



**Statistics  
South Africa**

Preferred supplier of quality statistics



# Statistical release

## P0044

# Quarterly financial statistics

## September 2006

**Embargoed until:  
21 December 2006  
11:00**

---

**Enquiries:**

Nozuko Twala  
(012) 310 2938

---

**Forthcoming issue:**

December 2006

---

**Expected release date:**

29 March 2007

Statistics South Africa • Mbalo-mbalo ya Afrika Tshipembe • Tshilayiko ta Afrika-Dzonga • Dipalopalo tsa Aforika Borwa • Ezezibalo zaseNingizimu Afrika  
Dipalopalo tša Afrika Borwa • Dipalopalo tsa Afrika Borwa • Ubalo lwaseMzantsi Afrika • Telubalo eNingizimu Afrika • iNanimbalo leSewula Afrika • Statistiek Suid-Afrika

email: [info@statssa.gov.za](mailto:info@statssa.gov.za)  
[www.statssa.gov.za](http://www.statssa.gov.za)

170 Andries Street • Private Bag X44, 0001 Pretoria, South Africa  
Tel: +27(12) 310 8911, Fax: +27(12) 321 7381



***Key findings for the quarter ended September 2006***

***The total turnover of all industries<sup>1</sup> for the third quarter of 2006 was estimated at R982 455 million, an increase of 5,2% compared with the revised second quarter of 2006 (R933 738 million).***

Between the second quarter of 2006 and the third quarter of 2006 turnover increased in all of the eight industries covered in the survey. The largest increase was recorded for electricity, gas and water supply (+22,9%), followed by mining and quarrying (+10,2%), manufacturing (+7,1%), construction (+6,3%), trade (+4,0%), real estate and other business services (excluding financial intermediation and insurance) (+2,6%), transport, storage and communication (+1,8%) and community, social and personal services (excluding government institutions) (+1,3%).

Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment, which was estimated at R42 091 million for all industries for the third quarter of 2006, increased by 6,4% compared with the revised second quarter of 2006. Increases were reported in transport, storage and communication (+49,9%), electricity, gas and water supply (+13,3%), trade (+4,3%), real estate and other business services (excluding financial intermediation and insurance) (+2,1%). Decreases were reported for manufacturing (-12,7%), community, social and personal services (excluding government institutions) (-10,8%), mining and quarrying (-2,3%) and construction (-1,5%).

Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the third quarter of 2006 was estimated at R1 040 032 million, an increase of 1,3% compared with the revised second quarter of 2006 (R1 027 153 million). Increases were reported by construction (+11,0%), mining and quarrying (+3,4%), electricity, gas and water supply (+3,4%), trade (+3,2%), transport, storage and communication (+2,5%) and manufacturing (+1,4%). Community, social and personal services (excluding government institutions) and real estate and other business services (excluding financial intermediation and insurance) reported decreases of 8,7% and 2,1% respectively.

Total inventories at the end of the third quarter of 2006 were estimated at R304 982 million, compared with R292 936 million for the revised second quarter of 2006, an increase of 4,1%. The highest increase in inventories was recorded for transport, storage and communication (+14,8%), followed by trade (+6,8%), manufacturing (+3,8%), construction (+2,8%) and electricity, gas and water supply (+2,1%). Decreases were reported for mining and quarrying (-3,6%), real estate and other business services (excluding financial intermediation and insurance) (-2,2%) and community, social and personal services (excluding government institutions) (-1,6%).

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

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

# Contents

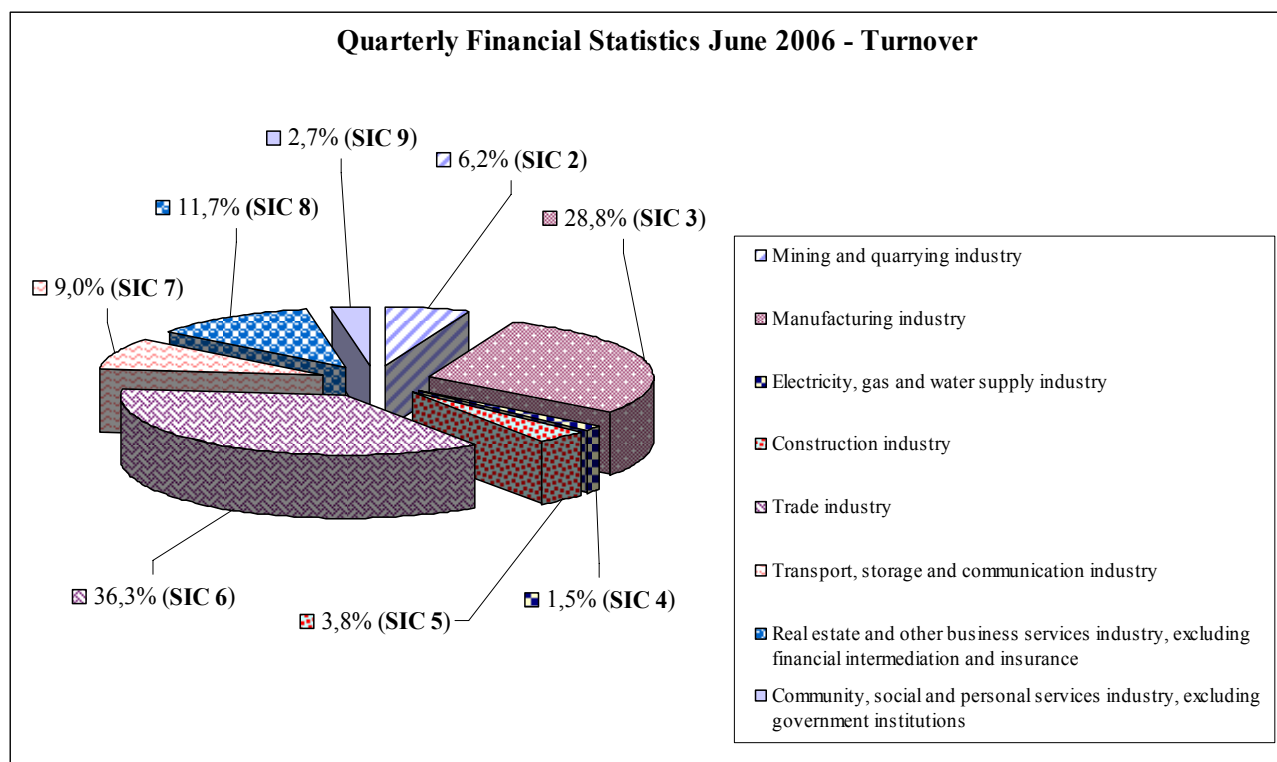
	<b>Page</b>
<i>Notes</i> .....	3
<b>Tables</b>	
Table 1 Selected income and expenditure items: All industries <sup>1</sup> .....	5
Table 2 Selected income and expenditure items: Mining and quarrying industry.....	7
Table 3 Selected income and expenditure items: Manufacturing industry .....	9
Table 4 Selected income and expenditure items: Electricity, gas and water supply industry .	11
Table 5 Selected income and expenditure items: Construction industry .....	13
Table 6 Selected income and expenditure items: Trade industry .....	15
Table 7 Selected income and expenditure items: Transport, storage and communication industry .....	17
Table 8 Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance).....	19
Table 9 Selected income and expenditure items: Community, social and personal services industry (excluding government institutions).....	21
<b>Technical notes</b> .....	23
Table A Estimates of turnover by industry within 95% confidence limits: June 2006.....	23
Table B Estimates of turnover by industry within 95% confidence limits: September 2006 .....	24
Table C Differences in turnover by industry between June 2006 and September 2006 .....	24
Table D Average turnover for June and September 2006, old and new samples, by industry ....	25
Table E Lower class limits.....	26
<b>Explanatory notes</b> .....	27
<b>Glossary</b> .....	30
<b>General information</b> .....	32

