-002-004-004)

Retired: Current Liabilities: Defined Benefit Obligation: Medical & Pension (IL-001-013-001 & IL001-013-002) and Non-Current Liabilities: Defined Benefit Obligation : Medical & Pension (IL-002-002-001 & IL-002-002-002)

- Non-current Liabilities(IL-002)
- Deferred Tax Liabilities(IL-002-001)
- + Defined Benefit Obligations(IL-002-002)
- + Financial Liabilities(IL-002-003)
- Provisions(IL-002-004)
- + (Retired) Leave(IL-002-004-001)
- + Decommissioning, Restoration and Similar Liabilities(IL-002-004-002)
- + (Retired) Insurance Claims(IL-002-004-003)
- + Long-service Awards(IL-002-004-004)

- Current Liabilities(IL-001)
- + Bank Overdraft(IL-001-001)
- + Consumer Deposits(IL-001-002)
- + Financial Liabilities(IL-001-003)
- + Income Tax Payable(IL-001-004)
- Provision(IL-001-005)
- + Leave(IL-001-005-001)
- + Insurance Claims(IL-001-005-002)
- + (Retired) Impairment(IL-001-005-003)
- + Long-service Awards(IL-001-005-004)

- Current Liabilities(IL-001)

- Defined Benefit Obligations(IL-001-013)

+ Medical(IL-001-013-001)

+ Pension(IL-001-013-002)

- Non-current Liabilities(IL-002)

Deferred Tax Liabilities(IL-002-001)

+ Defined Benefit Obligations(IL-002-002)

+ Financial Liabilities(IL-002-003)

+ Provisions(IL-002-004)

+ Long term Trade and other Payables(IL-002-005)

- Pension(IL-001-013-002)

Opening balance(IL-001-013-002-001)

Interest cost(IL-001-013-002-002)

Current service cost(IL-001-013-002-003)

Actual employer benefit payments(IL-001-013-002-004)

Actuarial loss/ (gain) recognised in the year(IL-001-013-002-005)

🗑️ (Retired) Closing balance(IL-001-013-002-006)

Prior period corrections(IL-001-013-002-007)

- Defined Benefit Obligations(IL-002-002)

+ Medical(IL-002-002-001)

- Pension(IL-002-002-002)

Opening balance(IL-002-002-002-001)

Interest cost(IL-002-002-002-002)

Current service cost(IL-002-002-002-003)

Actual employer benefit payments(IL-002-002-002-004)

Actuarial loss/ (gain) recognised in the year(IL-002-002-002-005)

🗑️ (Retired) Closing balance(IL-002-002-002-006)

Prior period corrections(IL-002-002-002-007)

CHANGES

Created: Current Liabilities: Employee Benefits: **Other Long-Term Benefits:** Long Service Awards and Non-Current Liabilities: Employee Benefits: **Other Long-Term Benefits:** Long Service Awards

Created: Current Liabilities: Employee Benefits: Other Long-Term Benefits: : **Long-term compensated absence such as sabbatical leave** and Non-Current Liabilities: Employee Benefits: Other Long-Term Benefits: **Long-term compensated absence such as sabbatical leave.**

Created: Current Liabilities: Employee Benefits: Other Long-Term Benefits: **Long-disability benefits** and Non-Current Liabilities: Employee Benefits: Other Long-Term Benefits: **Long-disability benefits.**

Created: Current Liabilities: Employee Benefits: Other Long-Term Benefits: **Termination Benefits** and Non-Current Liabilities: Employee Benefits: **Termination Benefits.**

Created: Current Liabilities: Employee Benefits: Post-employment benefits: Defined Benefit Plan: Defined Benefit Obligation: Medical & Pension and Non-Current Liabilities: Employee Benefits: Post-employment benefits: Defined Benefit Plan: Defined Benefit Obligation: Medical & Pension

Created: Current Liabilities: Employee Benefits: Post-employment benefits: Defined Contribution Plan: Medical & Pension and Non-Current Liabilities: Employee Benefits: Post-employment benefits: Defined Contribution Plan: Medical & Pension

CHANGES

11001

Transfer to / from Current and Non-Current Liabilities is required for Long-Service Awards Liability. At year-end a reassessment is done by the actuaries to determine the new Current and non-current portion. The movement between current and non-current must be a non-cash flow transaction but there is currently no items for this movement to align the provision at year end.

