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# **Quarterly financial statistics (QFS)**

**December 2016**

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## Key findings for the quarter ended December 2016

***The total turnover of quarterly financial statistics (QFS) industries<sup>1</sup> in the fourth quarter of 2016 was estimated at R2 309 987 million (R2,31 trillion), an increase of 1,3% compared with the third quarter of 2016 (R2 279 770 million or R2,28 trillion).***

Between the third and fourth quarters of 2016, turnover increased in five of the eight industries covered by the survey. The largest percentage increase in turnover was recorded in mining and quarrying (+7,9%), followed by trade (+2,4%), transport, storage and communication (+1,4%), real estate and other business services (excluding financial intermediation and insurance) (+1,1%) and manufacturing (+1,1%). Decreases were recorded in electricity, gas and water supply (-18,9%), community, social and personal services (excluding government institutions) (-0,2%) and construction (-0,2%).

Total closing inventories at the end of the fourth quarter of 2016 were estimated at R810 058 million, an increase of 0,5% compared with R806 187 million at the end of the third quarter of 2016. Increases were recorded in transport, storage and communication (+7,3%), electricity, gas and water supply (+7,1%), construction (+6,1%), real estate and other business services (excluding financial intermediation and insurance) (+4,9%), community, social and personal services (excluding government institutions) (+2,7%), trade (+2,2%) and mining and quarrying (+0,9%). A decrease was recorded in manufacturing (-2,5%).

Total capital expenditure on property, plant and equipment was estimated at R106 543 million in the fourth quarter of 2016, an increase of 10,3% compared with R96 564 million in the third quarter of 2016. The largest percentage increase was recorded in transport, storage and communication (+41,5%), followed by construction (+40,7%), mining and quarrying (+34,3), manufacturing (+5,7%), trade (+2,6%) and community, social and personal services (excluding government institutions) (+1,2%). Decreases were recorded in electricity, gas and water supply (-10,0%) and real estate and other business services (excluding financial intermediation and insurance) (-8,0%).

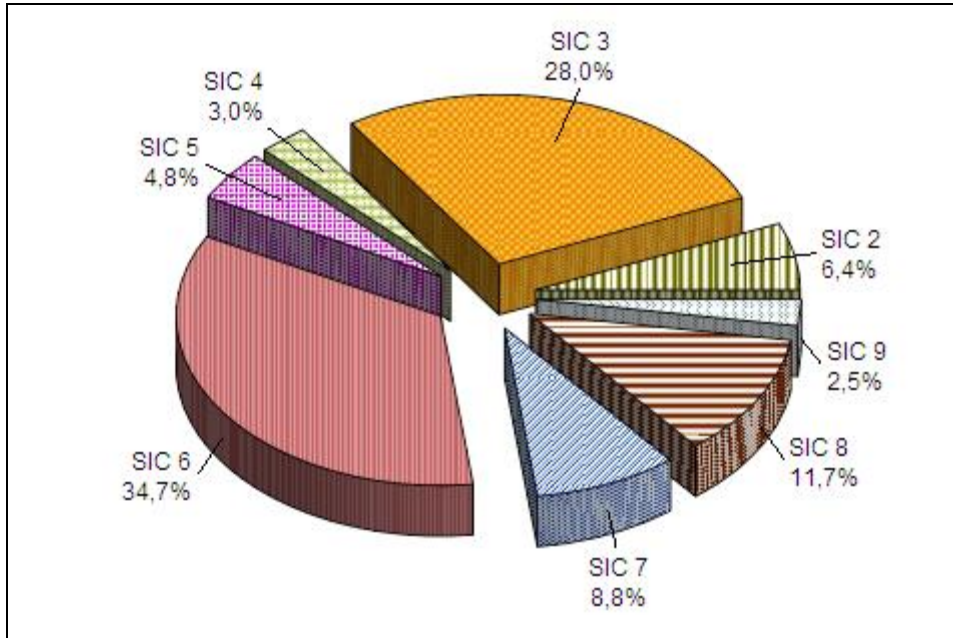
Turnover was estimated at R2 309 987 million in the fourth quarter of 2016, an increase of 9,0% compared with R2 119 065 million in the fourth quarter of 2015. All eight industries covered by the survey reflected an annual increase. The largest percentage increase in turnover was recorded in community, social and personal services (excluding government institutions) (+21,8%), followed by mining and quarrying (+20,1%), electricity, gas and water supply (+12,5%), transport, storage and communication (+11,0%), trade (+9,7%), manufacturing (+6,4%), real estate and other business services (excluding financial intermediation and insurance) (+5,1%) and construction (+4,4%).

<sup>1</sup>All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

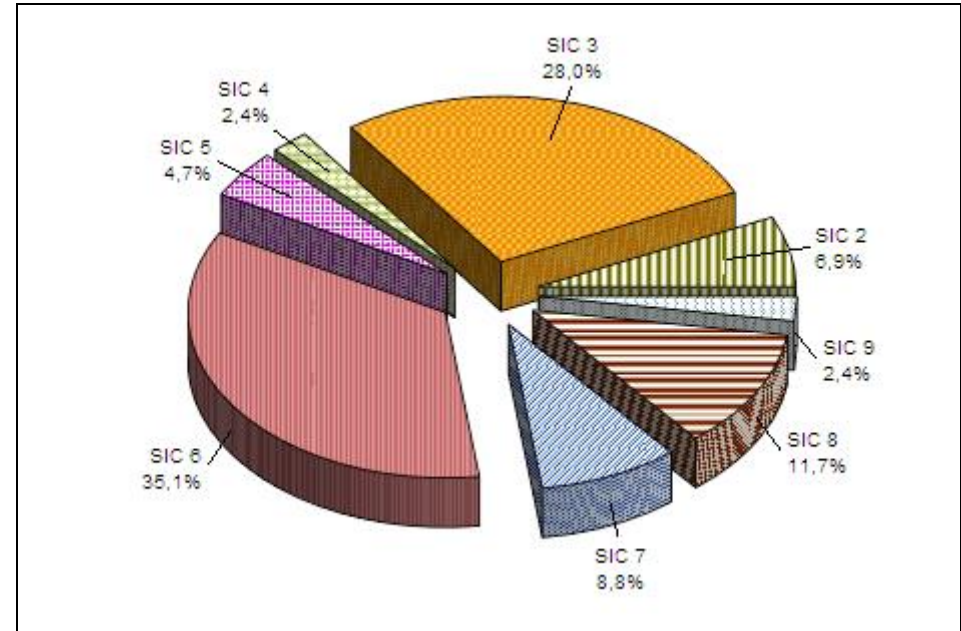
**PJ Lehohla**  
**Statistician-General**

**Figure 1 – Percentage contribution to total turnover by industry in the quarters ended September 2016 and December 2016<sup>1</sup>**

**September 2016**



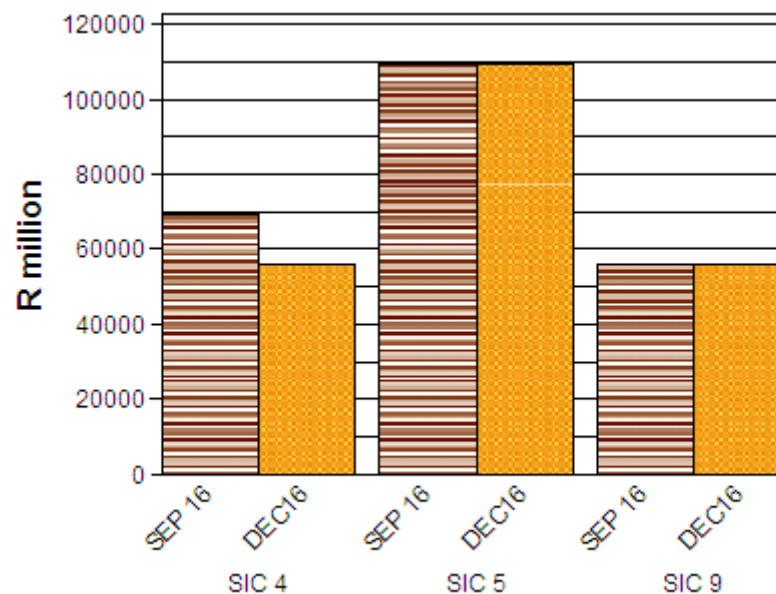
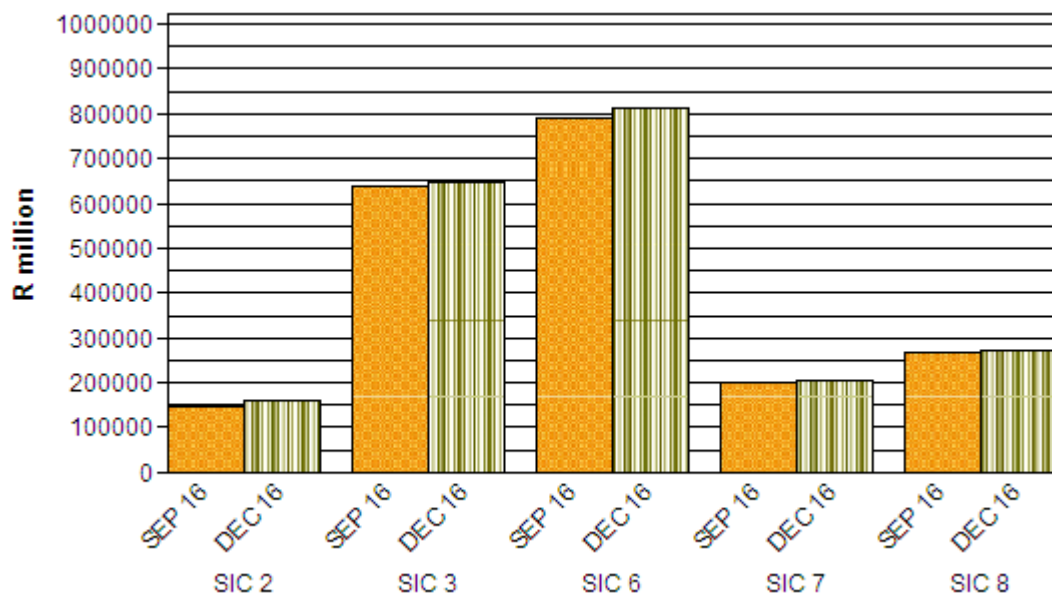
**December 2016**



- SIC 2 - Mining and quarrying industry
- SIC 3 - Manufacturing industry
- SIC 4 - Electricity, gas and water supply industry
- SIC 5 - Construction industry
- SIC 6 - Trade industry
- SIC 7 - Transport, storage and communication industry
- SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)
- SIC 9 - Community, social and personal services industry (excluding government institutions)

<sup>1</sup>The aggregates of the SIC contributions may not add up to totals due to rounding-off.