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

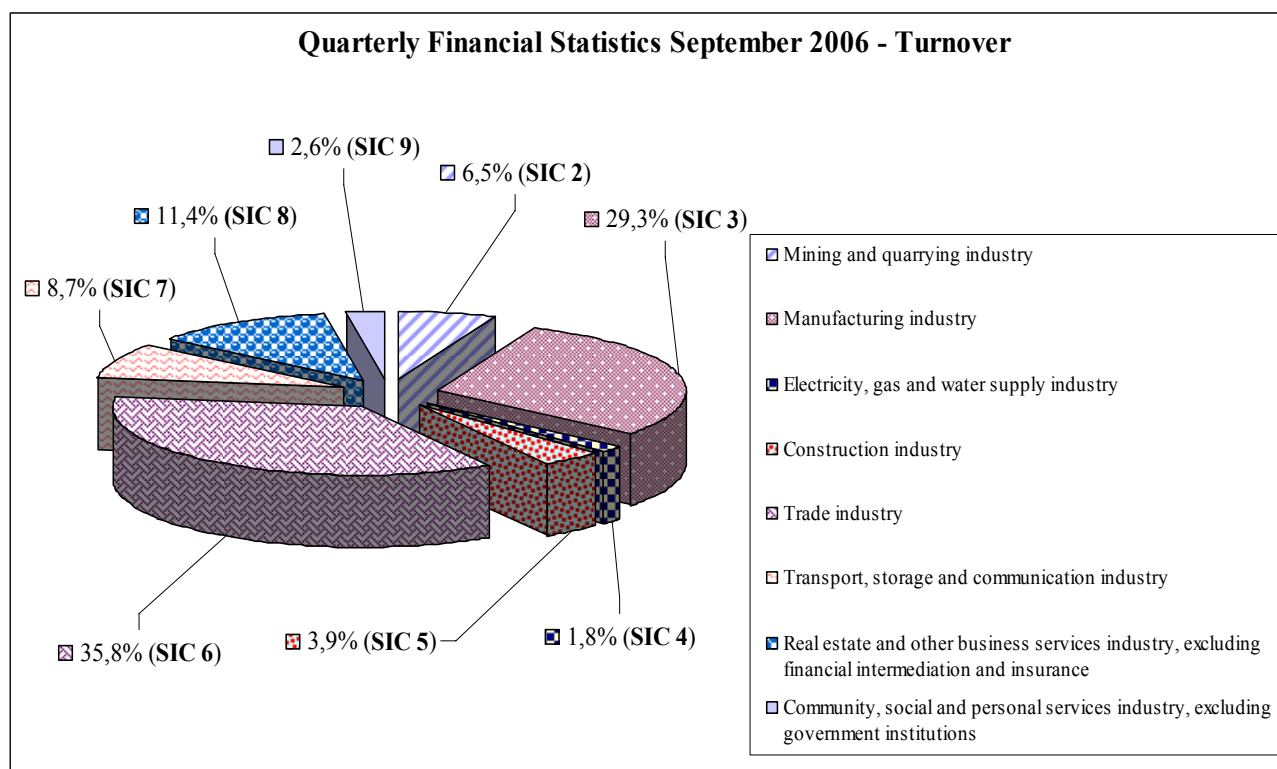
## Notes

<b>Forthcoming issues</b>	<b>Issue</b> December 2006	<b>Expected release date</b> 29 March 2007
<b>Purpose of the survey</b>	The quarterly financial statistics (QFS) survey covers a sample of non-government 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 analyses of comparative business and industry performance. The results are published quarterly in statistical release P0044: <i>Quarterly financial statistics</i> .	
<b>Response rates</b>	September quarter 2005: 81% December quarter 2005: 85% March quarter 2006: 84% June quarter 2006: 87% September quarter 2006: 80%	
<b>Improvements to the survey</b>	Improvements to the release for the September 2006 quarter: <ul style="list-style-type: none"> <li>• addition of the electricity, water and gas supply industry; and</li> <li>• this release contains the results for the June and September 2006 quarterly financial statistics surveys based on a new sample of about 5 000 enterprises selected in January 2006, covering the following industries: mining and quarrying, manufacturing, electricity, gas and water supply, construction, trade, transport, storage and communication, real estate and other business services (excluding financial intermediation and insurance) and community, social and personal services industry (excluding government institutions). Refer to Table D, page 25.</li> </ul>	
<b>Reasons for fluctuations in data</b>	The fluctuations in the data can be attributed to: <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 changes;</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>• seasonal factors; and</li> <li>• items declared annually and not quarterly.</li> </ul>	

**Figure 1 - Comparison in turnover for the quarter ended June 2006 by industry**



**Figure 2 - Comparison in turnover for the quarter ended September 2006 by industry**



**Table 1 – Selected income and expenditure items: All industries<sup>1</sup>**

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005 <sup>2</sup>	December 2005 <sup>2</sup>	March 2006 <sup>2</sup>	June 2006 <sup>3</sup>	September 2006 <sup>4</sup>	
	R million					
Income items						
Turnover	842 489	887 179	847 129	933 738	982 455	5,2
Interest received	5 400	5 839	6 174	7 883	9 724	23,4
Dividends received	6 517	8 375	9 302	8 933	10 677	19,5
Royalties, franchise fees, copyright, trade names and trade and patent rights received	221	237	278	450	471	4,7
Income from the rental/leasing of land, buildings and other structures	1 496	1 585	1 549	1 714	1 669	-2,6
Income from hiring/leasing of plant, machinery, vehicles and other equipment	769	851	847	799	815	2,0
Profit on assets/investments sold or revalued	2 994	3 252	3 526	8 300	9 826	18,4
Other income	11 236	12 050	12 045	14 543	15 577	7,1
Expenditure items						
Interest paid	16 510	16 180	15 810	17 642	17 571	-0,4
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	2 556	2 755	2 829	3 322	3 162	-4,8
