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Quarterly financial statistics

September 2005

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Key findings for the quarter ended September 2005

The total turnover of all industries for the third quarter of 2005 was estimated at R812 258 million, an increase of 5,1% compared with the second quarter of 2005 (R772 521 million).

Between the second quarter of 2005 and the third quarter of 2005, turnover increased in all the industries covered in the survey. The largest increase of 8,0% was recorded for trade, followed by manufacturing (+5,5%), community, social and personal services (excluding government institutions) (+5,1%), transport, storage and communication (+2,6%), construction (+1,8%), real estate and other business services (excluding financial intermediation and insurance) (+1,2%) and mining and quarrying (+0,7%).

Total capital expenditure on new non-current assets, estimated at R24 235 million for all industries for the third quarter of 2005, decreased by 0,5% compared with the second quarter of 2005. The largest decrease was reported in manufacturing (-12,6%), followed by real estate and other business services (excluding financial intermediation and insurance) (-11,5%) and construction (-4,3%). Increases were reported in mining and quarrying (+29,0%), community, social and personal services (which excludes government institutions) (+11,9%), trade (+8,2%) and transport, storage and communication (+0,3%).

Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the third quarter of 2005 was estimated at R735 046 million, an increase of 0,1% compared with the second quarter of 2005. Increases were reported by trade (+4,7%), community, social and personal services (excluding government institutions) (+3,9%), mining and quarrying (+0,8%) and transport, storage and communication (+0,1%). Decreases in book value were recorded for real estate and other business services (excluding financial intermediation and insurance) (-2,5%), construction (-0,8%) and manufacturing (-0,3%).

Total inventories at the end of the third quarter of 2005 were estimated at R243 807 million, compared with R241 281 million at the second quarter of 2005, an increase of 1,0%. Increases in inventories were recorded for real estate and other business services (excluding financial intermediation and insurance) (+3,8%), followed by trade (+2,3%), mining and quarrying (+1,6%), construction (+0,8%) and manufacturing (+0,5%). Transport, storage and communication and community, social and personal services (excluding government institutions) reported decreases of 11,0% and 6,0% respectively.

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Contents

	Page
Notes	3
Tables	
Table 1 Selected income and expenditure items: All industries.....	4
Table 2 Selected income and expenditure items: Mining and quarrying industry	6
Table 3 Selected income and expenditure items: Manufacturing industry	8
Table 4 Selected income and expenditure items: Construction industry.....	10
Table 5 Selected income and expenditure items: Trade industry	12
Table 6 Selected income and expenditure items: Transport, storage and communication industry	14
Table 7 Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance).....	16
Table 8 Selected income and expenditure items: Community, social and personal services industry (excluding government institutions).....	18
Technical notes	20
Table A Estimates of turnover by industry within 95% confidence limits: June 2005	20
Table B Estimates of turnover by industry within 95% confidence limits: September 2005.....	21
Table C Differences in turnover by industry between June 2005 and September 2005.....	21
Table D Class limits.....	22
Explanatory notes	23
Glossary	26
General information	29

Notes

Forthcoming issues	Issue December 2005	Expected release date 30 March 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: 80%	
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; and• items declared annually and not quarterly.	

Table 1 – Selected income and expenditure items: All industries¹

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ²	March 2005 ²	June 2005 ²	September 2005 ³	
	R million					
Income items						
Turnover	724 525	750 888	725 554	772 521	812 258	5,1
Interest received	4 714	4 230	4 587	4 753	4 620	-2,8
Dividends received	4 180	1 762	7 770	11 031	6 117	-44,5
Royalties, franchise fees, copyright, trade names and trade and patent rights received	124	248	266	302	287	-5,0
Income from the rental/leasing of land, buildings and other structures	863	909	951	1 340	1 346	0,4
Income from hiring/leasing of plant, machinery, vehicles and other equipment	870	394	441	465	498	7,1
Profit on assets/investments sold or revalued	2 113	3 427	4 346	1 969	1 878	-4,6
Other income	..	10 962	8 998	9 454	10 140	7,3
Expenditure items						
Interest paid	14 082	13 325	13 994	14 233	14 073	-1,1
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	3 298	2 886	2 900	3 022	2 654	-12,2
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	8 902	9 603	10 655	11 048	11 229	1,6
Hiring/leasing paid for plant, machinery, vehicles and other equipment	4 383	4 513	4 382	4 842	4 931	1,8
Depreciation	18 523	17 859	18 066	18 446	18 159	-1,6