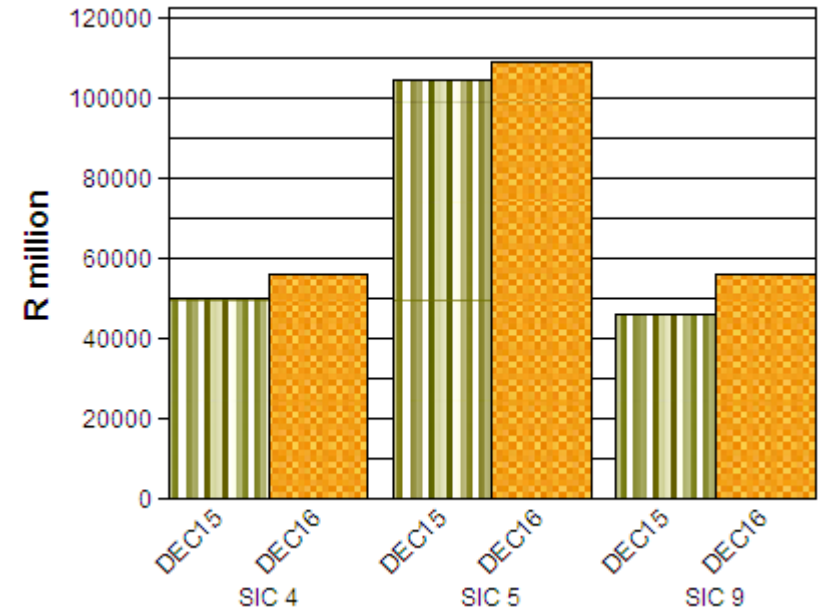
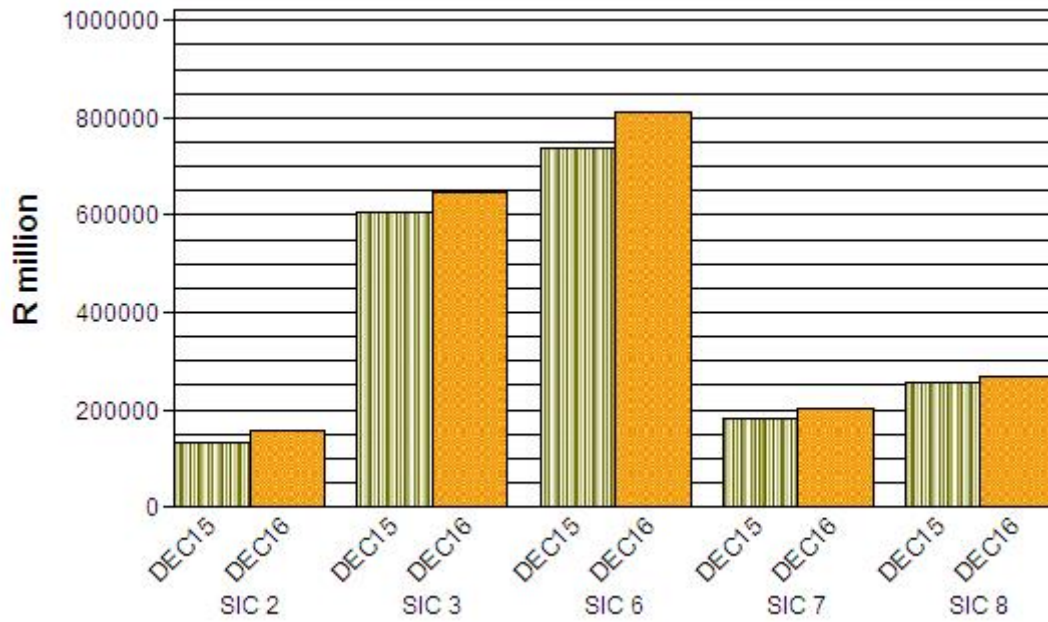
**Figure 2 – Comparison of turnover by industry in the quarters ended September 2016 and December 2016**



- SIC 2 - Mining and quarrying industry
- SIC 3 - Manufacturing industry
- SIC 6 - Trade industry
- SIC 7 - Transport, storage and communication industry
- SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)

- SIC 4 - Electricity, gas and water supply industry
- SIC 5 - Construction industry
- SIC 9 - Community, social and personal services industry (excluding government institutions)

**Figure 3 – Comparison of turnover by industry in the quarters ended December 2015 and December 2016**



**SIC 2 - Mining and quarrying industry**

**SIC 3 - Manufacturing industry**

**SIC 6 - Trade industry**

**SIC 7 - Transport, storage and communication industry**

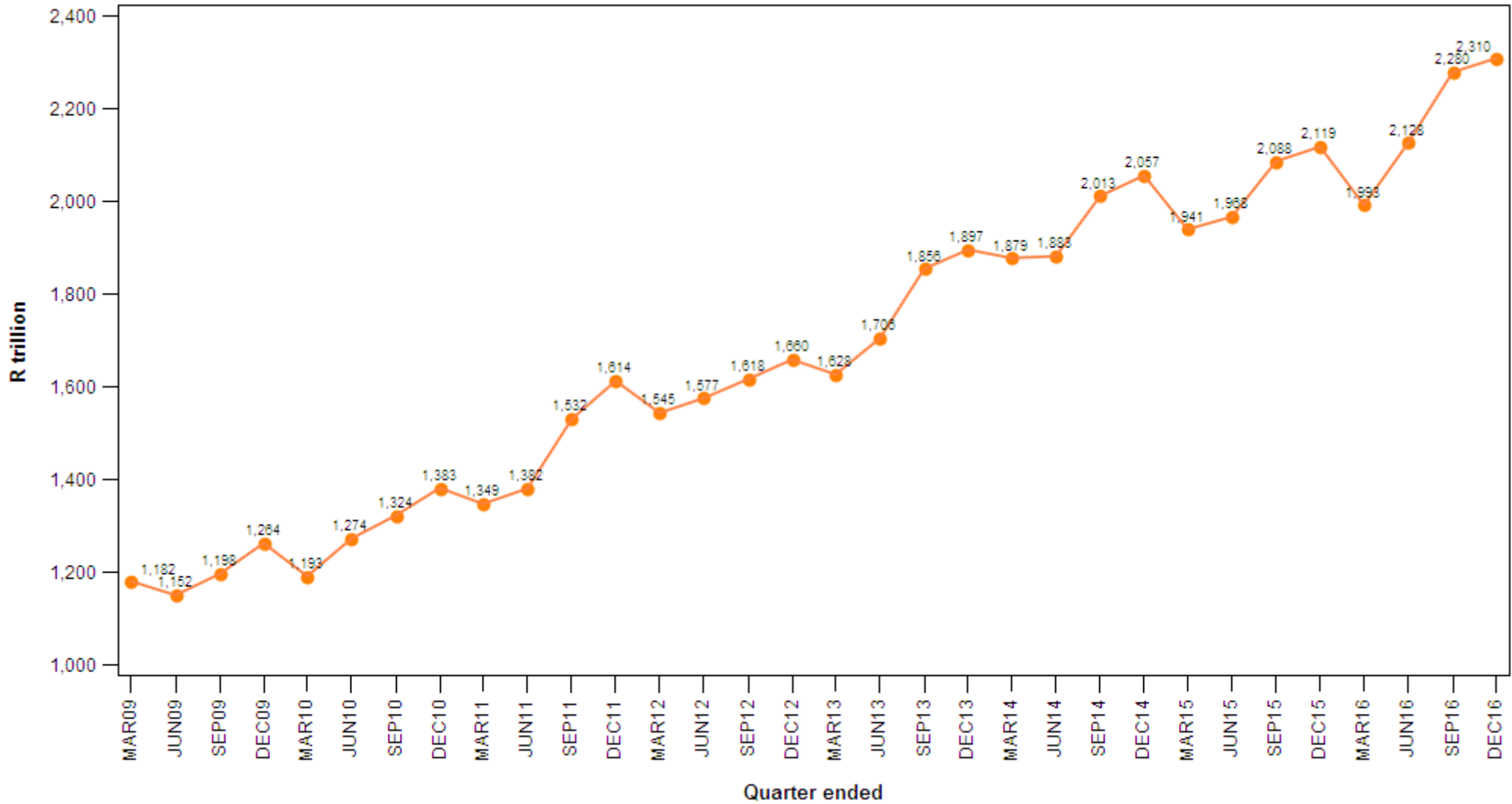
**SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)**

**SIC 4 - Electricity, gas and water supply industry**

**SIC 5 - Construction industry**

**SIC 9 - Community, social and personal services industry (excluding government institutions)**

**Figure 4 – Quarterly turnover of all industries covered by the quarterly financial statistics (QFS) survey<sup>1</sup> from March 2009 to December 2016**