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	12 077	12 178	11 972	14 131	14 759	4,4
Hiring/leasing paid for plant, machinery, vehicles and other equipment	6 544	7 876	6 981	6 331	6 911	9,2
Depreciation	19 220	20 850	21 297	22 323	22 162	-0,7

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

<sup>2</sup> Added the electricity, gas and water supply industry to the total

<sup>3</sup> Revised

<sup>4</sup> Preliminary estimates

**Table 1 – Selected income and expenditure items: All industries<sup>1</sup> (concluded)**

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005 <sup>2</sup>	December 2005 <sup>2</sup>	March 2006 <sup>2</sup>	June 2006 <sup>3</sup>	September 2006 <sup>4</sup>	
	R million					
Losses on assets/investments sold or revalued	1 552	1 614	2 776	4 121	3 851	-6,6
<b>Net profit or loss before providing for company tax and dividends</b>	83 237	88 679	81 865	99 025	126 378	27,6
<b>Tax and company tax brought into account</b>	21 033	19 302	19 336	24 545	30 148	22,8
<b>Dividends payable</b>	25 110	18 156	20 723	17 609	19 031	8,1
<b>Inventories</b>						
Work in progress	47 859	47 982	47 501	45 248	45 563	0,7
Other inventories	204 593	211 436	218 547	247 688	259 419	4,7
Total inventories	252 452	259 418	266 048	292 936	304 982	4,1
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	951 384	973 634	1 003 788	1 027 153	1 040 032	1,3
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	7 746	9 828	8 882	12 909	12 425	-3,7
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	20 859	22 738	21 763	22 807	25 485	11,7
Vehicles	4 345	4 427	5 038	3 835	4 181	9,0
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	32 950	36 993	35 683	39 551	42 091	6,4

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

<sup>2</sup> Added the electricity, gas and water supply industry to the total

<sup>3</sup> Revised

<sup>4</sup> Preliminary estimates



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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Income items						
Turnover	41 637	47 873	44 579	57 566	63 435	10,2
Interest received	724	743	650	654	972	48,6
Dividends received	98	117	107	87	136	56,3
Royalties, franchise fees, copyright, trade names and trade and patent rights received	6	9	10	9	9	0,0
Income from the rental/leasing of land, buildings and other structures	17	16	17	23	14	-39,1
Income from hiring/leasing of plant, machinery, vehicles and other equipment	19	36	32	32	33	3,1
Profit on assets/investments sold or revalued	221	237	286	624	582	-6,7
Other income	541	512	558	598	586	-2,0
Expenditure items						
Interest paid	1 048	1 388	1 190	1 470	1 489	1,3
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	282	296	317	276	281	1,8
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	230	250	284	466	589	26,4
Hiring/leasing paid for plant, machinery, vehicles and other equipment	349	329	319	382	379	-0,8
Depreciation	3 246	3 871	3 671	4 289	4 381	2,1