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 June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ²	March 2005 ²	June 2005 ²	September 2005 ³	
	R million					
Losses on assets/investments sold or revalued	4 474	3 943	4 797	3 041	1 919	-36,9
Other expenditure	..	461 437	469 286	508 760	542 627	6,7
Net profit or loss before providing for company tax and dividends	58 466	69 751	70 083	81 808	84 560	3,4
Tax and company tax brought into account	14 165	16 364	14 872	15 930	17 997	13,0
Dividends payable	10 821	9 595	17 773	17 387	20 567	18,3
Inventories						
Work in progress	38 811	38 256	43 041	43 881	43 468	-0,9
Other stocks	188 361	190 553	195 308	197 400	200 339	1,5
Total inventories	227 172	228 809	238 349	241 281	243 807	1,0
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	646 084	685 945	701 035	734 145	735 046	0,1
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	2 739	4 219	4 988	5 621	5 208	-7,3
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	15 158	17 415	15 815	16 054	16 083	0,2
Vehicles	3 512	2 770	3 878	2 690	2 944	9,4
Total capital expenditure on new non-current assets	21 409	24 404	24 681	24 365	24 235	-0,5
Capital expenditure on land and used assets	1 044	1 715	821	1 223	1 216	-0,6

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 June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Income items						
Turnover	33 670	37 382	36 203	42 521	42 824	0,7
Interest received	400	728	684	727	753	3,6
Dividends received	41	65	52	4 550	97	-97,9
Royalties, franchise fees, copyright, trade names and trade and patent rights received	9	10	7	7	6	-14,3
Income from the rental/leasing of land, buildings and other structures	55	43	24	36	34	-5,6
Income from hiring/leasing of plant, machinery, vehicles and other equipment	0	15	14	15	14	-6,7
Profit on assets/investments sold or revalued	41	151	225	205	191	-6,8
Other income	..	529	510	523	554	5,9
Expenditure items						
Interest paid	400	1 127	1 162	1 168	1 072	-8,2
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	491	206	291	276	292	5,8
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	162	207	212	241	253	5,0
Hiring/leasing paid for plant, machinery, vehicles and other equipment	141	211	201	262	248	-5,3
Depreciation	2 342	2 929	3 077	3 184	3 324	4,4

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Losses on assets/investments sold or revalued	105	1 014	1 745	1 077	71	-93,4
Other expenditure	..	27 182	24 017	26 117	24 470	-6,3
Net profit or loss before providing for company tax and dividends	6 491	3 060	3 777	12 933	9 239	-28,6
Tax and company tax brought into account	1 798	1 305	1 380	2 568	2 443	-4,9
Dividends payable	2 843	759	855	3 479	3 636	4,5
Inventories						
Work in progress	5 908	6 191	6 698	6 705	7 288	8,7
Other stocks	7 315	8 685	8 759	8 904	8 573	-3,7
Total inventories	13 223	14 876	15 457	15 609	15 861	1,6
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	129 415	148 954	141 479	143 914	145 081	0,8
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	597	893	743	781	783	0,3
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	1 376	2 636	2 256	2 473	3 480	40,7
Vehicles	270	466	163	178	165	-7,3
Total capital expenditure on new non-current assets	2 243	3 995	3 162	3 432	4 428	29,0
Capital expenditure on land and used assets	24	127	53	56	55	-1,8

