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South Africa**

**Statistical release
P0044**

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Quarterly financial statistics

December 2005

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Key findings for the quarter ended December 2005

The total turnover of all industries¹ for the fourth quarter of 2005 was estimated at R874 764 million, an increase of 4,0% compared with the third quarter of 2005 (R841 165 million).

Between the third and the fourth quarter of 2005 turnover increased in six of the seven industries covered in the survey. The largest increase was recorded for trade (+8,2%), followed by mining and quarrying (+5,1%), transport, storage and communication (+4,0%), real estate and other business services (excluding financial intermediation and insurance) (+2,1%), construction (+1,0%) and manufacturing (+0,8%). Community, social and personal services (excluding government institutions) reported a decrease of 3,6%.

Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment, estimated at R30 989 million for all industries for the fourth quarter of 2005, increased by 5,6% compared with the third quarter of 2005. The largest increase was reported in manufacturing (+21,9%), followed by community, social and personal services (excluding government institutions) (+14,9%), construction (+5,1%), real estate and other business services (excluding financial intermediation and insurance) (+1,4%). Decreases were reported in transport, storage and communication (-8,4%), mining and quarrying (-7,4%) and trade (-2,7%).

Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the fourth quarter of 2005 was estimated at R864 248 million, an increase of 0,4% compared with the third quarter of 2005. Increases were reported by transport, storage and communication (+3,2%), manufacturing (+2,6%) and mining and quarrying (+0,3%). Decreases in book value were recorded for real estate and other business services (excluding financial intermediation and insurance) (-2,4%), community, social and personal services (excluding government institutions) (-2,0%), construction (-0,8%) and trade (-0,2%).

Total inventories at the end of the fourth quarter of 2005 were estimated at R256 648 million, compared with R253 326 million at the third quarter of 2005, an increase of 1,3%. Increases in inventories were recorded for mining and quarrying (+5,8%), followed by trade (+1,7%), manufacturing (+1,0%) and real estate and other business services (excluding financial intermediation and insurance) (+1,0%). Decreases were reported by community, social and personal services (excluding government institutions) (-4,9%), transport, storage and communication (-4,0%) and construction (-0,5%).

¹ All industries in the South African economy, excluding agriculture, electricity, gas and water supply, financial intermediation and insurance and government institutions.

PJ Lehohla
Statistician-General

Contents

	Page
Notes	3
Changes to the quarterly financial survey and its impact on the statistical series	4
Tables	
Table 1 Selected income and expenditure items: All industries ¹	7
Table 2 Selected income and expenditure items: Mining and quarrying industry	9
Table 3 Selected income and expenditure items: Manufacturing industry	11
Table 4 Selected income and expenditure items: Construction industry.....	13
Table 5 Selected income and expenditure items: Trade industry	15
Table 6 Selected income and expenditure items: Transport, storage and communication industry	17
Table 7 Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance).....	19
Table 8 Selected income and expenditure items: Community, social and personal services industry (excluding government institutions).....	21
Technical notes	23
Table A Estimates of turnover by industry within 95% confidence limits: September 2005	23
Table B Estimates of turnover by industry within 95% confidence limits: December 2005	24
Table C Differences in turnover by industry between September 2005 and December 2005.....	24
Table D Lower class limits.....	25
Explanatory notes	26
Glossary	29
General information	31

¹ All industries in the South African economy, excluding agriculture, electricity, gas and water supply, financial intermediation and insurance and government institutions.

Notes

Forthcoming issues	Issue March 2006	Expected release date 29 June 2006
Purpose of the survey	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 electricity, gas and water supply, financial intermediation, insurance and government institutions. Results of the survey are used in compiling estimates of the Gross Domestic Product (GDP) and its components, 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> .	
Response rates	March quarter 2005: 80% June quarter 2005: 84% September quarter 2005: 81% December quarter 2005: 77%	
Reasons for fluctuations in data	The fluctuations in the data can be attributed to: <ul style="list-style-type: none">• revisions to previous quarters made in the event of new or revised information being furnished by the respondents;• restructuring of large businesses;• exchange rate changes;• once-off items reflected in one or more quarters, but not reflected in other quarters;• seasonal factors; and• items declared annually and not quarterly.	

Changes to the quarterly financial survey and its impact on the statistical series

This release contains the results for the September 2005 and December 2005 quarterly financial statistics surveys covering the following industries: mining and quarrying, manufacturing, 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). The September 2005 and December 2005 results in this release are based on a new sample of about 4 000, selected in September 2005 from Stats SA's business register.

Previous results

The quarterly financial statistics release published on 15 December 2005 contained results for December 2004, March, June and September 2005 from the sample of 3 700 businesses which was selected in September 2004 (hereafter referred to as the 'old' sample). This release also contains results for the quarters ended December 2004, March and June 2005 from the 'old' sample.