<sup>1</sup> Revised

<sup>2</sup> Preliminary estimates

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Losses on assets/investments sold or revalued	219	142	129	919	838	-8,8
<b>Net profit or loss before providing for company tax and dividends</b>	8 841	9 008	7 189	12 404	17 678	42,5
<b>Tax and company tax brought into account</b>	2 548	2 618	2 272	4 192	4 689	11,9
<b>Dividends payable</b>	4 010	3 209	3 406	487	7 188	1376,0
<b>Inventories</b>						
Work in progress	7 497	8 063	7 357	7 061	6 121	-13,3
Other inventories	8 634	11 142	11 318	14 703	14 863	1,1
Total inventories	16 131	19 205	18 675	21 764	20 984	-3,6
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	149 549	155 717	160 549	188 689	195 196	3,4
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	651	839	944	1 640	1 770	7,9
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	3 222	2 913	4 182	4 401	4 128	-6,2
Vehicles	108	180	195	196	195	-0,5
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	3 981	3 932	5 321	6 237	6 093	-2,3

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Income items						
Turnover	256 625	260 247	247 045	268 662	287 711	7,1
Interest received	1 624	1 471	2 034	2 107	2 163	2,7
Dividends received	390	466	382	203	402	98,0
Royalties, franchise fees, copyright, trade names and trade and patent rights received	60	55	52	18	21	16,7
Income from the rental/leasing of land, buildings and other structures	283	239	249	263	299	13,7
Income from hiring/leasing of plant, machinery, vehicles and other equipment	85	129	143	178	186	4,5
Profit on assets/investments sold or revalued	1 026	1 037	840	3 645	1 890	-48,1
Other income	1 951	2 175	2 570	3 688	3 650	-1,0
Expenditure items						
Interest paid	3 191	3 208	3 478	4 312	4 383	1,6
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	1 043	1 126	1 047	1 031	1 123	8,9
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	2 849	2 793	2 530	2 806	2 923	4,2
Hiring/leasing paid for plant, machinery, vehicles and other equipment	855	863	853	904	841	-7,0
Depreciation	5 497	5 779	5 694	5 862	6 078	3,7

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Losses on assets/investments sold or revalued	528	639	1 766	2 034	1 732	-14,8
<b>Net profit or loss before providing for company tax and dividends</b>	25 216	26 852	23 131	28 337	33 872	19,5
<b>Tax and company tax brought into account</b>	7 105	7 439	5 892	7 431	8 684	16,9
<b>Dividends payable</b>	7 112	7 058	6 834	6 567	4 871	-25,8
<b>Inventories</b>						
Work in progress	21 992	22 158	22 201	21 366	22 141	3,6
Other inventories	86 337	87 034	94 791	106 577	110 617	3,8
Total inventories	108 329	109 192	116 992	127 943	132 758	3,8
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	188 926	192 413	200 510	211 503	214 517	1,4
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	1 037	1 406	565	1 162	653	-43,8
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	7 608	9 313	5 829	8 249	7 401	-10,3
Vehicles	613	673	575	736	803	9,1
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	9 258	11 392	6 969	10 147	8 857	-12,7

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006	September 2006 <sup>1</sup>	
	R million					
Income items						
Turnover	14 240	11 447	11 976	14 231	17 497	22,9
Interest received	937	1 342	748	2 299	3 751	63,2
Dividends received	0	0	0	0	202	
Royalties, franchise fees, copyright, trade names and trade and patent rights received	1	1	1	0	0	
Income from the rental/leasing of land, buildings and other structures	9	9	12	18	23	27,8
Income from hiring/leasing of plant, machinery, vehicles and other equipment	10	17	10	37	21	-43,2
Profit on assets/investments sold or revalued	29	27	138	29	83	186,2
Other income	136	134	136	72	133	84,7
Expenditure items						
Interest paid	2 419	1 750	931	1 568	1 458	-7,0
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	12	11	11	11	14	27,3
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	112	96	94	94	118	25,5
Hiring/leasing paid for plant, machinery, vehicles and other equipment	4	5	5	11	12	9,1
Depreciation	1 244	1 324	1 211	1 429	1 335	-6,6

<sup>1</sup> Preliminary estimates

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006	September 2006 <sup>1</sup>	
	R million					
Losses on assets/investments sold or revalued	98	98	135	38	32	-15,8
Net profit or loss before providing for company tax and dividends	1 390	3 032	1 282	2 870	4 839	68,6
Tax and company tax brought into account	1 563	38	754	96	2 713	2726,0
Dividends payable	1 643	0	0	7	9	28,6
Inventories						
Work in progress	27	37	12	14	10	-28,6
Other inventories	3 307	3 502	3 482	3 324	3 398	2,2
Total inventories	3 334	3 539	3 494	3 338	3 408	2,1
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	82 051	72 801	75 861	81 556	84 310	3,4
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	2 015	2 657	2 902	3 096	3 343	8,0
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	707	256	290	127	183	44,1
Vehicles	272	99	79	123	266	116,3
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	2 994	3 012	3 271	3 346	3 792	13,3

<sup>1</sup> Preliminary estimates

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Income items						
Turnover	31 392	32 081	34 356	35 860	38 136	6,3
Interest received	156	160	165	184	183	-0,5
Dividends received	11	11	11	23	19	-17,4
Royalties, franchise fees, copyright, trade names and trade and patent rights received	1	0	0	0	0	
Income from the rental/leasing of land, buildings and other structures	19	24	26	148	145	-2,0
Income from hiring/leasing of plant, machinery, vehicles and other equipment	423	413	429	152	133	-12,5
Profit on assets/investments sold or revalued	14	51	47	220	178	-19,1
Other income	397	383	341	339	328	-3,2
Expenditure items						
Interest paid	327	330	416	320	295	-7,8
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	19	18	17	33	46	39,4
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	258	245	243	265	287	8,3
Hiring/leasing paid for plant, machinery, vehicles and other equipment	1 338	1 496	1 339	1 199	1 588	32,4
Depreciation	474	451	485	660	683	3,5