¹ Revised

² Preliminary estimates

Table 3 - Selected income and expenditure items: Manufacturing industry

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Income items						
Turnover	233 497	248 063	227 788	245 597	258 985	5,5
Interest received	1 682	1 629	1 693	1 725	1 694	-1,8
Dividends received	2 368	845	396	502	333	-33,7
Royalties, franchise fees, copyright, trade names and trade and patent rights received	39	43	36	40	42	5,0
Income from the rental/leasing of land, buildings and other structures	235	322	257	320	321	0,3
Income from hiring/leasing of plant, machinery, vehicles and other equipment	75	79	86	73	72	-1,4
Profit on assets/investments sold or revalued	356	2 195	583	466	466	0,0
Other income	..	2 503	2 417	2 057	2 067	0,5
Expenditure items						
Interest paid	1 682	3 863	3 758	4 023	3 753	-6,7
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	1 289	1 294	1 392	1 435	1 141	-20,5
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	1 891	2 171	2 151	2 311	2 529	9,4
Hiring/leasing paid for plant, machinery, vehicles and other equipment	977	781	706	843	826	-2,0
Depreciation	5 673	5 402	5 664	5 407	5 427	0,4

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Losses on assets/investments sold or revalued	2 608	1 261	1 084	1 124	1 176	4,6
Other expenditure	..	147 091	138 823	152 255	166 855	9,6
Net profit or loss before providing for company tax and dividends	21 608	24 550	21 967	24 361	24 559	0,8
Tax and company tax brought into account	5 625	7 234	5 253	5 908	6 415	8,6
Dividends payable	5 690	6 060	6 524	6 137	5 764	-6,1
Inventories						
Work in progress	19 343	18 677	20 536	21 399	20 719	-3,2
Other stocks	85 178	82 712	83 563	86 682	87 946	1,5
Total inventories	104 521	101 389	104 099	108 081	108 665	0,5
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	172 929	182 158	181 464	184 022	183 499	-0,3
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	895	646	539	934	655	-29,9
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	8 313	9 060	7 007	8 149	7 194	-11,7
Vehicles	316	398	466	785	777	-1,0
Total capital expenditure on new non-current assets	9 524	10 104	8 012	9 868	8 626	-12,6
Capital expenditure on land and used assets	382	337	280	805	812	0,9

¹ Revised

² Preliminary estimates

Table 4 - Selected income and expenditure items: Construction industry

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Income items						
Turnover	27 478	30 433	27 395	29 380	29 907	1,8
Interest received	165	129	149	145	137	-5,5
Dividends received	17	7	9	77	6	-92,2
Royalties, franchise fees, copyright, trade names and trade and patent rights received	0	1	0	1	1	0,0
Income from the rental/leasing of land, buildings and other structures	40	19	22	21	21	0,0
Income from hiring/leasing of plant, machinery, vehicles and other equipment	230	162	178	185	188	1,6
Profit on assets/investments sold or revalued	42	72	179	62	14	-77,4
Other income	..	224	261	427	417	-2,3
Expenditure items						
Interest paid	550	336	313	291	299	2,7
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	17	23	33	32	34	6,3
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	182	299	402	381	393	3,1
Hiring/leasing paid for plant, machinery, vehicles and other equipment	481	451	490	461	433	-6,1
Depreciation	585	393	394	395	374	-5,3

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Losses on assets/investments sold or revalued	4	10	9	52	3	-94,2
Other expenditure	..	24 593	23 503	23 631	23 667	0,2
Net profit or loss before providing for company tax and dividends	1 553	1 579	1 377	1 946	2 967	52,5
Tax and company tax brought into account	92	134	140	157	370	135,7
Dividends payable	17	1	94	114	107	-6,1
Inventories						
Work in progress	7 506	8 068	9 217	8 461	8 527	0,8
Other stocks	1 839	1 494	1 330	1 232	1 246	1,1
Total inventories	9 345	9 562	10 547	9 693	9 773	0,8
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	20 482	12 799	13 465	13 538	13 436	-0,8
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	145	57	16	4	4	0,0
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	376	240	234	157	153	-2,5
Vehicles	378	81	75	73	67	-8,2
Total capital expenditure on new non-current assets	899	378	325	234	224	-4,3
Capital expenditure on land and used assets	443	47	0	1	1	0,0