<sup>1</sup>All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

**Table 1 – Selected income and expenditure items: All industries covered by the quarterly financial statistics (QFS) survey<sup>1</sup>**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>2</sup>	December 2016 <sup>3</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	2 119 065	1 992 942	2 127 594	2 279 770	2 309 987	30 217	190 922
Interest received	13 596	13 747	14 780	14 122	14 426	304	830
Dividends received	10 145	8 337	9 929	10 789	14 545	3 756	4 400
Royalties, franchise fees, copyright, trade names and patent rights received	1 125	1 042	1 106	1 720	1 993	273	868
Rental/leasing of land, buildings and other structures received	4 206	4 931	5 196	5 970	7 021	1 051	2 815
Hiring/leasing of plant, machinery, vehicles and other equipment received	4 041	4 406	5 153	3 805	3 784	-21	-257
Profit on assets/investment sold or revalued	40 335	31 503	27 948	68 012	26 147	-41 865	-14 188
Other income	36 762	35 562	37 111	37 216	36 485	-731	-277
<b>Total income (A)</b>	<b>2 229 275</b>	<b>2 092 470</b>	<b>2 228 817</b>	<b>2 421 404</b>	<b>2 414 388</b>	<b>-7 016</b>	<b>185 113</b>
<b>Inventories</b>							
Opening value of raw materials	176 083	177 179	182 506	188 808	197 119	8 311	21 036
Opening value of work in progress	93 805	87 126	93 310	86 623	86 732	109	-7 073
Opening value of finished goods	491 260	498 658	498 487	510 155	526 886	16 731	35 626
<b>Total opening values (B)</b>	<b>761 148</b>	<b>762 963</b>	<b>774 303</b>	<b>785 586</b>	<b>810 737</b>	<b>25 151</b>	<b>49 589</b>
Closing value of raw materials	176 637	185 344	189 291	196 364	193 940	-2 424	17 303
Closing value of work in progress	87 270	95 019	92 717	86 770	86 329	-441	-941
Closing value of finished goods	504 117	492 105	514 166	523 053	529 789	6 736	25 672
<b>Total closing values (C)</b>	<b>768 024</b>	<b>772 468</b>	<b>796 174</b>	<b>806 187</b>	<b>810 058</b>	<b>3 871</b>	<b>42 034</b>

<sup>1</sup> All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.<sup>2</sup> Revised.<sup>3</sup> Preliminary.



**Table 1 – Selected income and expenditure items: All industries covered by the quarterly financial statistics (QFS) survey<sup>1</sup> (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>2</sup>	December 2016 <sup>3</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	1 230 105	1 161 005	1 237 751	1 334 859	1 336 383	1 524	106 278
Employment costs <sup>4</sup>	295 946	289 424	297 859	312 492	323 710	11 218	27 764
Interest paid	53 507	50 329	55 046	60 177	65 257	5 080	11 750
Royalties, franchise fees, copyright, trade names and patent rights paid	8 404	7 807	8 529	8 435	12 300	3 865	3 896
Rental/leasing of land, buildings and other structures paid	47 202	47 089	49 979	58 256	54 921	-3 335	7 719
Hiring/leasing for plant, machinery, vehicles and other equipment paid	9 811	10 458	11 084	12 388	12 360	-28	2 549
Depreciation	55 053	55 726	53 756	58 226	58 308	82	3 255
Losses on assets/investments sold or revalued	52 779	24 071	28 480	26 734	26 844	110	-25 935
Other expenditure	361 032	342 889	359 244	350 001	358 722	8 721	-2 310
<b>Total expenditure (D)</b>	<b>2 113 839</b>	<b>1 988 798</b>	<b>2 101 728</b>	<b>2 221 568</b>	<b>2 248 805</b>	<b>27 237</b>	<b>134 966</b>
Net profit or loss before taxation <b>(E)<sup>5</sup></b>	122 312	113 178	148 960	220 437	164 904	-55 533	42 592
Company tax	29 810	25 359	27 784	28 089	31 644	3 555	1 834
Dividends payable	22 631	26 659	21 523	40 934	32 616	-8 318	9 985
Carrying value of property, plant and equipment as at the end of quarter	2 659 160	2 688 163	2 756 021	3 052 932	3 069 005	16 073	409 845
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	13 108	12 774	9 774	16 744	14 791	-1 953	1 683
Plant, machinery, furniture, fittings and other equipment	75 557	70 621	74 455	69 640	80 300	10 660	4 743
Vehicles and transport equipment	9 677	10 706	9 770	10 180	11 452	1 272	1 775
<b>Total capital expenditure</b>	<b>98 342</b>	<b>94 101</b>	<b>93 999</b>	<b>96 564</b>	<b>106 543</b>	<b>9 979</b>	<b>8 201</b>

<sup>1</sup> All industries in the South African economy, excluding agriculture, financial intermediation insurance and government institutions.

<sup>2</sup> Revised.

<sup>3</sup> Preliminary.

<sup>4</sup> Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.

<sup>5</sup> E=A-B+C-D.

**Table 2 – Selected income and expenditure items: Mining and quarrying industry**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	131 713	128 435	149 569	146 604	158 235	11 631	26 522
Interest received	1 484	1 485	1 932	1 926	2 272	346	788
Dividends received	1 090	491	461	1 225	3 490	2 265	2 400
Royalties, franchise fees, copyright, trade names and patent rights received	127	16	23	25	23	-2	-104
Rental/leasing of land, buildings and other structures received	77	105	91	179	204	25	127
Hiring/leasing of plant, machinery, vehicles and other equipment received	50	73	81	110	180	70	130
Profit on assets/investment sold or revalued	5 469	1 952	2 216	4 647	3 581	-1 066	-1 888
Other income	4 067	1 579	3 499	3 992	2 115	-1 877	-1 952
<b>Total income (A)</b>	<b>144 077</b>	<b>134 136</b>	<b>157 872</b>	<b>158 708</b>	<b>170 100</b>	<b>11 392</b>	<b>26 023</b>
<b>Inventories</b>							
Opening value of raw materials	17 090	16 989	17 215	16 858	17 038	180	-52
Opening value of work in progress	23 931	24 022	26 234	24 659	23 618	-1 041	-313
Opening value of finished goods	28 668	28 783	26 902	21 747	24 388	2 641	-4 280
<b>Total opening values (B)</b>	<b>69 689</b>	<b>69 794</b>	<b>70 351</b>	<b>63 264</b>	<b>65 044</b>	<b>1 780</b>	<b>-4 645</b>
Closing value of raw materials	16 766	17 108	17 609	17 038	17 483	445	717
Closing value of work in progress	23 513	26 216	24 078	23 608	24 767	1 159	1 254
Closing value of finished goods	28 943	26 925	24 588	24 357	23 369	-988	-5 574
<b>Total closing values (C)</b>	<b>69 222</b>	<b>70 249</b>	<b>66 275</b>	<b>65 003</b>	<b>65 619</b>	<b>616</b>	<b>-3 603</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.

**Table 2 – Selected income and expenditure items: Mining and quarrying industry (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	48 325	47 022	54 420	55 308	55 119	-189	6 794
Employment costs <sup>3</sup>	33 843	33 706	32 400	33 482	32 891	-591	-952
Interest paid	4 540	4 052	4 802	4 445	5 375	930	835
Royalties, franchise fees, copyright, trade names and patent rights paid	763	869	1 223	1 117	1 399	282	636
Rental/leasing of land, buildings and other structures paid	3 757	4 184	4 492	5 728	4 547	-1 181	790
Hiring/leasing for plant, machinery, vehicles and other equipment paid	857	875	970	1 041	1 118	77	261
Depreciation	11 901	12 783	11 291	11 542	11 863	321	-38
Losses on assets/investments sold or revalued	21 093	2 346	3 289	2 580	3 560	980	-17 533
Other expenditure	32 269	29 988	30 028	30 870	30 888	18	-1 381
<b>Total expenditure (D)</b>	<b>157 348</b>	<b>135 825</b>	<b>142 915</b>	<b>146 113</b>	<b>146 760</b>	<b>647</b>	<b>-10 588</b>
Net profit or loss before taxation <b>(E)<sup>4</sup></b>	-13 738	-1 234	10 881	14 334	23 915	9 581	37 653
Company tax	2 963	3 052	4 129	4 101	5 820	1 719	2 857
Dividends payable	1 969	1 096	1 040	2 740	1 526	-1 214	-443
Carrying value of property, plant and equipment as at the end of quarter	489 992	483 209	492 251	470 425	467 835	-2 590	-22 157
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	2 670	3 125	2 470	1 895	2 204	309	-466
Plant, machinery, furniture, fittings and other equipment	9 128	4 941	7 792	7 059	9 744	2 685	616
Vehicles and transport equipment	264	160	365	209	357	148	93
<b>Total capital expenditure</b>	<b>12 062</b>	<b>8 226</b>	<b>10 627</b>	<b>9 163</b>	<b>12 305</b>	<b>3 142</b>	<b>243</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 3 – Selected income and expenditure items: Manufacturing industry**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	607 015	563 641	607 138	638 571	645 643	7 072	38 628
Interest received	3 625	3 779	3 506	3 573	3 985	412	360
Dividends received	1 470	2 368	2 316	1 159	2 134	975	664
Royalties, franchise fees, copyright, trade names and patent rights received	128	110	107	190	221	31	93
Rental/leasing of land, buildings and other structures received	1 155	1 450	1 562	2 924	3 162	238	2 007
Hiring/leasing of plant, machinery, vehicles and other equipment received	402	447	510	481	261	-220	-141
Profit on assets/investment sold or revalued	9 436	8 629	8 355	47 387	10 061	-37 326	625
Other income	6 692	7 215	8 693	5 684	6 799	1 115	107
<b>Total income (A)</b>	<b>629 923</b>	<b>587 639</b>	<b>632 187</b>	<b>699 969</b>	<b>672 266</b>	<b>-27 703</b>	<b>42 343</b>
<b>Inventories</b>							
Opening value of raw materials	110 388	107 511	114 463	115 858	121 085	5 227	10 697
Opening value of work in progress	47 548	40 803	45 161	40 748	42 232	1 484	-5 316
Opening value of finished goods	164 322	158 634	158 380	186 065	185 151	-914	20 829
<b>Total opening values (B)</b>	<b>322 258</b>	<b>306 948</b>	<b>318 004</b>	<b>342 671</b>	<b>348 468</b>	<b>5 797</b>	<b>26 210</b>
Closing value of raw materials	107 866	115 416	119 194	120 527	117 829	-2 698	9 963
Closing value of work in progress	41 458	46 377	46 254	42 328	40 200	-2 128	-1 258
Closing value of finished goods	157 926	160 469	164 106	185 466	181 559	-3 907	23 633
<b>Total closing values (C)</b>	<b>307 250</b>	<b>322 262</b>	<b>329 554</b>	<b>348 321</b>	<b>339 588</b>	<b>-8 733</b>	<b>32 338</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.