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Losses on assets/investments sold or revalued	12	27	87	83	53	-36,1
<b>Net profit or loss before providing for company tax and dividends</b>	2 113	2 161	2 585	2 190	2 831	29,3
<b>Tax and company tax brought into account</b>	313	367	347	696	574	-17,5
<b>Dividends payable</b>	112	82	701	362	286	-21,0
<b>Inventories</b>						
Work in progress	8 162	8 282	7 948	6 738	6 942	3,0
Other inventories	1 423	1 467	1 535	1 606	1 635	1,8
Total inventories	9 585	9 749	9 483	8 344	8 577	2,8
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	15 033	14 199	14 572	17 825	19 793	11,0
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	4	29	14	79	39	-50,6
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	313	304	349	818	892	9,0
Vehicles	80	173	232	263	212	-19,4
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	397	506	595	1 160	1 143	-1,5

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



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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Income items						
Turnover	288 391	323 475	305 303	338 589	352 205	4,0
Interest received	1 126	1 319	1 497	1 844	1 876	1,7
Dividends received	258	89	276	301	293	-2,7
Royalties, franchise fees, copyright, trade names and trade and patent rights received	125	118	142	158	162	2,5
Income from the rental/leasing of land, buildings and other structures	822	919	868	760	709	-6,7
Income from hiring/leasing of plant, machinery, vehicles and other equipment	147	158	148	214	251	17,3
Profit on assets/investments sold or revalued	319	260	281	584	578	-1,0
Other income	3 428	4 444	4 507	5 497	6 239	13,5
Expenditure items						
Interest paid	2 106	2 188	2 115	2 087	2 134	2,3
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	479	492	501	552	542	-1,8
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	5 033	5 311	5 226	5 873	6 064	3,3
Hiring/leasing paid for plant, machinery, vehicles and other equipment	697	767	757	753	741	-1,6
Depreciation	2 388	2 618	2 570	2 595	2 730	5,2

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Losses on assets/investments sold or revalued	77	108	106	362	384	6,1
<b>Net profit or loss before providing for company tax and dividends</b>	17 881	19 349	17 252	21 235	22 301	5,0
<b>Tax and company tax brought into account</b>	3 651	3 835	4 273	4 408	4 530	2,8
<b>Dividends payable</b>	880	466	1 304	1 963	1 446	-26,3
<b>Inventories</b>						
Work in progress	3 994	3 511	3 976	3 839	3 850	0,3
Other inventories	87 953	91 574	92 303	102 474	109 677	7,0
Total inventories	91 947	95 085	96 279	106 313	113 527	6,8
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	70 884	73 220	75 547	77 719	80 201	3,2
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	1 832	2 058	1 973	2 190	2 326	6,2
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	2 413	2 476	2 898	2 958	2 922	-1,2
Vehicles	836	726	860	842	999	18,6
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	5 081	5 260	5 731	5 990	6 247	4,3

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Income items						
Turnover	78 749	82 074	78 667	83 958	85 443	1,8
Interest received	581	605	877	601	548	-8,8
Dividends received	2 590	4 106	3 962	175	1 365	680,0
Royalties, franchise fees, copyright, trade names and trade and patent rights received	7	7	7	13	17	30,8
Income from the rental/leasing of land, buildings and other structures	254	282	268	377	361	-4,2
Income from hiring/leasing of plant, machinery, vehicles and other equipment	56	56	40	107	112	4,7
Profit on assets/investments sold or revalued	109	155	714	812	130	-84,0
Other income	819	581	497	619	881	42,3
Expenditure items						
Interest paid	2 098	2 115	2 605	2 198	2 049	-6,8
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	156	158	317	193	180	-6,7
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	824	784	979	1 165	1 172	0,6
Hiring/leasing paid for plant, machinery, vehicles and other equipment	2 350	3 444	2 680	1 993	2 212	11,0
Depreciation	3 937	4 279	4 999	4 360	3 942	-9,6

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Losses on assets/investments sold or revalued	427	432	405	144	351	143,8
<b>Net profit or loss before providing for company tax and dividends</b>	12 055	12 688	15 131	6 915	14 544	110,3
<b>Tax and company tax brought into account</b>	3 583	2 680	3 486	3 138	4 029	28,4
<b>Dividends payable</b>	6 575	1 400	2 346	6 601	1 771	-73,2
<b>Inventories</b>						
Work in progress	1 708	1 515	1 340	294	458	55,8
Other inventories	6 603	6 258	5 393	5 780	6 517	12,8
Total inventories	8 311	7 773	6 733	6 074	6 975	14,8
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	143 936	187 563	189 314	186 405	191 000	2,5
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	423	1 104	886	966	590	-38,9
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	2 788	3 818	7 197	4 771	8 326	74,5
Vehicles	1 828	1 812	2 232	829	925	11,6
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	5 039	6 734	10 315	6 566	9 841	49,9

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
<b>Income items</b>						
Turnover*	109 541	108 154	105 065	109 689	112 518	2,6
Dividends received	3 131	3 548	4 529	8 125	8 247	1,5
Royalties, franchise fees, copyright, trade names and trade and patent rights received	16	16	35	224	235	4,9
Profit on assets/investments sold or revalued	1 165	1 409	1 161	2 349	6 341	169,9
Other income	2 952	2 922	2 449	2 765	2 744	-0,8
<b>Expenditure items</b>						
Interest paid	3 858	3 731	3 821	5 193	5 204	0,2
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	413	500	494	1 090	838	-23,1
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	2 102	2 032	1 974	2 613	2 741	4,9
Hiring/leasing paid for plant, machinery, vehicles and other equipment	701	732	776	841	899	6,9
Depreciation	1 763	1 888	1 990	2 321	2 204	-5,0