Comparing the results of the old and new samples

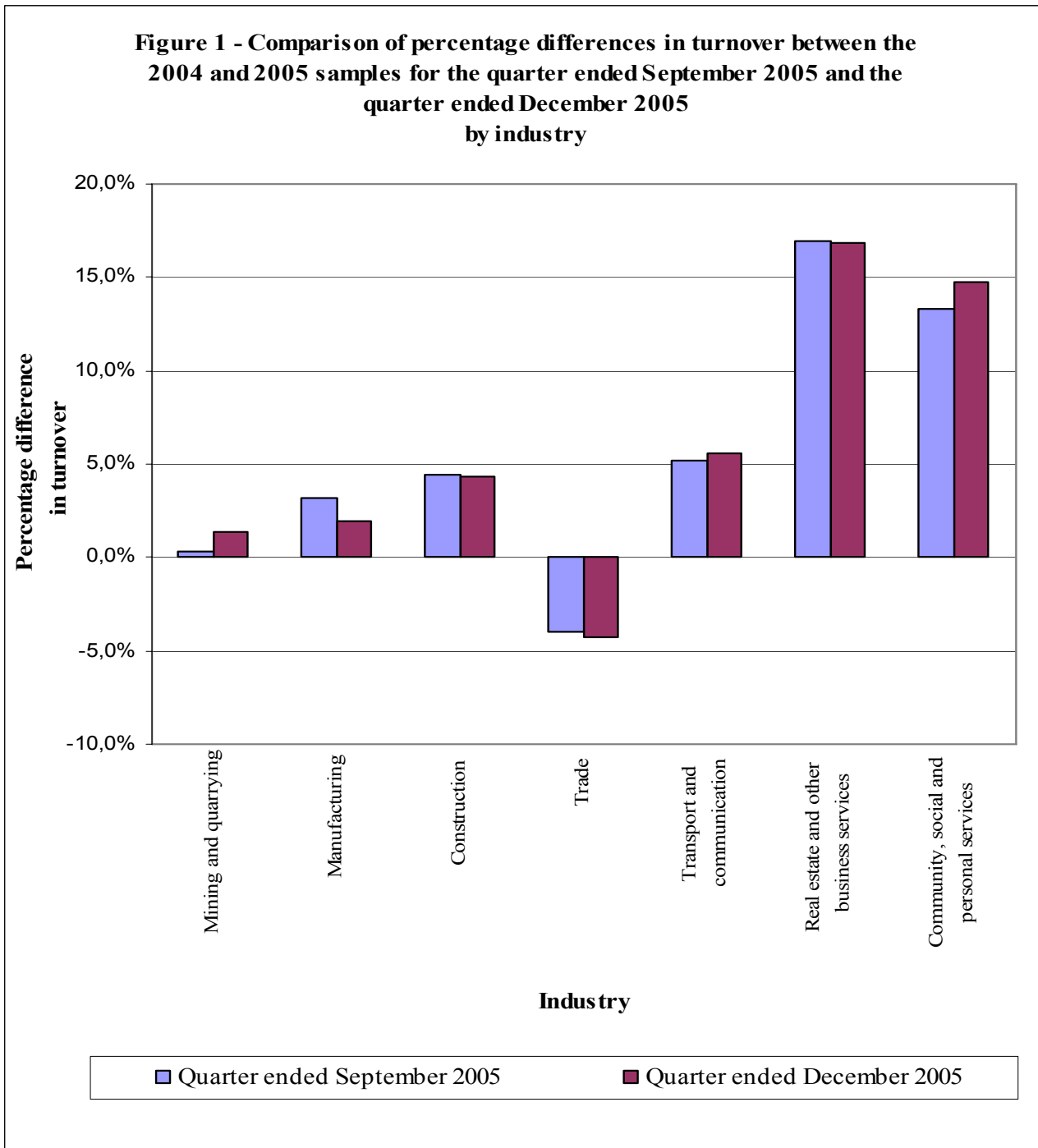
The level of turnover for the quarters September 2005 and December 2005, based on the sample drawn in September 2005 (hereafter referred to as the 'new' sample), tracks closely the turnover of the sample drawn in September 2004. The movements in turnover over those two quarters are very similar according 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 2,1% through the move from the sample selected in September 2004 to the one selected in September 2005.