Created: Transfer to / from within Non-Current Liabilities: Employee Benefit : Long Service Awards and Transfer to / from within Current Liabilities: Employee Benefit: Other Long-Term Benefits:Long Service Awards

FAQ	QUERY
11003	Additional Items to be created for transfer to / from Current and Non-current provisions to be added to Defined Benefit obligations. The movement between the current and non-current provisions are non-cash and items must be created for this movement. Current chart attached

CHANGES
Created: Transfer to / from (IL-001-013-001-008) within Current Liabilities: Defined Benefit Obligations: Medical and Transfer to / from (IL-001-013-002-008) within Current Liabilities: Defined Benefit Obligations: Pension

- Defined Benefit Obligations(IL-002-002)
- Medical(IL-002-002-001)
Opening balance(IL-002-002-001-001)
Interest cost(IL-002-002-001-002)
Current service cost(IL-002-002-001-003)
Actual employer benefit payments(IL-002-002-001-004)
Actuarial loss/ (gain) recognised in the year(IL-002-002-001-005)
🗑️ (Retired) Closing balance(IL-002-002-001-006)
Prior period corrections(IL-002-002-001-007)

- Pension(IL-002-002-002)
Opening balance(IL-002-002-002-001)
Interest cost(IL-002-002-002-002)
Current service cost(IL-002-002-002-003)
Actual employer benefit payments(IL-002-002-002-004)
Actuarial loss/ (gain) recognised in the year(IL-002-002-002-005)
🗑️ (Retired) Closing balance(IL-002-002-002-006)
Prior period corrections(IL-002-002-002-007)

CHANGES

Retire: Other Benefits (IE-005-002-003-003)
 Leave Gratuity (IE-005-002-003-003-001)
 and Long Service Awards (IE-005-002-003-003-003-002)

Create: Leave Gratuity (IE-005-002-001-005-009-016) and Long Service Awards (IE-005-002-001-005-009-017)

Retired: Long Service Award (IE-005-002-001-005-009-005)

- + Senior Management(IE-005-001)
- Municipal Staff(IE-005-002)
 - + Salaries, Wages and Allowances(IE-005-002-001)
 - + Social Contributions(IE-005-002-002)
 - Post-retirement Benefit(IE-005-002-003)
 - + Medical(IE-005-002-003-001)
 - + Pension(IE-005-002-003-002)
 - Other Benefits(IE-005-002-003-003)
 - Leave Gratuity(IE-005-002-003-003-001)
 - Long Term Service Awards(IE-005-002-003-003-002)
- Service Related Benefits(IE-005-002-001-005-009)
 - Cost Capitalised to PPE (Credit Account)(IE-005-002-001-005-009-001)
 - Acting and Post Related Allowances(IE-005-002-001-005-009-002)
 - Bonus(IE-005-002-001-005-009-003)
 - Lifeguard/Duty Squads(IE-005-002-001-005-009-004)
 - + Long Service Award(IE-005-002-001-005-009-005)
 - Fire Brigade(IE-005-002-001-005-009-006)
 - Scarcity Allowance(IE-005-002-001-005-009-007)
 - Standby Allowance(IE-005-002-001-005-009-008)
 - Tools Allowance(IE-005-002-001-005-009-009)
 - Uniform/Special/Protective Clothing(IE-005-002-001-005-009-010)
 - Entertainment(IE-005-002-001-005-009-011)
 - + Overtime(IE-005-002-001-005-009-012)
 - Leave Pay(IE-005-002-001-005-009-013)
 - Leave Pay: Cost Capitalised to PPE (Credit Account)(IE-005-002-001-005-009-014)
 - Danger Allowance(IE-005-002-001-005-009-015)