**Table 3 – Selected income and expenditure items: Manufacturing industry (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	385 233	381 306	401 121	421 625	410 885	-10 740	25 652
Employment costs <sup>3</sup>	66 664	64 569	67 837	73 682	78 367	4 685	11 703
Interest paid	7 956	7 886	7 913	9 157	12 482	3 325	4 526
Royalties, franchise fees, copyright, trade names and patent rights paid	3 225	2 910	2 975	3 398	6 695	3 297	3 470
Rental/leasing of land, buildings and other structures paid	10 742	10 413	11 379	11 749	10 830	-919	88
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 560	1 578	1 661	1 582	1 631	49	71
Depreciation	11 931	11 208	11 935	11 687	11 736	49	-195
Losses on assets/investments sold or revalued	13 655	8 197	9 471	7 568	8 471	903	-5 184
Other expenditure	82 007	78 048	86 251	78 341	83 564	5 223	1 557
<b>Total expenditure (D)</b>	<b>582 973</b>	<b>566 115</b>	<b>600 543</b>	<b>618 789</b>	<b>624 661</b>	<b>5 872</b>	<b>41 688</b>
Net profit or loss before taxation (E) <sup>4</sup>	31 942	36 838	43 194	86 830	38 725	-48 105	6 783
Company tax	10 187	8 619	9 410	8 380	8 716	336	-1 471
Dividends payable	8 911	11 277	3 644	6 717	11 600	4 883	2 689
Carrying value of property, plant and equipment as at the end of quarter	476 033	478 095	498 133	546 841	555 980	9 139	79 947
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	5 294	4 930	1 893	6 243	4 168	-2 075	-1 126
Plant, machinery, furniture, fittings and other equipment	19 181	15 327	15 855	13 926	16 526	2 600	-2 655
Vehicles and transport equipment	1 182	1 086	1 303	1 254	1 960	706	778
<b>Total capital expenditure</b>	<b>25 657</b>	<b>21 343</b>	<b>19 051</b>	<b>21 423</b>	<b>22 654</b>	<b>1 231</b>	<b>-3 003</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 4 – Selected income and expenditure items: Electricity, gas and water supply industry**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	49 974	50 827	57 779	69 277	56 197	-13 080	6 223
Interest received	929	1 003	1 289	1 553	1 452	-101	523
Dividends received	0	0	0	32	1	-31	1
Royalties, franchise fees, copyright, trade names and patent rights received	0	0	0	0	0	0	0
Rental/leasing of land, buildings and other structures received	3	1	2	5	5	0	2
Hiring/leasing of plant, machinery, vehicles and other equipment received	59	63	56	57	62	5	3
Profit on assets/investment sold or revalued	1 630	176	90	176	139	-37	-1 491
Other income	632	933	952	424	397	-27	-235
<b>Total income (A)</b>	<b>53 227</b>	<b>53 003</b>	<b>60 168</b>	<b>71 524</b>	<b>58 253</b>	<b>-13 271</b>	<b>5 026</b>
<b>Inventories</b>							
Opening value of raw materials	17 468	18 250	17 995	19 830	20 907	1 077	3 439
Opening value of work in progress	160	123	135	1	1	0	-159
Opening value of finished goods	164	178	149	347	362	15	198
<b>Total opening values (B)</b>	<b>17 792</b>	<b>18 551</b>	<b>18 279</b>	<b>20 178</b>	<b>21 270</b>	<b>1 092</b>	<b>3 478</b>
Closing value of raw materials	18 250	17 993	19 701	20 907	22 433	1 526	4 183
Closing value of work in progress	123	135	135	1	2	1	-121
Closing value of finished goods	183	153	127	362	350	-12	167
<b>Total closing values (C)</b>	<b>18 556</b>	<b>18 281</b>	<b>19 963</b>	<b>21 270</b>	<b>22 785</b>	<b>1 515</b>	<b>4 229</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.

**Table 4 – Selected income and expenditure items: Electricity, gas and water supply industry (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	27 171	28 008	26 641	28 825	28 575	-250	1 404
Employment costs <sup>3</sup>	6 673	8 290	7 845	8 016	7 908	-108	1 235
Interest paid	4 034	4 245	5 059	6 982	6 483	-499	2 449
Royalties, franchise fees, copyright, trade names and patent rights paid	0	3	0	0	0	0	0
Rental/leasing of land, buildings and other structures paid	58	45	78	49	52	3	-6
Hiring/leasing for plant, machinery, vehicles and other equipment paid	109	123	107	116	105	-11	-4
Depreciation	4 879	5 427	5 238	6 218	5 869	-349	990
Losses on assets/investments sold or revalued	101	1 590	133	2 146	1 421	-725	1 320
Other expenditure	9 516	7 941	9 393	9 982	9 552	-430	36
<b>Total expenditure (D)</b>	<b>52 541</b>	<b>55 672</b>	<b>54 494</b>	<b>62 334</b>	<b>59 965</b>	<b>-2 369</b>	<b>7 424</b>
Net profit or loss before taxation (E) <sup>4</sup>	1 450	-2 938	7 358	10 282	-197	-10 479	-1 647
Company tax	378	436	467	482	504	22	126
Dividends payable	1 458	160	334	271	548	277	-910
Carrying value of property, plant and equipment as at the end of quarter	557 938	577 160	598 383	637 928	652 975	15 047	95 037
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	618	654	1 232	1 762	1 753	-9	1 135
Plant, machinery, furniture, fittings and other equipment	17 043	24 974	22 327	22 762	20 197	-2 565	3 154
Vehicles and transport equipment	30	210	79	149	266	117	236
<b>Total capital expenditure</b>	<b>17 691</b>	<b>25 838</b>	<b>23 638</b>	<b>24 673</b>	<b>22 216</b>	<b>-2 457</b>	<b>4 525</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 5 – Selected income and expenditure items: Construction industry**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	104 620	93 255	110 249	109 456	109 228	-228	4 608
Interest received	641	708	870	593	585	-8	-56
Dividends received	67	1 310	232	138	313	175	246
Royalties, franchise fees, copyright, trade names and patent rights received	1	1	1	1	1	0	0
Rental/leasing of land, buildings and other structures received	1 464	1 523	1 584	521	548	27	-916
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 243	1 279	1 922	853	899	46	-344
Profit on assets/investment sold or revalued	1 085	777	698	279	462	183	-623
Other income	1 105	976	1 154	683	1 103	420	-2
<b>Total income (A)</b>	<b>110 226</b>	<b>99 829</b>	<b>116 710</b>	<b>112 524</b>	<b>113 139</b>	<b>615</b>	<b>2 913</b>
<b>Inventories</b>							
Opening value of raw materials	4 856	6 387	6 191	5 564	6 376	812	1 520
Opening value of work in progress	15 952	15 683	15 678	5 665	5 654	-11	-10 298
Opening value of finished goods	6 061	5 246	7 150	4 651	5 034	383	-1 027
<b>Total opening values (B)</b>	<b>26 869</b>	<b>27 316</b>	<b>29 019</b>	<b>15 880</b>	<b>17 064</b>	<b>1 184</b>	<b>-9 805</b>
Closing value of raw materials	6 341	6 297	6 123	6 173	6 578	405	237
Closing value of work in progress	15 667	16 105	15 603	5 606	5 796	190	-9 871
Closing value of finished goods	5 840	6 061	6 836	4 828	5 252	424	-588
<b>Total closing values (C)</b>	<b>27 848</b>	<b>28 463</b>	<b>28 562</b>	<b>16 607</b>	<b>17 626</b>	<b>1 019</b>	<b>-10 222</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.



**Table 5 – Selected income and expenditure items: Construction industry (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	62 286	55 194	70 493	69 232	71 483	2 251	9 197
Employment costs <sup>3</sup>	19 250	16 385	18 311	16 925	17 852	927	-1 398
Interest paid	1 106	1 182	1 091	929	998	69	-108
Royalties, franchise fees, copyright, trade names and patent rights paid	20	22	9	10	7	-3	-13
Rental/leasing of land, buildings and other structures paid	1 061	1 017	1 265	1 054	1 061	7	0
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 321	2 776	2 150	1 605	1 456	-149	-865
Depreciation	2 107	2 136	2 201	980	964	-16	-1 143
Losses on assets/investments sold or revalued	3 296	1 605	3 777	1 966	316	-1 650	-2 980
Other expenditure	15 586	14 625	15 887	18 129	15 851	-2 278	265
<b>Total expenditure (D)</b>	<b>107 033</b>	<b>94 942</b>	<b>115 184</b>	<b>110 830</b>	<b>109 988</b>	<b>-842</b>	<b>2 955</b>
Net profit or loss before taxation (E) <sup>4</sup>	4 172	6 034	1 069	2 421	3 713	1 292	-459
Company tax	1 497	740	792	648	1 497	849	0
Dividends payable	132	441	1 080	228	92	-136	-40
Carrying value of property, plant and equipment as at the end of quarter	43 833	45 774	46 684	36 124	36 701	577	-7 132
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	137	161	223	54	67	13	-70
Plant, machinery, furniture, fittings and other equipment	1 799	1 762	1 870	640	960	320	-839
Vehicles and transport equipment	181	240	325	180	203	23	22
<b>Total capital expenditure</b>	<b>2 117</b>	<b>2 163</b>	<b>2 418</b>	<b>874</b>	<b>1 230</b>	<b>356</b>	<b>-887</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 6 – Selected income and expenditure items: Trade industry**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	739 339	692 493	719 822	791 483	810 779	19 296	71 440
Interest received	4 211	4 114	4 352	4 311	3 920	-391	-291
Dividends received	954	1 077	896	638	737	99	-217
Royalties, franchise fees, copyright, trade names and patent rights received	257	239	250	462	450	-12	193
Rental/leasing of land, buildings and other structures received	516	604	583	917	947	30	431
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 443	1 589	1 686	1 552	1 634	82	191
Profit on assets/investment sold or revalued	6 422	7 694	3 678	6 506	2 350	-4 156	-4 072
Other income	7 141	7 940	7 869	7 933	7 209	-724	68
<b>Total income (A)</b>	<b>760 283</b>	<b>715 750</b>	<b>739 136</b>	<b>813 802</b>	<b>828 026</b>	<b>14 224</b>	<b>67 743</b>
<b>Inventories</b>							
Opening value of raw materials	16 799	17 727	17 618	21 986	23 152	1 166	6 353
Opening value of work in progress	2 580	2 364	1 945	11 049	11 026	-23	8 446
Opening value of finished goods	264 234	280 588	281 218	265 932	280 348	14 416	16 114
<b>Total opening values (B)</b>	<b>283 613</b>	<b>300 679</b>	<b>300 781</b>	<b>298 967</b>	<b>314 526</b>	<b>15 559</b>	<b>30 913</b>
Closing value of raw materials	16 936	18 153	17 778	23 152	19 999	-3 153	3 063
Closing value of work in progress	2 403	2 034	2 022	11 026	11 159	133	8 756
Closing value of finished goods	282 237	274 649	293 367	276 278	286 270	9 992	4 033
<b>Total closing values (C)</b>	<b>301 576</b>	<b>294 836</b>	<b>313 167</b>	<b>310 456</b>	<b>317 428</b>	<b>6 972</b>	<b>15 852</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.