Average turnover for September 2005 and December 2005, old and new samples, by industry

Industry	Old sample R million	New sample R million	Difference R million	Difference %
Mining and quarrying industry	43 823,5	44 193,5	370,0	0,8
Manufacturing industry	252 882,5	259 296,0	6 413,5	2,5
Construction industry	30 604,5	31 955,0	1 350,5	4,4
Trade industry	321 554,0	308 304,0	-13 250,0	-4,1
Transport, storage and communication industry	76 775,5	80 907,5	4 132,0	5,4
Real estate and other business services industry, excluding financial intermediation and insurance	95 062,5	111 118,5	16 056,0	16,9
Community, social and personal services industry, excluding government institutions	19 464,5	22 190,0	2 725,5	14,0
All industries ¹	840 167,0	857 964,5	17 797,5	2,1

¹ All industries in the South African economy, excluding agriculture, electricity, gas and water supply, financial intermediation and insurance and government institutions.

Percentage differences in turnover between the 2004 and 2005 samples for the quarters ended September 2005 and December 2005 are illustrated in figure 1 below.



Percentage changes in turnover between the quarters ended September and December 2005 for the 2004 and 2005 samples are illustrated in figure 2 below.

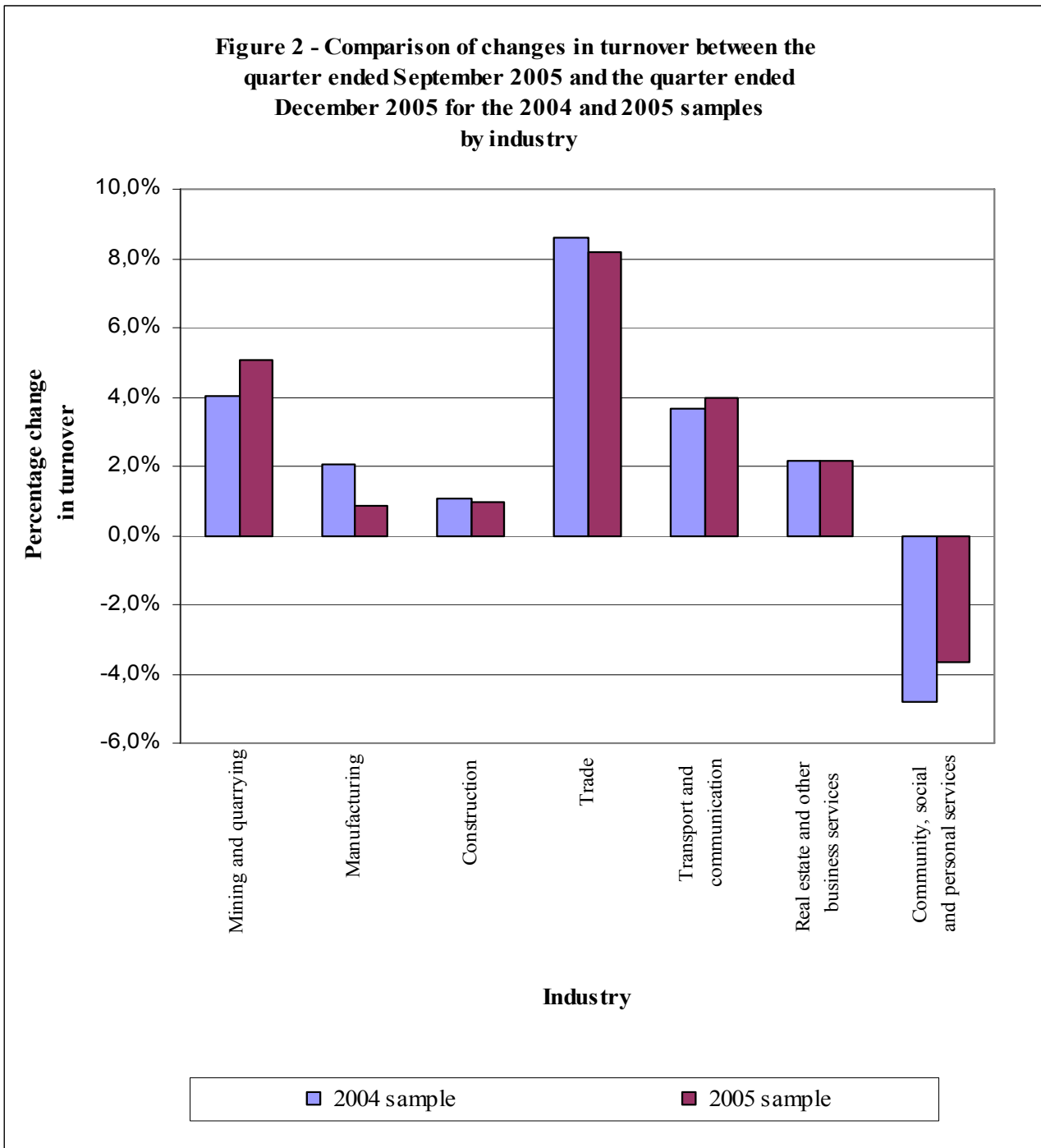


Table 1 – Selected income and expenditure items: All industries¹

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ²	June 2005 ²	September 2005 ²	December 2005 ³	
	R million					
Income items						
Turnover	750 888	725 724	783 593	841 165	874 764	4,0
Interest received	4 230	4 587	4 780	4 655	4 696	0,9
Dividends received	1 762	7 772	11 028	6 527	8 397	28,7
Royalties, franchise fees, copyright, trade names and trade and patent rights received	248	266	301	240	249	3,8
Income from the rental/leasing of land, buildings and other structures	909	952	1 278	1 361	1 411	3,7
Income from hiring/leasing of plant, machinery, vehicles and other equipment	394	439	526	1 078	1 079	0,1
Profit on assets/investments sold or revalued	3 427	4 346	1 970	3 002	2 838	-5,5
Other income	10 962	9 010	10 556	11 544	11 441	-0,9
Expenditure items						
Interest paid	13 325	13 998	14 101	14 855	15 056	1,4
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	2 886	2 901	3 005	2 661	2 815	5,8
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	9 603	10 657	11 240	12 280	12 360	0,7
Hiring/leasing paid for plant, machinery, vehicles and other equipment	4 513	4 380	4 725	6 710	7 793	16,1
Depreciation	17 859	18 087	18 363	18 279	19 404	6,2

¹ All industries in the South African economy, excluding agriculture, electricity, gas and water supply, financial intermediation and insurance and government institutions.

² Revised

³ Preliminary estimates

Table 1 – Selected income and expenditure items: All industries¹ (concluded)

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ²	June 2005 ²	September 2005 ²	December 2005 ³	
	R million					
Losses on assets/investments sold or revalued	3 943	4 800	3 035	1 542	1 583	2,7
Net profit or loss before providing for company tax and dividends	69 751	70 072	82 329	83 887	86 550	3,2
