



Introduction to Chart of Accounts

User Manual



Reporting on Chart of Accounts

Reports in SAP system can be obtained on the basis of Chart of Accounts (CoA). There are five elements in CoA as follows:

1. ENTITY
2. OBJECT
3. FUND
4. FUNCTION
5. PROJECT

There is a coding structure in the above elements with both alpha and numeric characters. The elements and the structure is explained below:

1-Entity

Entity means department of the provincial government. Each government has a unique range for its entities/departments. For Sindh the range is denoted by 'S', that is S01 to S99. This means up to 99 departments can be created in the system. Under a department there may be attached departments. Each attached department has a function and under each one are defined the Cost Centers/DDOs.

Example

S25- Provincial Assembly of Sindh (Department)

S250- Provincial Assembly Secretariat (Attached Department)

S250011101-Parliamentary/Legislative Affairs (Attached Department + Function)

KQ0001-Provincial Assembly (Cost Center/DDO)

2-Object

Object is type of expenditure or receipt. System captures receipts and expenditure at Object level. Any item below Object level cannot be captured in accounting transaction. For example, Stationary is a detailed Object on which expenditure can be booked. However, any sub-detailed item such as 'paper' will not be captured by the system hence no report can be obtained. The use of detailed object element is mandatory for all accounting transactions.

Object element consists of one alpha (accounting) element and up to five numeric characters (account number) which classify each transaction:

A= Expenditure

B= Tax Receipts

C= Non-Tax Receipts

E= Capital Receipts

F= Assets

G= Liabilities

H= Equity

Object element has three sub-elements:

Accounting element	A	Expenditure
Major Object	A01	Employee Related expenses
Minor Object	A011	Pay
Detailed Object	A01101	Basic Pay of Officers

3-Fund

This is basically the demand/grant. However, to define the source, nature, type of demand, further codes are added at the beginning of the demand number. Fund consists of 7 alpha numeric characters which are as follows:

- 1st character is alpha which shows the government S = Sindh
- 2nd character is alpha which differentiates between public and consolidated fund C= Consolidated
- 3rd character is source of fund 1 = Capital
2= Revenue
- 4th character is Sub Fund. It divides the consolidated fund between Current, Development and Capital under the headings of Voted and Charged expenditure.

- 1=** Voted Current Expenditure
- 2=** Voted Development Expenditure
- 3=** Voted Capital Expenditure
- 4=** Charged Current Expenditure
- 5=** Charged Development Expenditure
- 6=** Charged Capital Expenditure

Last three characters demand/grant number. Example of Fund is given below:

Since public account is not budgeted therefore no grant number is given to it. Thus Fund number is not given to it. It is simply created on Object codes.

4- Function

This explains the nature of expenditure. The function code is numeric and it is mandatory for transactions relating to expenditure. There are four sub elements of function. An example of their coding structure is defined as under:

Major Function	03	Public order and safety affairs
Minor Function	031	Law Courts
Detailed Function	0311	Law Courts
Sub-Detailed Function	031102	Attorneys/Legal Services

5-Project

Project coding is not yet listed in CoA. However, it is mandatory in the system in order to obtain reports on projects in the development budget. A project is defined through 10 digits alpha numeric code as follows:

- KA** District initials (district in which scheme will be executed, for example, Karachi. (See below for multiple districts)
- 1617** Fiscal Year (starting year of the schemes)
- 0001** Scheme number (this number is sequential)

In the existing system the combination of Project definition/code and Object code is called the Work Breakdown Structure (WBS Element) e.g. KA16170001-A03970. With each WBS there is an ADP number. Each scheme must have one WBS at minimum.

When a scheme is broken down into several districts, the alpha code of that district is assigned but the ADP number stays the same. This allows in clubbing data at ADP number level and produce reports on each scheme. In the subsequent financial year when the ADP number has changed, project definition will remain the same and new ADP number will be assigned. This will allow production of reports for previous year for same scheme. ADP number is maintained in a separate field.

If a scheme is created in the system during the year and it is not available in budget book of that year then that scheme will be treated as NON-ADP scheme and will not be given ADP number. Same will be the case for federal grants, district ADP schemes and foreign funded projects.

TERMINOLOGIES USED IN THE SYSTEM

S.No	Technical Term	Explanation
1	Business Area	Attached Department
2	CA	Controlling Area. Use CGA wherever system requires you to enter controlling area
3	Commitment Item Or GL code	Detailed Object Code
4	Company Code	Government. Use S whenever system requires you to enter company code
5	FM Area	Financial Management Area. Use CGA whenever system requires you to enter FM area
6	Fund Center / Cost Center	DDO Code. The term Fund center is used for budgeting and cost center is for expenditure
7	Fund	Demand/Grant
8	Ministry	In some cases system will show Ministry. For Sindh this is same as department
9	Plant	Plant stands for Government. Use S whenever system requires this
10	Profit Center	District
11	Version	Type of Budget. 0 is used for original budget and 999 for revised budget.