**Table 6 – Selected income and expenditure items: Trade industry (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	573 730	521 531	552 412	609 028	614 321	5 293	40 591
Employment costs <sup>3</sup>	56 886	58 325	60 673	58 158	60 906	2 748	4 020
Interest paid	6 854	6 766	6 629	7 636	7 675	39	821
Royalties, franchise fees, copyright, trade names and patent rights paid	2 150	1 824	1 877	1 875	1 817	-58	-333
Rental/leasing of land, buildings and other structures paid	15 477	15 857	16 983	17 462	16 913	-549	1 436
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 109	1 118	1 375	1 610	1 764	154	655
Depreciation	5 092	5 204	4 967	5 384	5 784	400	692
Losses on assets/investments sold or revalued	6 404	6 185	7 088	6 440	5 303	-1 137	-1 101
Other expenditure	68 866	69 483	72 113	70 293	71 523	1 230	2 657
<b>Total expenditure (D)</b>	<b>736 568</b>	<b>686 293</b>	<b>724 117</b>	<b>777 886</b>	<b>786 006</b>	<b>8 120</b>	<b>49 438</b>
Net profit or loss before taxation <b>(E)<sup>4</sup></b>	41 678	23 614	27 405	47 405	44 922	-2 483	3 244
Company tax	4 544	3 632	3 602	5 332	5 616	284	1 072
Dividends payable	2 196	2 340	2 707	4 211	3 518	-693	1 322
Carrying value of property, plant and equipment as at the end of quarter	192 696	196 422	202 149	243 643	244 331	688	51 635
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	1 715	1 349	1 472	1 662	1 809	147	94
Plant, machinery, furniture, fittings and other equipment	5 592	4 703	5 582	4 824	5 106	282	-486
Vehicles and transport equipment	2 926	4 746	3 826	3 480	3 310	-170	384
<b>Total capital expenditure</b>	<b>10 233</b>	<b>10 798</b>	<b>10 880</b>	<b>9 966</b>	<b>10 225</b>	<b>259</b>	<b>-8</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 7 – Selected income and expenditure items: Transport, storage and communication industry**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	183 577	177 647	183 720	201 103	203 834	2 731	20 257
Interest received	1 836	1 718	1 692	1 517	1 591	74	-245
Dividends received	245	379	157	146	197	51	-48
Royalties, franchise fees, copyright, trade names and patent rights received	13	11	7	6	7	1	-6
Rental/leasing of land, buildings and other structures received	639	879	985	1 204	1 891	687	1 252
Hiring/leasing of plant, machinery, vehicles and other equipment received	642	745	675	524	519	-5	-123
Profit on assets/investment sold or revalued	1 596	1 607	1 442	2 169	2 347	178	751
Other income	5 857	6 161	3 683	3 764	3 261	-503	-2 596
<b>Total income (A)</b>	<b>194 405</b>	<b>189 147</b>	<b>192 361</b>	<b>210 433</b>	<b>213 647</b>	<b>3 214</b>	<b>19 242</b>
<b>Inventories</b>							
Opening value of raw materials	2 825	3 401	3 323	3 294	2 975	-319	150
Opening value of work in progress	911	1 394	1 598	1 665	1 129	-536	218
Opening value of finished goods	7 744	8 677	7 840	10 901	11 013	112	3 269
<b>Total opening values (B)</b>	<b>11 480</b>	<b>13 472</b>	<b>12 761</b>	<b>15 860</b>	<b>15 117</b>	<b>-743</b>	<b>3 637</b>
Closing value of raw materials	3 633	3 357	3 257	2 975	3 885	910	252
Closing value of work in progress	1 235	1 598	1 823	1 129	1 348	219	113
Closing value of finished goods	8 575	7 852	8 184	11 013	10 982	-31	2 407
<b>Total closing values (C)</b>	<b>13 443</b>	<b>12 807</b>	<b>13 264</b>	<b>15 117</b>	<b>16 215</b>	<b>1 098</b>	<b>2 772</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.

**Table 7 – Selected income and expenditure items: Transport, storage and communication industry (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	70 589	66 420	69 525	80 820	80 487	-333	9 898
Employment costs <sup>3</sup>	27 348	29 268	30 062	32 040	32 545	505	5 197
Interest paid	6 724	6 705	7 202	6 911	7 126	215	402
Royalties, franchise fees, copyright, trade names and patent rights paid	71	40	39	68	60	-8	-11
Rental/leasing of land, buildings and other structures paid	4 422	4 434	4 449	4 669	4 696	27	274
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 137	2 378	2 752	2 275	2 230	-45	93
Depreciation	11 512	12 345	11 847	13 299	12 887	-412	1 375
Losses on assets/investments sold or revalued	3 757	1 687	2 348	2 236	1 988	-248	-1 769
Other expenditure	59 343	56 214	54 481	56 221	56 317	96	-3 026
<b>Total expenditure (D)</b>	<b>185 903</b>	<b>179 491</b>	<b>182 705</b>	<b>198 539</b>	<b>198 336</b>	<b>-203</b>	<b>12 433</b>
Net profit or loss before taxation <b>(E)<sup>4</sup></b>	10 465	8 991	10 159	11 151	16 409	5 258	5 944
Company tax	4 094	3 147	3 160	3 575	3 862	287	-232
Dividends payable	769	5 197	3 393	4 945	474	-4 471	-295
Carrying value of property, plant and equipment as at the end of quarter	555 740	552 193	562 135	571 123	582 068	10 945	26 328
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	755	999	1 126	1 657	1 482	-175	727
Plant, machinery, furniture, fittings and other equipment	17 912	15 013	16 055	15 448	23 220	7 772	5 308
Vehicles and transport equipment	3 282	2 510	2 111	2 413	2 917	504	-365
<b>Total capital expenditure</b>	<b>21 949</b>	<b>18 522</b>	<b>19 292</b>	<b>19 518</b>	<b>27 619</b>	<b>8 101</b>	<b>5 670</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received <sup>3</sup>	256 857	238 987	248 392	267 145	270 075	2 930	13 218
Interest received	0	0	0	0	0	0	0
Dividends received	5 732	2 584	5 736	7 361	7 161	-200	1 429
Royalties, franchise fees, copyright, trade names and patent rights received	467	502	554	910	1 100	190	633
Rental/leasing of land, buildings and other structures received	0	0	0	0	0	0	0
Hiring/leasing of plant, machinery, vehicles and other equipment received	0	0	0	0	0	0	0
Profit on assets/investment sold or revalued	13 179	8 918	8 642	6 582	7 032	450	-6 147
Other income	8 020	7 275	7 795	10 612	11 586	974	3 566
<b>Total income (A)</b>	<b>284 255</b>	<b>258 266</b>	<b>271 119</b>	<b>292 610</b>	<b>296 954</b>	<b>4 344</b>	<b>12 699</b>
<b>Inventories</b>							
Opening value of raw materials	4 026	4 242	5 166	4 492	4 626	134	600
Opening value of work in progress	2 639	2 647	2 469	2 758	2 983	225	344
Opening value of finished goods	19 147	15 654	15 686	19 120	19 291	171	144
<b>Total opening values (B)</b>	<b>25 812</b>	<b>22 543</b>	<b>23 321</b>	<b>26 370</b>	<b>26 900</b>	<b>530</b>	<b>1 088</b>
Closing value of raw materials	4 169	4 371	5 077	4 632	4 681	49	512
Closing value of work in progress	2 781	2 469	2 711	2 983	2 968	-15	187
Closing value of finished goods	19 506	15 077	15 691	19 450	20 737	1 287	1 231
<b>Total closing values (C)</b>	<b>26 456</b>	<b>21 917</b>	<b>23 479</b>	<b>27 065</b>	<b>28 386</b>	<b>1 321</b>	<b>1 930</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Turnover includes: interest, rent/leasing and hiring – refer to page 38 for more details.

**Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance) (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	55 017	53 557	53 952	59 016	62 665	3 649	7 648
Employment costs <sup>3</sup>	72 974	65 731	66 716	73 918	76 708	2 790	3 734
Interest paid	21 334	18 498	21 290	23 020	23 934	914	2 600
Royalties, franchise fees, copyright, trade names and patent rights paid	1 975	1 961	2 236	1 742	1 938	196	-37
Rental/leasing of land, buildings and other structures paid	9 286	8 771	8 902	15 296	14 547	-749	5 261
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 120	1 021	1 118	2 915	2 882	-33	1 762
Depreciation	6 238	5 078	4 727	7 304	7 363	59	1 125
Losses on assets/investments sold or revalued	3 995	1 990	2 046	3 479	5 241	1 762	1 246
Other expenditure	75 827	69 889	72 634	66 819	68 085	1 266	-7 742
<b>Total expenditure (D)</b>	<b>247 766</b>	<b>226 496</b>	<b>233 621</b>	<b>253 509</b>	<b>263 363</b>	<b>9 854</b>	<b>15 597</b>
Net profit or loss before taxation (E) <sup>4</sup>	37 133	31 144	37 656	39 796	35 077	-4 719	-2 056
Company tax	4 866	4 595	4 554	4 691	4 454	-237	-412
Dividends payable	6 164	5 341	8 962	21 394	14 615	-6 779	8 451
Carrying value of property, plant and equipment as at the end of quarter	278 089	270 213	271 947	470 602	453 725	-16 877	175 636
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	961	943	858	2 928	2 647	-281	1 686
Plant, machinery, furniture, fittings and other equipment	3 711	2 650	3 276	3 499	2 982	-517	-729
Vehicles and transport equipment	1 646	1 551	1 506	2 066	2 182	116	536
<b>Total capital expenditure</b>	<b>6 318</b>	<b>5 144</b>	<b>5 640</b>	<b>8 493</b>	<b>7 811</b>	<b>-682</b>	<b>1 493</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with *the Quarterly employment statistics (QES)* (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 9 – Selected income and expenditure items: Community, social and personal services industry (excluding government institutions)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Income items</b>						<b>R million</b>	<b>R million</b>
Turnover received	45 970	47 657	50 925	56 131	55 996	-135	10 026
Interest received	870	940	1 139	649	621	-28	-249
Dividends received	587	128	131	90	512	422	-75
Royalties, franchise fees, copyright, trade names and patent rights received	132	163	164	126	191	65	59
Rental/leasing of land, buildings and other structures received	352	369	389	220	264	44	-88
Hiring/leasing of plant, machinery, vehicles and other equipment received	202	210	223	228	229	1	27
Profit on assets/investment sold or revalued	1 518	1 750	2 827	266	175	-91	-1 343
Other income	3 248	3 483	3 466	4 124	4 015	-109	767
<b>Total income (A)</b>	<b>52 879</b>	<b>54 700</b>	<b>59 264</b>	<b>61 834</b>	<b>62 003</b>	<b>169</b>	<b>9 124</b>
<b>Inventories</b>							
Opening value of raw materials	2 631	2 672	535	926	960	34	-1 671
Opening value of work in progress	84	90	90	78	89	11	5
Opening value of finished goods	920	898	1 162	1 392	1 299	-93	379
<b>Total opening values (B)</b>	<b>3 635</b>	<b>3 660</b>	<b>1 787</b>	<b>2 396</b>	<b>2 348</b>	<b>-48</b>	<b>-1 287</b>
Closing value of raw materials	2 676	2 649	552	960	1 052	92	-1 624
Closing value of work in progress	90	85	91	89	89	0	-1
Closing value of finished goods	907	919	1 267	1 299	1 270	-29	363
<b>Total closing values (C)</b>	<b>3 673</b>	<b>3 653</b>	<b>1 910</b>	<b>2 348</b>	<b>2 411</b>	<b>63</b>	<b>-1 262</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.



**Table 9 – Selected income and expenditure items: Community, social and personal services industry (excluding government institutions) (concluded)**

Item	Quarter ended					Quarter-on-quarter difference between December 2016 and September 2016	Year-on-year difference between December 2016 and December 2015
	R million						
	December 2015	March 2016	June 2016	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>		
<b>Expenditure items</b>						<b>R million</b>	<b>R million</b>
Purchases	7 754	7 967	9 187	11 005	12 848	1 843	5 094
Employment costs <sup>3</sup>	12 308	13 150	14 015	16 271	16 533	262	4 225
Interest paid	959	995	1 060	1 097	1 184	87	225
Royalties, franchise fees, copyright, trade names and patent rights paid	200	178	170	225	384	159	184
Rental/leasing of land, buildings and other structures paid	2 399	2 368	2 431	2 249	2 275	26	-124
Hiring/leasing for plant, machinery, vehicles and other equipment paid	598	589	951	1 244	1 174	-70	576
Depreciation	1 393	1 545	1 550	1 812	1 842	30	449
Losses on assets/investments sold or revalued	478	471	328	319	544	225	66
Other expenditure	17 618	16 701	18 457	19 346	22 942	3 596	5 324
<b>Total expenditure (D)</b>	<b>43 707</b>	<b>43 964</b>	<b>48 149</b>	<b>53 568</b>	<b>59 726</b>	<b>6 158</b>	<b>16 019</b>
Net profit or loss before taxation <b>(E)<sup>4</sup></b>	9 210	10 729	11 238	8 218	2 340	-5 878	-6 870
Company tax	1 281	1 138	1 670	880	1 175	295	-106
Dividends payable	1 032	807	363	428	243	-185	-789
Carrying value of property, plant and equipment as at the end of quarter	64 839	85 097	84 339	76 246	75 390	-856	10 551
<b>Capital expenditure on new property, plant and equipment</b>							
Buildings, improvement and construction works	958	613	500	543	661	118	-297
Plant, machinery, furniture, fittings and other equipment	1 191	1 251	1 698	1 482	1 565	83	374
Vehicles and transport equipment	166	203	255	429	257	-172	91
<b>Total capital expenditure</b>	<b>2 315</b>	<b>2 067</b>	<b>2 453</b>	<b>2 454</b>	<b>2 483</b>	<b>29</b>	<b>168</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.<sup>4</sup> E=A-B+C-D.

**Table 10 – Comparison of selected operating ratios between September 2016 and December 2016**

Industry	Turnover / Fixed assets <sup>3</sup>		Net profit before tax / Turnover <sup>4</sup>		Turnover / Closing inventories <sup>5</sup>		Net profit before tax / Fixed assets <sup>6</sup>	
	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>
Mining and quarrying	0,31	0,34	0,10	0,15	2,26	2,41	0,03	0,05
Manufacturing	1,17	1,16	0,14	0,06	1,83	1,90	0,16	0,07
Electricity, gas and water supply	0,11	0,09	0,15	0,00	3,26	2,47	0,02	0,00
Construction	3,03	2,98	0,02	0,03	6,59	6,20	0,07	0,10
Trade	3,25	3,32	0,06	0,06	2,55	2,55	0,19	0,18
Transport, storage and communication	0,35	0,35	0,06	0,08	13,30	12,57	0,02	0,03
Real estate and other business services, excluding financial intermediation and insurance	0,57	0,60	0,15	0,13	9,87	9,51	0,08	0,08
Community, social and personal services, excluding government institutions	0,74	0,74	0,15	0,04	23,91	23,23	0,11	0,03
<b>All industries</b>	<b>0,75</b>	<b>0,75</b>	<b>0,10</b>	<b>0,07</b>	<b>2,83</b>	<b>2,85</b>	<b>0,07</b>	<b>0,05</b>

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

<sup>3</sup> Turnover / Carrying value of property, plant and equipment at the end of the quarter.

<sup>4</sup> Net profit or loss before taxation / Turnover.

<sup>5</sup> Turnover / Closing value of inventories.

<sup>6</sup> Net profit or loss before taxation / Carrying value of property, plant and equipment at the end of the quarter.

**Table 10 – Comparison of selected operating ratios between September 2016 and December 2016 (concluded)**

Industry	Total capital expenditure / Fixed assets <sup>3</sup>		*Cost of Sales / Average inventories <sup>4</sup>		Net profit before interest and income tax expenses / Interest expense <sup>5</sup>		Cash dividends / Net income <sup>6</sup>	
	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>	September 2016 <sup>1</sup>	December 2016 <sup>2</sup>
Mining and quarrying	0,02	0,03	0,84	0,83	4,22	5,45	0,27	0,08
Manufacturing	0,04	0,04	1,20	1,22	10,48	4,10	0,09	0,39
Electricity, gas and water supply	0,04	0,03	1,34	1,23	2,47	0,97	0,03	-0,78
Construction	0,02	0,03	4,22	4,09	3,61	4,72	0,13	0,04
Trade	0,04	0,04	1,96	1,94	7,21	6,85	0,10	0,09
Transport, storage and communication	0,03	0,05	5,27	5,07	2,61	3,30	0,65	0,04
Real estate and other business services, excluding financial intermediation and insurance	0,02	0,02	2,18	2,21	2,73	2,47	0,61	0,48
Community, social and personal services, excluding government institutions	0,03	0,03	4,66	5,37	8,49	2,98	0,06	0,21
<b>All industries</b>	<b>0,03</b>	<b>0,03</b>	<b>1,65</b>	<b>1,65</b>	<b>4,66</b>	<b>3,53</b>	<b>0,21</b>	<b>0,24</b>

<sup>1</sup> Revised.<sup>2</sup> Preliminary.<sup>3</sup> Total capital expenditure on new property, plant and equipment / Carrying value of property, plant and equipment at the end of the quarter.<sup>4</sup> Cost of sales / [(Opening inventories + Closing inventories) / 2].<sup>5</sup> (Net profit or loss before taxation + Interest paid) / Interest paid.<sup>6</sup> Dividends paid / (Net profit or loss before taxation – Company tax).<sup>\*</sup> Cost of sales = (Opening inventories + Purchases – Closing inventories).