Tax and company tax brought into account	16 364	14 880	16 103	19 044	18 115	-4,9
Dividends payable	9 595	17 771	17 573	23 538	17 756	-24,6
Inventories						
Work in progress	38 256	43 012	43 920	48 127	48 196	0,1
Other stocks	190 553	195 220	201 295	205 199	208 452	1,6
Total inventories	228 809	238 232	245 215	253 326	256 648	1,3
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	685 945	701 729	731 130	861 099	864 248	0,4
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	4 219	4 987	5 571	5 773	6 615	14,6
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	17 415	15 809	16 087	19 567	20 523	4,9
Vehicles	2 770	3 896	2 680	4 008	3 851	-3,9
Total capital expenditure on new assets	24 404	24 692	24 338	29 348	30 989	5,6
Capital expenditure on land and used assets	1 715	821	1 244	1 027	2 449	138,5

¹ All industries in the South African economy, excluding agriculture, electricity, gas and water supply, financial intermediation and insurance and government institutions.

² Revised

³ Preliminary estimates

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

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Income items						
Turnover	37 382	36 226	42 349	43 098	45 289	5,1
Interest received	728	683	726	734	732	-0,3
Dividends received	65	52	4 550	97	101	4,1
Royalties, franchise fees, copyright, trade names and trade and patent rights received	10	7	7	6	8	33,3
Income from the rental/leasing of land, buildings and other structures	43	24	36	20	21	5,0
Income from hiring/leasing of plant, machinery, vehicles and other equipment	15	14	15	22	23	4,5
Profit on assets/investments sold or revalued	151	225	205	256	241	-5,9
Other income	529	510	523	574	589	2,6
Expenditure items						
Interest paid	1 127	1 163	1 127	1 131	1 142	1,0
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	206	291	275	299	322	7,7
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	207	207	235	255	243	-4,7
Hiring/leasing paid for plant, machinery, vehicles and other equipment	211	214	271	452	483	6,9
Depreciation	2 929	3 084	3 178	3 390	3 819	12,7

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Losses on assets/investments sold or revalued	1 014	1 745	1 077	247	246	-0,4
Net profit or loss before providing for company tax and dividends	3 060	3 781	13 188	8 763	8 925	1,8
Tax and company tax brought into account	1 305	1 381	2 567	2 551	2 559	0,3
Dividends payable	759	855	3 479	4 018	3 234	-19,5
Inventories						
Work in progress	6 191	6 702	6 698	7 513	8 036	7,0
Other stocks	8 685	8 708	8 824	8 999	9 441	4,9
Total inventories	14 876	15 410	15 522	16 512	17 477	5,8
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	148 954	141 582	146 553	155 731	156 131	0,3
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	893	743	780	690	860	24,6
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	2 636	2 268	2 472	3 262	2 791	-14,4
Vehicles	466	164	178	134	132	-1,5
Total capital expenditure on new assets	3 995	3 175	3 430	4 086	3 783	-7,4
Capital expenditure on land and used assets	127	54	56	211	213	0,9