¹ Revised

² Preliminary estimates

Table 5 - Selected income and expenditure items: Trade industry

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Income items						
Turnover	247 013	265 488	257 512	267 584	289 053	8,0
Interest received	1 220	1 136	1 228	1 241	1 180	-4,9
Dividends received	265	230	650	246	316	28,5
Royalties, franchise fees, copyright, trade names and trade and patent rights received	37	128	130	151	145	-4,0
Income from the rental/leasing of land, buildings and other structures	429	422	461	752	811	7,8
Income from hiring/leasing of plant, machinery, vehicles and other equipment	136	70	76	79	83	5,1
Profit on assets/investments sold or revalued	339	493	128	141	150	6,4
Other income	..	5 839	3 638	4 124	4 299	4,2
Expenditure items						
Interest paid	2 519	2 359	2 237	2 300	2 434	5,8
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	408	642	506	565	491	-13,1
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	4 166	4 110	4 611	4 523	4 377	-3,2
Hiring/leasing paid for plant, machinery, vehicles and other equipment	580	577	688	821	820	-0,1
Depreciation	2 790	2 403	2 815	2 628	2 698	2,7

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Losses on assets/investments sold or revalued	960	189	73	88	85	-3,4
Other expenditure	..	162 482	172 368	188 709	205 335	8,8
Net profit or loss before providing for company tax and dividends	10 507	17 932	15 231	17 155	17 816	3,9
Tax and company tax brought into account	2 552	3 458	3 569	3 118	3 244	4,0
Dividends payable	845	909	1 041	1 948	958	-50,8
Inventories						
Work in progress	3 519	2 168	1 972	2 850	2 961	3,9
Other stocks	75 329	82 687	85 342	84 743	86 643	2,2
Total inventories	78 848	84 855	87 314	87 593	89 604	2,3
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	64 543	64 864	66 415	68 096	71 321	4,7
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	546	782	714	1 832	1 800	-1,7
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	1 950	1 732	1 352	1 750	1 794	2,5
Vehicles	183	544	543	453	771	70,2
Total capital expenditure on new non-current assets	2 679	3 058	2 609	4 035	4 365	8,2
Capital expenditure on land and used assets	124	242	46	87	21	-75,9

¹ Revised

² Preliminary estimates

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

Item	Quarter ended					Change between quarter ended June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Income items						
Turnover	69 357	73 384	69 956	73 602	75 481	2,6
Interest received	611	401	600	664	578	-13,0
Dividends received	915	175	4 587	1 083	2 600	140,1
Royalties, franchise fees, copyright, trade names and trade and patent rights received	8	24	64	78	62	-20,5
Income from the rental/leasing of land, buildings and other structures	65	49	75	100	97	-3,0
Income from hiring/leasing of plant, machinery, vehicles and other equipment	76	52	69	94	121	28,7
Profit on assets/investments sold or revalued	685	71	172	164	200	22,0
Other income	..	448	512	503	895	77,9
Expenditure items						
Interest paid	2 443	1 436	1 991	2 008	2 136	6,4
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	23	30	29	25	27	8,0
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	627	632	887	967	897	-7,2
Hiring/leasing paid for plant, machinery, vehicles and other equipment	1 687	1 656	1 502	1 651	1 802	9,1
Depreciation	4 999	4 434	3 681	4 190	3 930	-6,2

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 June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Losses on assets/investments sold or revalued	710	447	1 290	345	254	-26,4
Other expenditure	..	40 407	42 973	46 381	48 366	4,3
Net profit or loss before providing for company tax and dividends	6 827	12 008	13 614	8 013	12 110	51,1
Tax and company tax brought into account	1 795	2 036	2 586	2 197	3 498	59,2
Dividends payable	327	107	4 337	2 676	6 551	144,8
Inventories						
Work in progress	791	1 172	1 468	1 431	800	-44,1
Other stocks	7 485	4 281	4 662	5 242	5 142	-1,9
Total inventories	8 276	5 453	6 130	6 673	5 942	-11,0
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	145 598	142 375	145 865	144 209	144 375	0,1
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	339	503	987	467	392	-16,1
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	2 160	2 662	3 699	2 084	2 188	5,0
Vehicles	1 892	819	2 165	956	939	-1,8
Total capital expenditure on new non-current assets	4 391	3 984	6 851	3 507	3 519	0,3
Capital expenditure on land and used assets	54	739	265	100	134	34,0