<sup>1</sup> Revised

<sup>2</sup> Preliminary estimates

\* Includes: interest, rent/leasing and hiring – see p. 31 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					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Losses on assets/investments sold or revalued	151	133	123	403	381	-5,5
<b>Net profit or loss before providing for company tax and dividends</b>	13 068	13 538	13 285	21 891	26 851	22,7
<b>Tax and company tax brought into account</b>	1 735	1 833	1 832	3 992	4 207	5,4
<b>Dividends payable</b>	4 407	5 471	5 733	1 400	2 450	75,0
<b>Inventories</b>						
Work in progress	4 217	4 153	4 389	5 909	6 013	1,8
Other inventories	8 877	9 302	8 232	11 516	11 033	-4,2
Total inventories	13 094	13 455	12 621	17 425	17 046	-2,2
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	263 613	246 225	254 367	220 465	215 776	-2,1
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	1 586	1 574	1 452	3 424	3 525	2,9
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	1 469	954	727	1 099	1 175	6,9
Vehicles	506	668	779	687	620	-9,8
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	3 561	3 196	2 958	5 210	5 320	2,1

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Income items						
Turnover	21 914	21 828	20 138	25 183	25 510	1,3
Interest received	252	199	203	194	231	19,1
Dividends received	39	38	35	19	13	-31,6
Royalties, franchise fees, copyright, trade names and trade and patent rights received	5	31	31	28	27	-3,6
Income from the rental/leasing of land, buildings and other structures	92	96	109	125	118	-5,6
Income from hiring/leasing of plant, machinery, vehicles and other equipment	29	42	45	79	79	0,0
Profit on assets/investments sold or revalued	111	76	59	37	44	18,9
Other income	1 012	899	987	965	1 016	5,3
Expenditure items						
Interest paid	1 463	1 470	1 254	494	559	13,2
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	152	154	125	136	138	1,5
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	669	667	642	849	865	1,9
Hiring/leasing paid for plant, machinery, vehicles and other equipment	250	240	252	248	239	-3,6
Depreciation	671	640	677	807	809	0,2

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

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

Item	Quarter ended					Change between quarters ended June and September 2006 %
	September 2005	December 2005	March 2006	June 2006 <sup>1</sup>	September 2006 <sup>2</sup>	
	R million					
Losses on assets/investments sold or revalued	40	35	25	138	80	-42,0
<b>Net profit or loss before providing for company tax and dividends</b>	2 673	2 051	2 010	3 183	3 462	8,8
<b>Tax and company tax brought into account</b>	535	492	480	592	722	22,0
<b>Dividends payable</b>	371	470	399	222	1 010	355,0
<b>Inventories</b>						
Work in progress	262	263	278	27	28	3,7
Other inventories	1 459	1 157	1 493	1 708	1 679	-1,7
Total inventories	1 721	1 420	1 771	1 735	1 707	-1,6
<b>Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter</b>	37 392	31 496	33 068	42 991	39 239	-8,7
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvements and construction works	198	161	146	352	179	-49,1
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	2 339	2 704	291	384	458	19,3
Vehicles	102	96	86	159	161	1,3
Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment	2 639	2 961	523	895	798	-10,8

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



## Technical notes

**Confidence intervals**      The 95% confidence intervals of a population parameter (turnover) is 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)

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

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

**Table A - Estimates of turnover by industry within 95% confidence limits: June 2006**

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million			(RSE)
Mining and quarrying industry	56 996	57 566	58 136	0,5
Manufacturing industry	263 578	268 662	273 746	1,0
Electricity, gas and water supply industry	12 057	14 231	16 405	7,8
Construction industry	31 001	35 860	40 719	6,9
Trade industry	316 690	338 589	360 488	3,3
Transport, storage and communication industry	79 993	83 958	87 923	2,4
Real estate and other business services industry, excluding financial intermediation and insurance	97 964	109 689	121 414	5,5
Community, social and personal services industry, excluding government institutions	22 819	25 183	27 547	4,8

**Table B - Estimates of turnover by industry within 95% confidence limits: September 2006**

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million			(RSE)
Mining and quarrying industry	62 794	63 435	64 076	0,5
Manufacturing industry	280 886	287 711	297 813	1,5
Electricity, gas and water supply industry	14 655	17 497	20 339	8,3
Construction industry	33 015	38 136	43 257	6,9
Trade industry	330 806	352 205	373 604	3,1
Transport, storage and communication industry	81 776	85 443	89 110	2,2
Real estate and other business services industry, excluding financial intermediation and insurance	100 787	112 518	124 249	5,3
Community, social and personal services industry, excluding government institutions	23 097	25 510	27 923	4,8

**Table C - Differences in turnover by industry between June and September 2006**

Industry	Turnover for June 2006	Turnover for September 2006	Difference
	R million		%
Mining and quarrying industry	57 566	63 435	10,2
Manufacturing industry	268 662	287 711	7,1
Electricity, gas and water supply industry	14 231	17 497	22,9
Construction industry	35 860	38 136	6,3
Trade industry	338 589	352 205	4,0
Transport, storage and communication industry	83 958	85 443	1,8
Real estate and other business services industry, excluding financial intermediation and insurance	109 689	112 518	2,6
Community, social and personal services industry, excluding government institutions	25 183	25 510	1,3
<b>All industries</b>	<b>933 738</b>	<b>982 455</b>	<b>5,2</b>

<b>Comparison of old and new samples</b>	<p>The level of turnover for the quarters June and September 2006, based on the sample drawn in 2006 (referred to as the 'new' sample), tracks closely the turnover of the sample drawn in 2005. The movements in turnover over those two quarters are very similar, according to the old and new samples, so that the series for the survey move largely in parallel for those quarters in which the survey was conducted based on both samples. The table below reflects that the level of turnover for this period increased by 2,4% through the move from the sample selected in 2005 to the one selected in 2006.</p>
--	--

