

Statistical release

P6421

Food and beverages industry, 2007

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Enquiries:

User Information Services
(012) 310 8600 *Food and beverages industry, 2007* 1

Contents

Summary of findings for the year 2007.....	2
Table 1 – Principal statistics in the food and beverages industry, 2007.....	6
Table 2 – Profit margin in the food and beverages industry, 2007.....	6
Table 3 – Income in the food and beverages industry, 2007.....	7
Table 4 – Income by enterprise type in the food and beverages industry, 2007.....	7
Table 5 – Expenditure in the food and beverages industry, 2007.....	8
Table 6 – Employment in the food and beverages industry, 2007.....	10
Table 7 – Employment by enterprise size in the food and beverages industry, 2007.....	11
Table 8 – Book value at the end of the year of assets by asset type in the food and beverages industry, 2007.....	12
Table 9 – Total assets, equity and liabilities in the food and beverages industry, 2007.....	13
Explanatory notes.....	14
Glossary.....	18
General information.....	20

beverages industry, 2007 2

Summary of findings for the year 2007

Income

In 2007 total income for the food and beverages industry was R27 035 million. The largest contributor to total income was 'Restaurants, coffee shops and tearooms' (R12 575 million or 46,5%), followed by 'Takeaway/fast food outlets' (R7 703 million or 28,5%) and 'Caterers' (R6 757 million or 25,0%) (Figure 1).

Figure 1: Breakdown of income in the food and beverages industry by industry groups, 2007

R7 703 m (28,5%) R12 575 m (46,5%) R6 757 m (25,0%) Restaurants, coffee shops and tearooms Takeaway/fast food outlets Caterers

The analysis of income by enterprise size for the food and beverages industry indicates that large enterprises (those with turnover greater than R13 million) generated 41, 0% (or R11 072 million) of the total income (Figure 2).

Figure 2: Breakdown of income in the food and beverages industry by enterprise size, 2007

R11 072 m (41,0%) R5 923 m (21,9%) R3 753 m (13,9%) R6 287 m (23,2%) Large enterprises Small enterprises Micro enterprises Medium enterprises P6421 *Food and beverages industry, 2007* 3

Expenditure

In 2007 total expenditure for the food and beverages industry was R25 602 million. The largest contributor to total expenditure was 'Restaurants, coffee shops and tearooms' (R12 348 million or 48,2%), followed by 'Takeaway/fast food outlets' (R7 001 million or 27,4%) and 'Caterers' (R6 253 million or 24,4%) (Figure 3).

Figure 3: Breakdown of expenditure in the food and beverages industry by industry groups, 2007

R6 253 m (24,4%) R7 001 m (27,4%) R12 348 m (48,2%) Restaurants, coffee shops and tearooms Takeaway/fast food outlets Caterers

The total expenditure for the food and beverages industry was primarily made up of purchases (R12 504 million or 48,8%) and salaries and wages (R 5 026 million or 19,6%) (Figure 4).

Figure 4: Breakdown of expenditure in the food and beverages industry by expenditure type, 2007

R5 026 m (19,6%) R12 504 m (48,8%) R4 141 m (16,2%) R703 m (2,8%) R941 m (3,7%) R1 717 m (6,7%) R570 m (2,2%) Total purchases Salaries and wages Sum of all other expenditure Rental of land buildings and other structures Royalties, franchise fees, trade names and patent rights Depreciation Advertising expenditure P6421 **Food and beverages industry, 2007 4**

Net profit before tax

In 2007 net profit before tax in the food and beverages industry was R1 346 million. The largest contributor to net profit before tax was 'Takeaway/fast food outlets' (R695 million or 51,6%), followed by 'Caterers' (R394 million or 29,3%) and 'Restaurants, coffee shops and tearooms' (R257 million or 19,1%) (Figure 5).

Figure 5: Net profit before tax in the food and beverages industry by industry groups, 2007

0100200300400500600700Takeaway/fast foodoutletsCaterersRestaurants, coffeeshops and tearoomsR million

Profit margin

In 2007 the profit margin (net profit before tax as a percentage of turnover) for the food and beverages industry was 3,9%. 'Takeaway/fast food outlets' had the highest profit margin of 7,8%, followed by 'Caterers' (4,5%) and 'Restaurant, coffee shops and tearooms' (1,1%) (Figure 6).

Figure 6: Profit margin in the food and beverages industry by industry groups, 2007

0%1%2%3%4%5%6%7%8%Takeaway/fast foodoutletsCaterersRestaurants, coffeeshops and tearoomsTotalP6421 **Food and beverages industry, 2007** 5

Employment

At the end of June 2007 the total number of employees in the food and beverages industry was 179 119. 'Restaurants, coffee shops and tearooms' employed the largest number of employees (90 479 or 50,5%), followed by 'Caterers' (54 692 or 30,5%) and 'Takeaway/fast food outlets' (33 948 or 19,0%) (Figure 7).

Figure 7: Employment in the food and beverages industry by industry by groups, 2007

20 00040 00060 00080 000Restaurants, coffeeshops and tearooms CaterersTakeaway/fast foodoutletsNumber of employees

Large enterprises (those with turnover exceeding R13 million) employed 67 022 employees (37,4%) in the food and beverages industry, followed by small enterprises (those with turnover between R5,1 million and R6 million) employing 52 943 employees (29,6%) (Figure 8).

Figure 8: Employment in the food and beverages industry by enterprise size, 2007

40 126 (22,4%)52 943 (29,6%)67 022 (37,4%)19 028 (10,6%)Large enterprisesSmall enterprisesMicro enterprisesMedium enterprises

PJ Lehohla
Statistician-General P6421 Food and beverages industry, 2007 6

Table 1 – Principal statistics in the food and beverages industry, 2007 Item	Restaurants, coffee shops and tearooms	Takeaway/fast food outlets	Caterers	Total
	R million			
Total income	12 575	7 703	6 757	27 035
Total expenditure	12 348	7 001	6 253	25 602
Total value of opening inventory	178	141	240	559
Total value of closing inventory	208	134	131	473
Net profit before tax	257	695	394	1 346
Book value of fixed assets at the beginning of the year	1 787	1 983	902	4 672
Book value of fixed assets at the end of the year	2 021	1 977	1 296	5 294