ITEM: NET ASSETS

FAQ	QUERY	CHANGES
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10510	<p>Revaluation Surplus reserves (LN) does not have a prior period correction guid. This should be added as a movement guid. Please consider this for all reserves and liabilities as applicable. Corrections are possible across.</p> <div data-bbox="262 560 1071 1036"><ul style="list-style-type: none">Revaluation Reserve(LN-004-003) 5Opening Balance(LN-004-003-001)Current Period Revaluation Increases/Decrease(LN-004-003-002)Transfers to/from Accumulated Surplus(LN-004-003-003)Disposal of Asset(LN-004-003-004) (Retired) Closing Balance(LN-004-003-005)</div>	<p>Created Correction of prior period within Revaluation Reserves</p>
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WATER INVENTORY

FAQ	QUERY	CHANGES
<p>10496, 10559, 10524</p>	<p>The chart should make provision for "Cost Capitalised to Assets (Credit Account)" account under the following expenditure:</p> <ul style="list-style-type: none"> * Depreciation and amortisation * Finance costs * Contracted services * Inventory consumed • Operating cost. <p>KCDM is now producing their own water. The challenge is that the chart (IA: Inventory) does not allow for Conversion costs capitalised as part of Inventory nor is there any credits to the respective IE accounts) to comply with GRAP 12 which allows for costs to be capitalised to inventory bring it to finalised inventory and location for use. This includes fixed and variable overheads which can include labour, depreciation and maintenance.</p> <p>On version 6.9, the account Gains and Losses: Inventory: Fair value assessment: Water stock is still included in the chart. Water inventory municipalities are still incorrectly using this account to recognise a gain on naturally sourced water, instead of capitalising the costs incurred in purification of water directly to water inventory.</p>	<p>Created new items and amended descriptions of items that are needed to capitalise costs to water inventory:</p> <ol style="list-style-type: none"> 1. Amended the description within Employee Related Cost from Basic Salary - Capitalisation of Costs to PPE (Credit Account) Basic Salary - Capitalisation of Costs to PPE, Water Inventory (Credit Account) 2. Amended the description within Inventory Consumed from Capitalisation of inventory consumed to Capitalisation of inventory consumed (Credit Account) 3. Added Expenditure: Bulk Purchases: Electricity: Capitalisation Electricity Costs (Credit Account) ((IE-002-003) Definition: Capitalisation of electricity costs to Water Inventory 4. Depreciation Added: Expenditure: Depreciation and Amortisation: Depreciation: Water Supply Infrastructure: Capitalisation of Depreciation of Water Treatment Works(Credit Account) (IE-004-002-007-011) Definition: Capitalisation of depreciation costs of Water Treatment Works to Water Inventory

CHANGES

5. Contracted Services (Maintenance)**Maintenance of Building and Facilities**

Added: Expenditure: Contracted Services: Contractors:

Maintenance of Building and Facilities (IE-003-003-053)

Definition: Capitalisation of Contracted Services Maintenance of Building and Facilities costs to Water Inventory

Maintenance of Equipment

Added: Expenditure: Contracted Services: Contractors:

Maintenance of Equipment (IE-003-003-054)

Definition: Capitalisation of Contracted Services Maintenance of Equipment costs to Water Inventory

Maintenance of Unspecified Assets

Added: Expenditure: Contracted Services: Contractors:

Maintenance of Unspecified Assets (IE-003-003-055)

Definition: Capitalisation of Contracted Services Maintenance of Unspecified Assets to Water Inventory

CHANGES

6. Operational Costs**Wet Fuel**

Added: Expenditure: Operational Cost: Capitalisation of Wet Fuel Costs (Credit Account) (IE-010-080)

Definition: Capitalisation of Wet Fuel Costs to Water Inventory

Licences

Added: Expenditure: Operational Cost: Capitalisation of Licences Costs (Credit Account) (IE-010-033-006)

Definition: Capitalisation of Licences Costs to Water Inventory

THANK YOU