¹ Revised

² Preliminary estimates

Table 3 - Selected income and expenditure items: Manufacturing industry

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Income items						
Turnover	248 063	221 511	237 399	258 215	260 377	0,8
Interest received	1 629	1 691	1 721	1 639	1 657	1,1
Dividends received	845	396	502	394	489	24,1
Royalties, franchise fees, copyright, trade names and trade and patent rights received	43	36	39	70	74	5,7
Income from the rental/leasing of land, buildings and other structures	322	244	245	288	281	-2,4
Income from hiring/leasing of plant, machinery, vehicles and other equipment	79	85	133	86	80	-7,0
Profit on assets/investments sold or revalued	2 195	583	468	1 029	999	-2,9
Other income	2 503	2 417	2 190	1 745	1 804	3,4
Expenditure items						
Interest paid	3 863	3 678	3 810	3 273	3 509	7,2
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	1 294	1 391	1 414	1 124	1 205	7,2
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	2 171	2 155	2 399	2 807	2 737	-2,5
Hiring/leasing paid for plant, machinery, vehicles and other equipment	781	706	713	866	837	-3,3
Depreciation	5 402	5 587	5 268	5 509	5 917	7,4

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Losses on assets/investments sold or revalued	1 261	1 084	1 122	529	508	-4,0
Net profit or loss before providing for company tax and dividends	24 550	21 829	23 940	24 441	25 324	3,6
Tax and company tax brought into account	7 234	5 222	5 843	6 998	6 810	-2,7
Dividends payable	6 060	6 522	6 306	7 145	6 732	-5,8
Inventories						
Work in progress	18 677	20 394	21 173	21 973	21 750	-1,0
Other stocks	82 712	83 637	85 989	87 152	88 445	1,5
Total inventories	101 389	104 031	107 162	109 125	110 195	1,0
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	182 158	178 881	174 586	191 796	196 742	2,6
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	646	539	934	1 029	1 541	49,8
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	9 060	7 007	8 119	7 646	9 071	18,6
Vehicles	398	466	781	612	713	16,5
Total capital expenditure on new assets	10 104	8 012	9 834	9 287	11 325	21,9
Capital expenditure on land and used assets	337	280	799	399	535	34,1

¹ Revised

² Preliminary estimates

Table 4 - Selected income and expenditure items: Construction industry

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Income items						
Turnover	30 433	27 395	29 402	31 801	32 109	1,0
Interest received	129	149	145	156	161	3,2
Dividends received	7	9	77	11	11	0,0
Royalties, franchise fees, copyright, trade names and trade and patent rights received	1	0	1	1	0	-100,0
Income from the rental/leasing of land, buildings and other structures	19	22	21	21	21	0,0
Income from hiring/leasing of plant, machinery, vehicles and other equipment	162	178	185	716	701	-2,1
Profit on assets/investments sold or revalued	72	179	62	14	15	7,1
Other income	224	261	427	396	395	-0,3
Expenditure items						
Interest paid	336	313	291	459	453	-1,3
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	23	33	32	19	19	0,0
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	299	402	381	255	243	-4,7
Hiring/leasing paid for plant, machinery, vehicles and other equipment	451	490	461	1 356	1 297	-4,4
Depreciation	393	394	395	474	466	-1,7

¹ Revised

² Preliminary estimates

Table 4 - Selected income and expenditure items: Construction industry (concluded)

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Losses on assets/investments sold or revalued	10	9	52	12	26	116,7
Net profit or loss before providing for company tax and dividends	1 579	1 377	1 947	2 201	2 139	-2,8
Tax and company tax brought into account	134	140	158	315	279	-11,4
Dividends payable	1	94	172	112	108	-3,6
Inventories						
Work in progress	8 068	9 217	8 410	8 320	8 210	-1,3
Other stocks	1 494	1 330	1 232	1 318	1 382	4,9
Total inventories	9 562	10 547	9 642	9 638	9 592	-0,5
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	12 799	13 465	13 560	14 517	14 403	-0,8
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	57	16	4	4	29	625,0
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	240	234	158	318	307	-3,5
Vehicles	81	75	73	89	96	7,9
Total capital expenditure on new assets	378	325	235	411	432	5,1
Capital expenditure on land and used assets	47	0	1	4	12	200,0