## Technical notes

### Confidence intervals

The 95% confidence intervals of a population parameter (turnover) are obtained as follows:

Lower limit

= lower 95% confidence limit of a population parameter  
= estimate – 1,96 \* Standard error (estimate);

and

Upper limit

= upper 95% confidence limit of a population parameter  
= estimate + 1,96 \* Standard error (estimate)

$$\text{Standard error (SE)} = \frac{\text{Upper limit (R million)} - \text{Lower limit (R million)}}{2 * 1,96}$$

$$\text{Relative standard error (RSE)} = \frac{\text{SE of estimate} * 100}{\text{Estimated}}$$

**Table A – Estimates of turnover by industry within 95% confidence limits: September 2016**

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	144 738	146 604	148 470	0,6
Manufacturing	615 480	638 571	661 662	1,8
Electricity, gas and water supply	68 469	69 277	70 085	0,6
Construction	82 194	109 456	136 718	12,7
Trade	689 097	791 483	893 869	6,6
Transport, storage and communication	188 488	201 103	213 718	3,2
Real estate and other business services, excluding financial intermediation and insurance	231 275	267 145	303 015	6,9
Community, social and personal services, excluding government institutions	49 661	56 131	62 601	5,9
<b>All industries</b>	<b>2 175 847</b>	<b>2 279 770</b>	<b>2 383 693</b>	<b>2,3</b>

**Table B – Estimates of turnover by industry within 95% confidence limits: December 2016**

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	155 928	158 235	160 542	0,7
Manufacturing	624 167	645 643	667 119	1,7
Electricity, gas and water supply	55 354	56 197	57 040	0,8
Construction	82 027	109 228	136 429	12,7
Trade	705 897	810 779	915 661	6,6
Transport, storage and communication	190 720	203 834	216 948	3,3
Real estate and other business services, excluding financial intermediation and insurance	235 089	270 075	305 061	6,6
Community, social and personal services, excluding government institutions	49 473	55 996	62 519	5,9
<b>All industries</b>	<b>2 204 272</b>	<b>2 309 987</b>	<b>2 415 702</b>	<b>2,3</b>

**Table C – Turnover by industry and percentage change**

Industry	Turnover December 2015	Turnover September 2016	Turnover December 2016	Difference between December 2016 and September 2016	Difference between December 2016 and December 2015
	R million	R million	R million	%	%
Mining and quarrying	131 713	146 604	158 235	7,9	20,1
Manufacturing	607 015	638 571	645 643	1,1	6,4
Electricity, gas and water supply	49 974	69 277	56 197	-18,9	12,5
Construction	104 620	109 456	109 228	-0,2	4,4
Trade	739 339	791 483	810 779	2,4	9,7
Transport, storage and communication	183 577	201 103	203 834	1,4	11,0
Real estate and other business services, excluding financial intermediation and insurance	256 857	267 145	270 075	1,1	5,1
Community, social and personal services, excluding government institutions	45 970	56 131	55 996	-0,2	21,8
<b>All industries</b>	<b>2 119 065</b>	<b>2 279 770</b>	<b>2 309 987</b>	<b>1,3</b>	<b>9,0</b>

**Table D – Turnover by industry and percentage contribution<sup>1</sup>**

Industry	September 2016		December 2016	
	R million	% total turnover	R million	% total turnover
Mining and quarrying industry	146 604	6,4	158 235	6,9
Manufacturing industry	638 571	28,0	645 643	28,0
Electricity, gas and water supply industry	69 277	3,0	56 197	2,4
Construction industry	109 456	4,8	109 228	4,7
Trade industry	791 483	34,7	810 779	35,1
Transport, storage and communication industry	201 103	8,8	203 834	8,8
Real estate and other business services industry, excluding financial intermediation and insurance	267 145	11,7	270 075	11,7
Community, social and personal services industry, excluding government institutions	56 131	2,5	55 996	2,4
<b>All industries</b>	<b>2 279 770</b>	<b>100,0</b>	<b>2 309 987</b>	<b>100,0</b>

<sup>1</sup>The aggregates of the SIC contributions may not add up to totals due to rounding-off.

**Table E – Closing inventories by industry and percentage change**

Industry	Inventories September 2016	Inventories December 2016	Difference between December 2016 and September 2016
	R million	R million	%
Mining and quarrying	65 003	65 619	0,9
Manufacturing	348 321	339 588	-2,5
Electricity, gas and water supply	21 270	22 785	7,1
Construction	16 607	17 626	6,1
Trade	310 456	317 428	2,2
Transport, storage and communication	15 117	16 215	7,3
Real estate and other business services, excluding financial intermediation and insurance	27 065	28 386	4,9
Community, social and personal services, excluding government institutions	2 348	2 411	2,7
<b>All industries</b>	<b>806 187</b>	<b>810 058</b>	<b>0,5</b>

**Table F – Capital expenditure by industry and percentage change**

Industry	Capital expenditure September 2016	Capital expenditure December 2016	Difference between December 2016 and September 2016
	R million	R million	%
Mining and quarrying	9 163	12 305	34,3
Manufacturing	21 423	22 654	5,7
Electricity, gas and water supply	24 673	22 216	-10,0
Construction	874	1 230	40,7
Trade	9 966	10 225	2,6
Transport, storage and communication	19 518	27 619	41,5
Real estate and other business services, excluding financial intermediation and insurance	8 493	7 811	-8,0
Community, social and personal services, excluding government institutions	2 454	2 483	1,2
<b>All industries</b>	<b>96 564</b>	<b>106 543</b>	<b>10,3</b>

<b>Neyman Optimal Allocation</b>	<p>Before drawing samples in each of the surveys the population of enterprises on the Business Sampling Frame (BSF) was stratified. Strata were formed using a combination of the standard industrial classification variable and the measure of size variable for enterprises. The Neyman optimal allocation formula used to allocate samples to each stratum is given by a formula below.</p> $n_h = \frac{N_h S_h}{\sum N_h S_h}$ <p>Where <math>N_h</math> and <math>S_h</math> are the stratum population size and the stratum variance, respectively.</p>
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**Table G – DTI cut-off points (adjusted by Statistics South Africa (Stats SA) for QFS)**

Industry	Enterprise size			
	Large (Size-group 1) Lower limits Rand	Medium (Size-group 2) Lower limits Rand	Small (Size-group 3) Lower limits Rand	Very small <sup>1</sup> (Size-group 4) Lower limits Rand
Mining and quarrying	487 500 000	125 000 000	50 000 000	2 000 000
Manufacturing	637 500 000	162 500 000	62 500 000	2 000 000
Electricity, gas and water supply	637 500 000	162 500 000	63 750 000	2 000 000
Construction	325 000 000	75 000 000	37 500 000	2 000 000
Wholesale trade	800 000 000	400 000 000	75 000 000	2 000 000
Retail trade	487 500 000	237 500 000	50 000 000	2 000 000
Motor trade	487 500 000	237 500 000	50 000 000	2 000 000
Accommodation and catering	162 500 000	75 000 000	63 750 000	2 000 000
Transport, storage and communication	325 000 000	162 500 000	37 500 000	2 000 000
Real estate and other businesses services, excluding financial intermediation and insurance	325 000 000	162 500 000	37 500 000	2 000 000
Community, social and personal services, excluding government institutions	162 500 000	75 000 000	12 500 000	2 000 000

Source: National Small Business Amendment Bill 2003, Department of Trade and Industry (DTI).  
<sup>1</sup>Enterprises with a turnover of less than R2 000 000 are excluded from this survey as from the 2009 sample.

## Explanatory notes

### Introduction

1 Stats SA conducts a quarterly sample survey to collect a range of financial statistics in respect of enterprises in the formal business sector of the South African economy, excluding agriculture, hunting, forestry and fishing and financial intermediation and insurance and government institutions. This statistical release presents a selection of key findings and tables from Stats SA's *Quarterly Financial Statistics* (QFS) survey for the December 2015 and March, June, September and December 2016 quarters which examines key variables as required by the Systems of National Accounts (SNA) 2008, and are mentioned below:

- turnover;
- interest received and paid;
- dividends received and dividends payable;
- royalties, franchise fees, copyright, trade names and trade and patent rights received and paid;
- income and expenditure in respect of rental/leasing of land, buildings and other structures, including payments for water and electricity services;
- income and expenditure in respect of hiring/leasing of plant, machinery, vehicles and other equipment;
- employment costs;
- profit and loss on assets/investments sold or revalued;
- depreciation provided for;
- purchases;
- other income and other expenditure;
- total income and total expenditure;
- net profit or loss before providing for company tax and dividends;
- company tax;
- carrying value of property, plant and equipment at the end of the quarter;
- inventories as at the beginning and end of the quarter; and
- capital expenditure on new property, plant and equipment at the end of the quarter.

2 The statistical release also contains accounting ratios derived from estimates of selected key variables.

3 In order to improve timeliness of the publication, some information for the current quarter may have been estimated due to late or non-submission by respondents. These estimates are revised as soon as the actual information is available.

4 Additional information regarding estimates of small, medium and large enterprises by industry per variable for the quarters ended September 2016 and December 2016 is available on the Stats SA website and can also be made available on request.

### Purpose of the survey

5 The QFS survey covers a sample of enterprises operating in the formal non-agricultural business sector of the South African economy, excluding financial intermediation, insurance and government institutions. Results of the survey are used in compiling estimates of the Gross Domestic Product (GDP) and its components, which in turn are used to develop and monitor government policy.



These statistics are also used by the private sector in analysis of comparative business and industry performance. The results are published quarterly in statistical release P0044: *Quarterly financial statistics*.

- Scope of the survey**
- 6 This survey covers financial statistics of the following industries according to the *Standard Industrial Classification of All Economic Activities* (SIC), Fifth edition, January 1993:
- mining and quarrying industry;
  - manufacturing industry;
  - electricity, gas and water supply industry;
  - construction industry;
  - trade industry;
  - transport, storage and communication industry;
  - real estate and business services industry, excluding financial intermediation and insurance; and
  - community, social and personal services industry, excluding government institutions.
- Classification**
- 7 The 1993 edition of the *Standard Industrial Classification of All Economic Activities* (SIC), Fifth edition, January 1993, was used to classify the statistical units in the survey. The SIC is based on the 1990 *International Standard Industrial Classification of All Economic Activities* (ISIC) with suitable adaptations for local conditions. Statistics in this publication are only presented at SIC major division (one digit) level. Each enterprise is classified to an industry which reflects the predominant activity of the enterprise. Estimates on lower digits SIC can be made available on request.
- Statistical unit**
- 8 For the purpose of this publication, the statistical unit in the quarterly financial statistics survey is the enterprise. An enterprise is defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities. The statistical units are derived from and linked to the South African Revenue Service (SARS) value added tax (VAT) administrative data.
- Survey methodology and design**
- 9 The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of approximately 4 500 enterprises. Questionnaires have to be returned to Stats SA within two weeks after the end of the quarter concerned. Fax, telephone and electronic reminders are used to follow up on non-responding enterprises.
- 10 Samples are normally drawn each year and the resulting level changes in estimates are indicated when the new sample is implemented. A new sample was drawn in 2016 and implemented from the September 2016 quarter onwards.
- 11 The sample was drawn from a population of enterprises that contributed approximately 95% to the total turnover per industry. Adjustments are made to the estimates to account for enterprises contributing less than 5% of the total turnover within each industry. All enterprises are stratified by type of enterprise according to size groups based on the National Small Business Amendment Bill, 2003, size group allocations for industries as defined in the *Standard Industrial Classification*

of *All Economic Activities* (SIC), Fifth edition, January 1993. All large enterprises, which comprise 54% of the number of enterprises in the sample, are completely enumerated, while simple random sampling is applied for medium sized, small and very small enterprises. Enterprises with a VAT turnover of less than R2 000 000 are excluded from this survey. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.