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 June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Income items						
Turnover*	95 895	77 824	87 536	93 246	94 369	1,2
Dividends received	574	439	2 066	4 558	2 750	-39,7
Royalties, franchise fees, copyright, trade names and trade and patent rights received	31	35	25	20	26	30,0
Profit on assets/investments sold or revalued	622	413	558	755	712	-5,7
Other income	..	855	948	1 108	1 213	9,5
Expenditure items						
Interest paid	6 193	3 299	3 486	3 414	3 381	-1,0
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	525	347	326	344	377	9,6
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	1 386	1 686	1 813	2 045	2 117	3,5
Hiring/leasing paid for plant, machinery, vehicles and other equipment	431	663	574	594	574	-3,4
Depreciation	1 558	1 599	1 792	1 965	1 697	-13,6

¹ Revised

² Preliminary estimates

* Includes: interest, rent/leasing and hiring – see p. 27 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 June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Losses on assets/investments sold or revalued	83	978	566	316	291	-7,9
Other expenditure	..	47 513	55 288	57 740	59 819	3,6
Net profit or loss before providing for company tax and dividends	9 367	8 313	9 240	14 360	14 222	-1,0
Tax and company tax brought into account	1 954	1 754	1 408	1 359	1 374	1,1
Dividends payable	857	1 482	2 498	2 849	3 199	12,3
Inventories						
Work in progress	1 594	1 726	2 871	2 750	2 905	5,6
Other stocks	9 758	9 174	9 997	8 927	9 220	3,3
Total inventories	11 352	10 900	12 868	11 677	12 125	3,8
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	97 682	112 214	128 953	158 267	154 381	-2,5
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	179	963	1 494	1 436	1 341	-6,6
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	655	620	817	935	745	-20,3
Vehicles	466	438	451	218	204	-6,4
Total capital expenditure on new non-current assets	1 300	2 021	2 762	2 589	2 290	-11,5
Capital expenditure on land and used assets	7	209	168	147	140	-4,8

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 June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Income items						
Turnover	17 615	18 314	19 164	20 591	21 639	5,1
Interest received	636	207	233	251	278	10,8
Dividends received	0	1	10	15	15	0,0
Royalties, franchise fees, copyright, trade names and trade and patent rights received	0	7	4	5	5	0,0
Income from the rental/leasing of land, buildings and other structures	39	54	112	111	62	-44,1
Income from hiring/leasing of plant, machinery, vehicles and other equipment	353	16	18	19	20	5,3
Profit on assets/investments sold or revalued	28	32	2 501	176	145	-17,6
Other income	..	564	712	712	695	-2,4
Expenditure items						
Interest paid	295	905	1 047	1 029	998	-3,0
Royalties, franchise fees, copyright, trade names and trade and patent rights paid	545	344	323	345	292	-15,4
Rental/leasing of land, buildings and other structures, including payments for water and electricity services	488	498	579	580	663	14,3
Hiring/leasing paid for plant, machinery, vehicles and other equipment	86	174	221	210	228	8,6
Depreciation	576	699	643	677	709	4,7