¹ Revised

² Preliminary estimates

Table 5 - Selected income and expenditure items: Trade industry

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Income items						
Turnover	265 488	263 865	284 738	296 174	320 434	8,2
Interest received	1 136	1 231	1 297	1 213	1 286	6,0
Dividends received	230	652	243	258	93	-64,0
Royalties, franchise fees, copyright, trade names and trade and patent rights received	128	130	151	135	140	3,7
Income from the rental/leasing of land, buildings and other structures	422	475	765	831	892	7,3
Income from hiring/leasing of plant, machinery, vehicles and other equipment	70	75	80	147	155	5,4
Profit on assets/investments sold or revalued	493	128	141	250	242	-3,2
Other income	5 839	3 647	4 241	3 881	4 120	6,2
Expenditure items						
Interest paid	2 359	2 319	2 344	2 135	2 164	1,4
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	642	508	568	477	489	2,5
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	4 110	4 614	4 640	5 173	5 353	3,5
Hiring/leasing paid for plant, machinery, vehicles and other equipment	577	675	808	719	713	-0,8
Depreciation	2 403	2 903	2 736	2 420	2 510	3,7

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Losses on assets/investments sold or revalued	189	74	88	89	84	-5,6
Net profit or loss before providing for company tax and dividends	17 932	15 365	17 923	18 052	18 562	2,8
Tax and company tax brought into account	3 458	3 610	3 377	3 301	3 551	7,6
Dividends payable	909	1 041	1 948	857	392	-54,3
Inventories						
Work in progress	2 168	2 081	2 995	4 070	3 861	-5,1
Other stocks	82 687	85 230	89 398	90 678	92 503	2,0
Total inventories	84 855	87 311	92 393	94 748	96 364	1,7
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	64 864	69 578	71 542	71 987	71 868	-0,2
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	782	714	1 781	1 838	1 924	4,7
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	1 732	1 340	1 830	2 238	2 076	-7,2
Vehicles	544	543	453	787	733	-6,9
Total capital expenditure on new assets	3 058	2 597	4 064	4 863	4 733	-2,7
Capital expenditure on land and used assets	242	45	87	65	103	58,5

¹ Revised

² Preliminary estimates

Table 6 - Selected income and expenditure items: Transport, storage and communication industry

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Income items						
Turnover	73 384	69 956	71 432	79 338	82 477	4,0
Interest received	401	600	660	587	589	0,3
Dividends received	175	4 587	1 083	2 590	4 106	58,5
Royalties, franchise fees, copyright, trade names and trade and patent rights received	24	64	78	7	7	0,0
Income from the rental/leasing of land, buildings and other structures	49	75	100	110	106	-3,6
Income from hiring/leasing of plant, machinery, vehicles and other equipment	52	69	94	76	75	-1,3
Profit on assets/investments sold or revalued	71	172	164	168	174	3,6
Other income	448	512	503	920	651	-29,2
Expenditure items						
Interest paid	1 436	1 991	1 998	2 156	2 139	-0,8
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	30	29	30	156	155	-0,6
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	632	887	963	810	862	6,4
Hiring/leasing paid for plant, machinery, vehicles and other equipment	1 656	1 502	1 651	2 371	3 515	48,2
Depreciation	4 434	3 681	4 175	3 965	4 257	7,4

¹ Revised

² Preliminary estimates

Table 6 - Selected income and expenditure items: Transport, storage and communication industry (concluded)

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Losses on assets/investments sold or revalued	447	1 290	345	502	564	12,4
Net profit or loss before providing for company tax and dividends	12 008	13 614	7 946	12 192	12 771	4,7
Tax and company tax brought into account	2 036	2 586	2 184	3 594	2 814	-21,7
Dividends payable	107	4 337	2 676	6 602	1 613	-75,6
Inventories						
Work in progress	1 172	1 468	1 610	1 736	1 585	-8,7
Other stocks	4 281	4 662	5 267	6 543	6 365	-2,7
Total inventories	5 453	6 130	6 877	8 279	7 950	-4,0
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	142 375	145 765	144 275	145 070	149 777	3,2
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	503	987	470	427	472	10,5
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	2 662	3 699	2 084	2 798	2 576	-7,9
Vehicles	819	2 165	955	1 771	1 526	-13,8
Total capital expenditure on new assets	3 984	6 851	3 509	4 996	4 574	-8,4
Capital expenditure on land and used assets	739	265	127	133	263	97,7

¹ Revised

² Preliminary estimates

Table 7 - Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance)