**Table D - Average turnover for June and September 2006, old and new samples, by industry**

Industry	Average turnover for June and September 2006			
	Old sample	New sample	Difference	Difference
	R million			%
Mining and quarrying industry	56 791	60 501	3 710	6,5
Manufacturing industry	283 390	278 187	-5 204	-1,8
Electricity, gas and water supply industry	15 490	15 864	375	2,4
Construction industry	36 320	36 998	678	1,9
Trade industry	322 485	345 397	22 913	7,1
Transport, storage and communication industry	86 956	84 701	-2 255	-2,6
Real estate and other business services industry, excluding financial intermediation and insurance	110 563	111 104	541	0,5
Community, social and personal services industry, excluding government institutions	23 317	25 347	2 030	8,7
<b>All industries</b>	<b>935 310</b>	<b>958 097</b>	<b>22 787</b>	<b>2,4</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>
----------------------------------	---

**Table E - Lower class limits**

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 (Size-group 4) Lower limits Rand
Mining and quarrying	156 000 000	40 000 000	16 000 000	4 898 897
Manufacturing	204 000 000	52 000 000	20 000 000	2 685 609
Electricity, gas and water supply	204 000 000	52 000 000	20 400 000	429 047
Construction	104 000 000	24 000 000	12 000 000	1 579 443
Wholesale trade	256 000 000	128 000 000	24 000 000	5 150 725
Retail trade	156 000 000	76 000 000	16 000 000	1 676 274
Motor trade	156 000 000	76 000 000	16 000 000	3 069 632
Accommodation and catering	52 000 000	24 000 000	20 400 000	904 110
Transport, storage and communication	104 000 000	52 000 000	12 000 000	937 214
Real estate and other business services, excluding financial intermediation and insurance	104 000 000	52 000 000	12 000 000	875 378
Community, social and personal services, excluding government institutions	52 000 000	24 000 000	4 000 000	541 997

## Explanatory notes

### Introduction

1. Statistics South Africa (Stats SA) conducts a quarterly sample survey to collect a range of financial statistics in respect of enterprises in the formal non-agricultural business sector of the South African economy, excluding financial intermediation and insurance and government institutions. The statistical release contains information regarding:
  - 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;
  - profit and losses on assets/investments sold or revalued;
  - depreciation provided for;
  - other income;
  - net profit or loss before providing for company tax and dividends;
  - tax and company tax brought into account;
  - book value of land, buildings, machinery, furniture, vehicles and other equipment at the end of the quarter;
  - inventories as at the end of the quarter; and
  - capital expenditure on new buildings, machinery, furniture, vehicles and other equipment.
2. In order to improve timeliness of the publication, some information for the current quarter may have been estimated due to late and or non-submission by respondents. These estimates are revised as soon as the actual information is available.
3. This statistical release presents a selection of key findings and tables from Stats SA's QFS survey, conducted in September and December 2005, March, June and September 2006, which examines book value of land, buildings, machinery, furniture, vehicles and other equipment, inventories and selected income and expenditure items in the formal non-agricultural business sector in South Africa, excluding financial intermediation and insurance and government institutions.

- |                                      |  |
|--------------------------------------|--|
| <b>Scope of the survey</b>           | <p>4. This survey covers financial statistics of the following industries according to the <i>Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993</i>:</p> <ul style="list-style-type: none"> <li>• mining and quarrying industry;</li> <li>• manufacturing industry;</li> <li>• electricity, gas and water supply industry;</li> <li>• construction industry;</li> <li>• trade industry;</li> <li>• transport, storage and communication industry;</li> <li>• real estate and business services industry, excluding financial intermediation and insurance; and</li> <li>• community, social and personal services industry, excluding government institutions.</li> </ul>   |
| <b>Classification</b>                | <p>5. The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993</i>, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of all Economic Activities (ISIC)</i> 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.</p>   |
| <b>Statistical unit</b>              | <p>6. The statistical unit for the collection of information is an enterprise. 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.</p>   |
| <b>Survey methodology and design</b> | <p>7. The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of about 5 000 enterprises. Questionnaires have to be returned to Stats SA within four weeks after the end of the quarter concerned. Fax and telephone reminders are used to follow up on non-respondents.</p> <p>8. A new sample was drawn in 2006 and implemented from the June 2006 quarter.</p> <p>9. The sample was drawn from a population of enterprises that contributed approximately 95% to the total turnover per industry. Adjustments to the estimates to account for enterprises contributing less than 5% of the total turnover are made 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 <i>Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993</i>. All large enterprises, which comprise 50% 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. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.</p> |