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 June 2005 and quarter ended September 2005 %
	September 2004	December 2004 ¹	March 2005 ¹	June 2005 ¹	September 2005 ²	
	R million					
Losses on assets/investments sold or revalued	4	44	30	39	39	0,0
Other expenditure	..	12 169	12 314	13 927	14 115	1,3
Net profit or loss before providing for company tax and dividends	2 113	2 309	4 877	3 040	3 647	20,0
Tax and company tax brought into account	349	443	536	623	653	4,8
Dividends payable	242	277	2 424	184	352	91,3
Inventories						
Work in progress	150	254	279	285	268	-6,0
Other stocks	1 457	1 520	1 655	1 670	1 569	-6,0
Total inventories	1 607	1 774	1 934	1 955	1 837	-6,0
Book value of land, buildings, machinery, furniture, vehicles and other equipment as at the end of the quarter	15 435	22 581	23 394	22 099	22 953	3,9
Capital expenditure on new non-current assets						
Buildings, improvements and construction works	38	375	495	167	233	39,5
Plant, machinery, furniture, fittings and other equipment as at the end of the quarter	328	465	450	506	529	4,5
Vehicles	7	24	15	27	21	-22,2
Total capital expenditure on new non-current assets	373	864	960	700	783	11,9
Capital expenditure on land and used assets	10	14	9	27	53	96,3

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 - June 2005

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million			(RSE)
Mining and quarrying industry	42 315	42 521	42 727	0,2
Manufacturing industry	239 607	245 597	251 587	1,2
Construction industry	23 282	29 380	35 478	10,6
Trade industry	242 410	267 584	292 758	4,8
Transport, storage and communication industry	71 056	73 602	76 148	1,8
Real estate and other business services industry, excluding financial intermediation and insurance	73 536	93 246	112 956	10,8
Community, social and personal services industry, excluding government institutions	17 782	20 591	23 400	7,0

Table B - 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	42 489	42 824	43 159	0,4
Manufacturing industry	252 009	258 985	265 961	1,4
Construction industry	24 064	29 907	35 750	10,0
Trade industry	253 361	289 053	324 745	6,3
Transport, storage and communication industry	72 623	75 481	78 339	1,9
Real estate and other business services industry, excluding financial intermediation and insurance	72 319	94 369	116 419	11,9
Community, social and personal services industry, excluding government institutions	18 585	21 639	24 693	7,2

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

Industry	Turnover for June 2005	Turnover for September 2005	Difference
	R million		%
Mining and quarrying industry	42 521	42 824	0,7
Manufacturing industry	245 597	258 985	5,5
Construction industry	29 380	29 907	1,8
Trade industry	267 584	289 053	8,0
Transport, storage and communication industry	73 602	75 481	2,6
Real estate and other business services industry, excluding financial intermediation and insurance	93 246	94 369	1,2
Community, social and personal services industry, excluding government institutions	20 591	21 639	5,1
All industries	772 521	812 258	5,1

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 - 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	76 093 563
Manufacturing	255 000 000	65 000 000	25 000 000	5 891 613
Construction	130 000 000	30 000 000	15 000 000	1 094 117
Wholesale trade	320 000 000	160 000 000	30 000 000	5 195 502
Retail trade	195 000 000	95 000 000	20 000 000	1 565 984
Motor trade	195 000 000	95 000 000	20 000 000	3 908 496
Accommodation and catering	65 000 000	30 000 000	25 500 000	584 637
Transport, storage and communication	130 000 000	65 000 000	15 000 000	7 036 413
Real estate and other business services, excluding financial intermediation and insurance	130 000 000	65 000 000	15 000 000	387 077
Community, social and personal services, excluding government institutions	65 000 000	30 000 000	5 000 000	567 230

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 September 2004, December 2004, March 2005, June 2005 and September 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 3 700 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 2004 Business Sampling Frame (BFS) that contains businesses registered for value-added tax (VAT) and income tax.
9. A sample of 3 700 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 non-current 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, own manufactures and factored goods that have not been 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.

Other expenditure

Other expenditure includes:

- purchases;
- salaries and wages;
- insurance premiums paid;

- paper, printing and stationery ;
- communication;
- travelling, accommodation and entertainment expenditure;
- bank charges;
- security services;
- excise and customs duty;
- advertising;
- motor vehicle running expenses;
- railage and transport-out;
- regional service council levies;
- repair and maintenance; and
- other expenditure, which includes donations, bursaries and sponsorship, payments to outside organisations for staff training, severance, termination and redundancy payments to staff, subcontract and commission expenses and audit and other professional business services expenditure.

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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