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Income items						
Turnover*	77 824	87 607	97 773	109 938	112 299	2,1
Dividends received	439	2 066	4 558	3 132	3 552	13,4
Royalties, franchise fees, copyright, trade names and trade and patent rights received	35	25	20	16	15	-6,3
Profit on assets/investments sold or revalued	413	558	755	1 174	1 107	-5,7
Other income	855	951	1 960	3 069	2 904	-5,4
Expenditure items						
Interest paid	3 299	3 487	3 503	4 227	4 192	-0,8
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	347	326	341	435	454	4,4
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	1 686	1 813	2 045	2 266	2 237	-1,3
Hiring/leasing paid for plant, machinery, vehicles and other equipment	663	572	608	686	697	1,6
Depreciation	1 599	1 795	1 973	1 816	1 778	-2,1

¹ Revised

² Preliminary estimates

* Includes: interest, rent/leasing and hiring – see p. 30 for more detail

Table 7 - Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance) (concluded)

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Losses on assets/investments sold or revalued	978	568	312	123	120	-2,4
Net profit or loss before providing for company tax and dividends	8 313	9 229	14 344	13 126	13 704	4,4
Tax and company tax brought into account	1 754	1 405	1 351	1 758	1 644	-6,5
Dividends payable	1 482	2 498	2 808	4 436	5 276	18,9
Inventories						
Work in progress	1 726	2 871	2 748	4 249	4 498	5,9
Other stocks	9 174	9 998	8 964	8 986	8 871	-1,3
Total inventories	10 900	12 869	11 712	13 235	13 369	1,0
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	112 214	128 967	158 454	251 426	245 365	-2,4
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	963	1 494	1 436	1 587	1 626	2,5
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	620	813	918	967	937	-3,1
Vehicles	438	468	213	510	545	6,9
Total capital expenditure on new assets	2 021	2 775	2 567	3 064	3 108	1,4
Capital expenditure on land and used assets	209	168	147	182	1 240	581,3

¹ Revised

² Preliminary estimates

Table 8 - Selected income and expenditure items: Community, social and personal services industry (excluding government institutions)

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Income items						
Turnover	18 314	19 164	20 500	22 601	21 779	-3,6
Interest received	207	233	231	326	271	-16,9
Dividends received	1	10	15	45	45	0,0
Royalties, franchise fees, copyright, trade names and trade and patent rights received	7	4	5	5	5	0,0
Income from the rental/leasing of land, buildings and other structures	54	112	111	91	90	-1,1
Income from hiring/leasing of plant, machinery, vehicles and other equipment	16	18	19	31	45	45,2
Profit on assets/investments sold or revalued	32	2 501	175	111	60	-45,9
Other income	564	712	712	959	978	2,0
Expenditure items						
Interest paid	905	1 047	1 028	1 474	1 457	-1,2
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	344	323	345	151	171	13,2
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	498	579	577	714	685	-4,1
Hiring/leasing paid for plant, machinery, vehicles and other equipment	174	221	213	260	251	-3,5
Depreciation	699	643	638	705	657	-6,8

¹ Revised

² Preliminary estimates

Table 8 - Selected income and expenditure items: Community, social and personal services industry (excluding government institutions) (concluded)

Item	Quarter ended					Change between quarter ended September 2005 and quarter ended December 2005 %
	December 2004	March 2005 ¹	June 2005 ¹	September 2005 ¹	December 2005 ²	
	R million					
Losses on assets/investments sold or revalued	44	30	39	40	35	-12,5
Net profit or loss before providing for company tax and dividends	2 309	4 877	3 041	5 112	5 125	0,3
Tax and company tax brought into account	443	536	623	527	458	-13,1
Dividends payable	277	2 424	184	368	401	9,0
Inventories						
Work in progress	254	279	286	266	256	-3,8
Other stocks	1 520	1 655	1 621	1 523	1 445	-5,1
Total inventories	1 774	1 934	1 907	1 789	1 701	-4,9
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	22 581	23 491	22 160	30 572	29 962	-2,0
Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment						
Buildings, improvements and construction works	375	494	166	198	163	-17,7
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	465	448	506	2 338	2 765	18,3
Vehicles	24	15	27	105	106	1,0
Total capital expenditure on new assets	864	957	699	2 641	3 034	14,9
Capital expenditure on land and used assets	14	9	27	33	83	151,5

¹ Revised

² 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 - September 2005

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million			(RSE)
Mining and quarrying industry	42 508	43 098	43 688	0,7
Manufacturing industry	252 098	258 215	264 332	1,2
Construction industry	27 171	31 801	36 431	7,4
Trade industry	273 534	296 174	318 814	3,9
Transport, storage and communication industry	75 353	79 338	83 323	2,6
Real estate and other business services industry, excluding financial intermediation and insurance	88 772	109 938	131 104	9,8
Community, social and personal services industry, excluding government institutions	19 720	22 601	25 482	6,5

Table B - Estimates of turnover by industry within 95% confidence limits – December 2005