- |                                  |  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
|----------------------------------|--|-----|-------------------------|-----|------------------------|------|---|------|--|---|---------|-----|-------------------------|------|-------------------------------|----|----------------|-----|---|----------|-------------------------|-----|-----------------|
| <b>Reliability of estimates</b>  | <p>10. Data presented in this publication are based on information obtained from a sample of enterprises and are, therefore, subject to sampling variability, that is, they 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.</p> <p>11. 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. Fluctuations may occur in consecutive quarters as a result of seasonal and economic factors.</p> |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| <b>Standard error</b>            | <p>12. The estimates in this publication are based on a sample drawn from units in the surveyed population. As a result of the entire population not being 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.</p>   |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| <b>Revised figures</b>           | <p>13. The revised figures are due to respondents reporting revisions or corrections in their figures and late submissions of their data to Stats SA. Data are edited at individual enterprise level.</p>  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| <b>Reference period</b>          | <p>14. The reference period is the four quarters ending March, June, September and December of each year.</p>  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| <b>Related publications</b>      | <p>15. 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>Bulletin of Statistics</i> – issued quarterly</li> <li>• <i>South African Statistics</i> – issued annually.</li> </ul>  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| <b>Rounding-off of figures</b>   | <p>16. The figures in the tables have, where necessary, been rounded off to the nearest digit shown.</p>   |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| <b>Symbols and abbreviations</b> | <p>17.</p> <table border="0"> <tr> <td style="padding-right: 20px;">BSF</td> <td>Business Sampling Frame</td> </tr> <tr> <td>GDP</td> <td>Gross Domestic Product</td> </tr> <tr> <td>IFRS</td> <td>International Financial Reporting Standards</td> </tr> <tr> <td>ISIC</td> <td>International Standard Industrial Classification</td> </tr> <tr> <td>m</td> <td>million</td> </tr> <tr> <td>RSE</td> <td>Relative Standard Error</td> </tr> <tr> <td>SARS</td> <td>South African Revenue Service</td> </tr> <tr> <td>SE</td> <td>Standard Error</td> </tr> <tr> <td>SIC</td> <td>Standard Industrial Classification of all Economic Activities</td> </tr> <tr> <td>Stats SA</td> <td>Statistics South Africa</td> </tr> <tr> <td>VAT</td> <td>Value-added tax</td> </tr> </table>   | BSF | Business Sampling Frame | GDP | Gross Domestic Product | IFRS | International Financial Reporting Standards | ISIC | International Standard Industrial Classification | m | million | 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 |
| BSF                              | Business Sampling Frame  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| GDP                              | Gross Domestic Product   |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| IFRS                             | International Financial Reporting Standards  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| ISIC                             | International Standard Industrial Classification   |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| m                                | million  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |
| 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  |     |                         |     |                        |      |   |      |  |   |         |     |                         |      |                               |    |                |     |   |          |                         |     |                 |

## Glossary

**Book value of fixed assets**

Book value of fixed assets 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;
- plant, machinery and other office equipment; and
- intangible non-produced assets.

**Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment**

Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment includes:

- the 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;
- new plant and machinery, vehicles and equipment; and
- used plant and machinery, which were imported by or on behalf of the enterprise.

**Enterprise**

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.

**Industry**

An industry consists of a group of enterprises engaged in the same or similar kinds of economic activity, and is classified according to the *Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993*.

**Inventories**

Inventories consist of:

- outputs that are still held by the enterprise that produced them prior to their being further processed, sold, delivered to other units or used in other ways; and
- products acquired from other enterprises that are intended to be used for intermediate consumption or for resale without further processing (factored goods).

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 end of the quarter.

Other inventories consist of raw materials, components for processing, packing materials, fuel, consumable and maintenance stores, finished goods (own manufactures) and finished goods not produced by the enterprise but purchased for resale, not sold at the end of the quarter.



<b>Net profit or loss</b>	<p>Net profit or loss is the difference between total income and total expenditure before drawings by proprietors or partners, company tax paid or provided for and dividends paid or provided for are taken into account. In the tables where net profit or loss is shown, it is the amount arrived at after total losses of individual enterprises were deducted from total profits of individual enterprises.</p>
<b>Statistical unit</b>	<p>A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.</p> <p>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.</p>
<b>Tax and company tax brought into account</b>	<p>Tax and company tax brought into account consist 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 and compulsory loan levies.</p>
<b>Turnover</b>	<p>Turnover refers to the following items for all industries, excluding real estate and other business services (excluding financial intermediation and insurance):</p> <ul style="list-style-type: none"><li>• the value of sales;</li><li>• amounts received for work done; and</li><li>• amounts received for services rendered.</li></ul> <p>Turnover refers to the following items for the real estate and other business services industry (excluding financial intermediation and insurance):</p> <ul style="list-style-type: none"><li>• the value of sales;</li><li>• amounts received for work done;</li><li>• amounts received for services rendered;</li><li>• interest received;</li><li>• rent and or lease payments received for land and buildings; and</li><li>• rent, leasing and hiring received for machinery, vehicles and other equipment.</li></ul> <p>Turnover excludes:</p> <ul style="list-style-type: none"><li>• value-added tax (VAT);</li><li>• net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange);</li><li>• export freight charges; and</li><li>• excise duty.</li></ul>

## General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data, and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

### Advance release calendar

An advance release calendar is disseminated on [www.statssa.gov.za](http://www.statssa.gov.za)

### Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division  
National Library of South Africa, Cape Town Division  
Natal Society Library, Pietermaritzburg  
Library of Parliament, Cape Town  
Bloemfontein Public Library  
Johannesburg Public Library  
Eastern Cape Library Services, King William's Town  
Central Regional Library, Polokwane  
Central Reference Library, Nelspruit  
Central Reference Collection, Kimberley  
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

### Electronic services

A large range of data are available via on-line services, diskette, compact disc and computer printouts. For more details about our electronic data services, contact (012) 310 8600/8390/8351/4892/8496/8095.

You can visit us on the Internet at: [www.statssa.gov.za](http://www.statssa.gov.za)

### Enquiries

Telephone number: (012) 310 8600/8390/8351/4892/8496/8095 (user information services)  
(012) 310 2938/8071 (technical enquiries)  
(012) 310 8161 (orders)  
(012) 310 4883/4885/8018 (library)

Fax number: (012) 310 2129 (technical enquiries)

email: [RiaL@statssa.gov.za](mailto:RiaL@statssa.gov.za) (technical enquiries)  
[NozukoT@statssa.gov.za](mailto:NozukoT@statssa.gov.za) (technical enquiries)  
[info@statssa.gov.za](mailto:info@statssa.gov.za) (user information services)  
[distribution@statssa.gov.za](mailto:distribution@statssa.gov.za) (orders)

Postal address: Private Bag X44, Pretoria, 0001

*Produced by Stats SA*