<b>Reliability of estimates</b>	<p><b>12</b> Data presented in this publication are based on information obtained from a sample of enterprises and are, therefore, subject to sampling variability, that is, the data may differ from the figures that would have been produced if the data had been obtained from all enterprises in the different industries in South Africa, inaccuracies of this kind are referred to as sampling errors. See Tables A and B (page 27) to determine the extent that estimates may vary.</p> <p><b>13</b> Inaccuracies may occur because of imperfections in reporting by enterprises and errors made with the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by designing the questionnaire carefully, conducting pilot studies, editing of data and the implementation of efficient operating procedures. Preliminary figures are indicated in the relevant tables.</p>
<b>Reasons for fluctuations in data</b>	<p><b>14</b> The fluctuations in the data can be attributed to:</p> <ul style="list-style-type: none"> <li>• revisions to previous quarters made in the event of new or revised information being furnished by the respondents;</li> <li>• restructuring of large businesses;</li> <li>• exchange rate fluctuations;</li> <li>• restating of previous estimates due to International Financial Reporting Standards (IFRS);</li> <li>• once-off items reflected in one or more quarters, but not reflected in other quarters;</li> <li>• year-end adjustments performed during the last quarter of the financial year;</li> <li>• seasonal factors;</li> <li>• items declared annually and not quarterly;</li> <li>• samples drawn annually (<i>see paragraph 10 on page 32</i>); and</li> <li>• response rates per industry and within sub sectors.</li> </ul>
<b>Standard error</b>	<p><b>15</b> The estimates in this publication are based on a sample drawn from units in the surveyed population. The entire population is not surveyed. The published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic (<i>see page 27, Tables A and B</i>).</p>
<b>Revised figures</b>	<p><b>16</b> The revised figures are due to respondents reporting revisions or corrections in their figures and late submissions of their data to Stats SA. Editing of data occurs at individual enterprise level.</p>
<b>Reference period</b>	<p><b>17</b> The reference period for this publication is from 1 October 2016 to 31 December 2016.</p>

<b>Related publications</b>	<b>18</b>	<p>Users may also wish to refer to the following publications which are available from Stats SA:</p> <ul style="list-style-type: none"> <li>• <i>Annual financial statistics</i> (P0021);</li> <li>• <i>Gross domestic product</i> (P0441) – issued quarterly and annually;</li> <li>• <i>Manufacturing: Production and sales</i> (P3041.2) – issued monthly;</li> <li>• <i>Mining: Production and sales</i> (P2041) – issued monthly;</li> <li>• <i>Motor trade sales</i> (P6343.2) – issued monthly;</li> <li>• <i>Quarterly employment statistics</i> (P0277);</li> <li>• <i>Retail trade sales</i> (P6242.1) – issued monthly;</li> <li>• <i>Stats in brief</i> – issued annually; and</li> <li>• <i>Wholesale trade sales</i> (P6141.2) – issued monthly.</li> </ul>
<b>Rounding-off of figures</b>	<b>19</b>	<p>The figures in the tables have, where necessary, been rounded off to the nearest three digits shown.</p>
<b>Comparison of results with Quarterly Employment Statistics (QES) survey</b>	<b>20</b>	<p>Employment costs estimates produced in this publication are based on information as defined by the International Accounting Standards 19 (IAS19) from an accounting perspective. The <i>Quarterly employment statistics</i> (QES) survey produces estimates for employment and earnings from a payroll perspective.</p> <p>The differences between the QFS employment costs and QES earnings can be attributed, but not limited, to the following factors:</p> <ul style="list-style-type: none"> <li>• accounting and payroll timing differences in the recognition of employment-related transactions. The QFS employment costs are recognised on an accrual basis while the QES earnings are recognised on a cash basis;</li> <li>• classification differences between surveys;</li> <li>• changes in accounting standards (International Financial Reporting Standards (IFRS) revisions in the QFS);</li> <li>• different sampling frames;</li> <li>• different sampling methodology and sampling specifications;</li> <li>• information sources (information from the payroll administrator vs. information from the accounting officer); and</li> <li>• restructuring of businesses.</li> </ul>
<b>Adjustment of DTI cut-off points</b>	<b>21</b>	<p>The DTI cut-off points sourced from the National Small Business Amendment Bill 2003 have been raised by a factor of 12,5 to comply with sample specifications.</p>

<b>Symbols and abbreviations</b>	<b>22</b>	AFS	Annual financial statistics
		BSF	Business Sampling Frame
		DTI	Department of Trade and Industry
		GDP	Gross domestic product
		IAS	International Accounting Standards
		IFRS	International Financial Reporting Standards
		ISIC	International Standard Industrial Classification
		QES	Quarterly employment statistics
		QFS	Quarterly financial statistics
		RSE	Relative Standard Error
		SARS	South African Revenue Service
		SE	Standard Error
		SIC	Standard Industrial Classification of All Economic Activities
		Stats SA	Statistics South Africa
		VAT	Value-added tax
	..	Not available	

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## Glossary

### **Capital expenditure on property, plant and equipment**

Capital expenditure on property, plant and equipment includes:

- erection of new buildings and works, additions to and alterations of existing buildings and works, whether payments were made to outside contractors or concerns, or work done by the enterprise itself;
- work in progress capitalised; and
- new plant and machinery, vehicles and equipment.

### **Carrying value of property, plant and equipment**

Carrying value of property, plant and equipment at the end of the quarter includes:

- land;
- residential buildings and non-residential buildings;
- construction works, roads and parking areas;
- computers and other IT equipment;
- motor vehicles and other transport equipment; and
- plant, machinery, furniture, fittings and other office equipment.

### **Company tax**

Company tax brought into account consists of taxes on incomes, profits and capital gains, excluding value-added tax (VAT). They are assessed on the actual or presumed incomes of enterprises and exclude employees' taxes, deferred tax and compulsory loan levies.

### **Employment costs**

Employment/staff costs according to IAS 19 are costs incurred in exchange for services rendered by employees. These costs are divided into four categories: short-term employee benefits, post-employment benefits, other long-term employee benefits and termination benefits.

Employment costs include (among other types of employment benefits):

- wages and salaries;
- compensated absences (paid vacation and sick leave);
- commissions paid;
- profit sharing plans;
- bonuses;
- medical and life insurance benefits during employment;
- housing benefits;
- free or subsidised goods or services given to employees;
- pension benefits;
- post-employment medical and life insurance benefits;
- long-service or sabbatical leave;
- jubilee' benefits;
- deferred compensation programmes;
- severance, termination and redundancy payments to staff; and
- other employee-related costs not mentioned above.

<b>Enterprise</b>	An enterprise is a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
<b>Establishment</b>	An establishment is defined as an enterprise or part of an enterprise that is situated at a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.
<b>Industry</b>	An industry consists of a group of enterprises engaged in the same or similar kinds of economic activity, and is classified according to the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993.
<b>International Financial Reporting Standards (IFRS)</b>	International Financial Reporting Standards (IFRS) are international accounting standards stating how particular types of transactions and other events should be reported in financial statements. IFRS are issued by the Accounting Standards Board. The purpose of IFRS is to improve transparency and comparability within financial reporting and introduce consistency in accounting.
<b>Inventories</b>	<p>Inventories consist of:</p> <ul style="list-style-type: none"><li>• Outputs that are held by the enterprise that produced them prior to their being further processed, sold, delivered to other units or used in other ways.</li><li>• Products acquired from other enterprises that are intended to be used for intermediate consumption or for resale without further processing (factored goods).</li></ul> <p>Raw materials consist of components for processing, packing materials, fuel, consumable and maintenance stores.</p> <p>Work in progress consists of goods in the process of manufacturing or work that has been partially done, but which has not yet been completed at the beginning and end of the quarter.</p> <p>Finished goods include manufactured goods by own manufacturers and goods not produced by the enterprise but purchased for resale, not sold at the beginning and end of the quarter.</p>
<b>Net profit or loss</b>	Net profit or loss before drawings by proprietors or partners, company tax paid or provided for and dividends paid or provided for are taken into account is calculated as total income minus opening inventories plus closing inventories less total expenditure.

**Purchases**

Purchases includes:

- raw materials, components, etc, used in production;
- fuels;
- spare parts and building materials; and
- purchases and transfers-in of factored goods, intermediate products and partially completed goods from related enterprises.

Purchases excludes:

- subcontract and commission expenses;
- motor vehicle running expenditure, including parts and fuel;
- purchases of materials capitalised for “capital work done” by own employees; and
- containers and packaging materials.

**Turnover**

Turnover refers to the following items for all industries, excluding real estate and other business services (excluding financial intermediation and insurance):

- value of sales;
- amounts received for work done; and
- amounts received for services rendered.

Turnover refers to the following items for the real estate and other business services industry (excluding financial intermediation and insurance):

- value of sales;
- amounts received for work done;
- amounts received for services rendered;
- interest received;
- rent and or lease payments received for land and buildings; and
- rent, leasing and hiring received for machinery, vehicles and other equipment.

Turnover excludes:

- value-added tax (VAT); and
- net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange).

**Value-added tax**

VAT is an indirect tax based on consumption of goods and services in the economy.

## General information

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