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million			(RSE)
Mining and quarrying industry	44 627	45 289	45 951	0,7
Manufacturing industry	253 827	260 377	266 927	1,3
Construction industry	27 381	32 109	36 837	7,5
Trade industry	295 940	320 434	344 928	3,9
Transport, storage and communication industry	78 296	82 477	86 658	2,6
Real estate and other business services industry, excluding financial intermediation and insurance	90 002	112 299	134 596	10,1
Community, social and personal services industry, excluding government institutions	18 937	21 779	24 621	6,7

Table C – Differences in turnover by industry between September 2005 and December 2005

Industry	Turnover for September 2005	Turnover for December 2005	Difference
	R million		%
Mining and quarrying industry	43 098	45 289	5,1
Manufacturing industry	258 215	260 377	0,8
Construction industry	31 801	32 109	1,0
Trade industry	296 174	320 434	8,2
Transport, storage and communication industry	79 338	82 477	4,0
Real estate and other business services industry, excluding financial intermediation and insurance	109 938	112 299	2,1
Community, social and personal services industry, excluding government institutions	22 601	21 779	-3,6
All industries	841 165	874 764	4,0

Neyman Optimal allocation

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.

$$n_h = \frac{N_h S_h}{\sum N_h S_h}$$

where N_h and S_h are the stratum population size and the stratum variance, respectively.

Table D – 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	195 000 000	50 000 000	20 000 000	4 003 594
Manufacturing	255 000 000	65 000 000	25 000 000	5 189 222
Construction	130 000 000	30 000 000	15 000 000	1 015 266
Wholesale trade	320 000 000	160 000 000	30 000 000	5 084 008
Retail trade	195 000 000	95 000 000	20 000 000	1 774 652
Motor trade	195 000 000	95 000 000	20 000 000	4 728 115
Accommodation and catering	65 000 000	30 000 000	25 500 000	599 320
Transport, storage and communication	130 000 000	65 000 000	15 000 000	2 589 564
Real estate and other business services, excluding financial intermediation and insurance	130 000 000	65 000 000	15 000 000	336 000
Community, social and personal services, excluding government institutions	65 000 000	30 000 000	5 000 000	351 800

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 electricity, gas and water supply, 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 and other expenditure;
 - 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;
 - capital expenditure on new non-current assets; and
 - capital expenditure on land and used assets.
 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 actual information is available.
 3. This statistical release presents a selection of key findings and tables from Stats SA's QFS survey, conducted in December 2004, March 2005, June 2005, September 2005 and December 2005, 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 electricity, gas and water supply, financial intermediation and insurance and government institutions.
- Scope of the survey**
4. 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;
- 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** 5. 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.
- Statistical unit** 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.
- Survey methodology and design** 7. The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of about 4 000 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 non-respondents.
8. The sample was drawn from the 2005 Business Sampling Frame (BFS) that contains businesses registered for value-added tax (VAT) and income tax.
9. A sample of about 4 000 enterprises 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. Four size groups per industry were used. All large enterprises (size-group one cases), which comprise 50% of the number of enterprises in the sample, are completely enumerated. Simple random sampling is applied for size-group two (medium sized enterprises), size-group three (small enterprises) and size-group four (very small enterprises). All enterprises are stratified by type of enterprise according to the *Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993* and measure of size, where measure of size is turnover. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.
- Reliability of estimates** 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.

- 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.
- Standard error** **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.
- Revised figures** **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.
- Reference period** **14.** The reference period is the four quarters ending March, June, September and December of each year.
- Related publications** **15.** Users may also wish to refer to the following publications which are available from Stats SA:
- *Bulletin of Statistics* issued quarterly
 - *South African Statistics* issued annually.
- Rounding-off of figures** **16.** The figures in the tables have, where necessary, been rounded off to the nearest digit shown.
- Symbols and abbreviations** **17.**
- | | |
|----------|---|
| BSF | Business Sampling Frame |
| GDP | Gross Domestic Product |
| ISIC | International Standard Industrial Classification |
| m | million |
| RSE | Relative Standard Error |
| SARS | South African Revenue Services |
| SE | Standard Error |
| SIC | Standard Industrial Classification of all Economic Activities |
| Stats SA | Statistics South Africa |
| VAT | Value-added tax |
| .. | Data not available |

Glossary

Capital expenditure on new assets

Capital expenditure on new assets 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 stocks 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.

Net profit or loss

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.

Statistical unit

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.

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.

Tax and company tax brought into account

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.

Turnover

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

- the 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):

- the 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);
- net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange);
- export freight charges; and
- excise duty.

General information

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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 (technical enquiries)
NozukoT@statssa.gov.za (technical enquiries)
info@statssa.gov.za (user information services)
distribution@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA