

P0043

**Statistics of liquidations
and insolvencies**

April 2003

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Key figures as at the end of April 2003 regarding the number of liquidations

| Actual estimates | April 2003 | February 2003 to April 2003 | % change between April 2002 and April 2003 | % change between November 2002 to January 2003 and February 2003 to April 2003 | % change between January 2002 to April 2002 and January 2003 to April 2003 |
|------------------------|------------|-----------------------------|--|--|--|
| Number of liquidations | 359 | 914 | +4,1 | +6,3 | -12,3 |

Key findings as at the end of April 2003 regarding the number of liquidations

Total number of liquidations increases

The total number of liquidations recorded for April 2003 increased by 4,1% (from 345 to 359) compared with April 2002. Furthermore, the total number of liquidations recorded for the three months ended April 2003 increased by 6,3% (from 860 to 914) compared with the previous three months. However, the total number of liquidations recorded for the first four months 2003 decreased by 12,3% (from 1 493 to 1 309) compared with the first four months of 2002

The increase of 4,1% in the total number of liquidations for April 2003 compared with April 2002 was due to an increase of 14,7% (from 258 to 296) in voluntary liquidations.

The decrease of 12,3% in the total number of liquidations during the first four months of 2003 compared with the first four months of 2002 was due to a decrease of 21,9% (from 320 to 250) in compulsory liquidations and 9,7% (from 1 173 to 1 059) in voluntary liquidations. Compulsory liquidations of companies decreased by 34,0% (from 150 to 99) during the above-mentioned period. Furthermore, voluntary liquidations of close corporations decreased by 22,8% (from 637 to 492) during the above-mentioned period.

Key figures as at the end of March 2003 regarding the number of insolvencies

| Actual estimates | March 2003 | January 2003 to March 2003 | % change between March 2002 and March 2003 | % change between October 2002 to December 2002 and January 2003 to March 2003 | % change between January 2002 to March 2002 and January 2003 to March 2003 |
|------------------------|------------|----------------------------|--|---|--|
| Number of insolvencies | 95 | 299 | -63,0 | -45,7 | -59,0 |

Key findings as at the end of March 2003 regarding the number of insolvencies

Total number of insolvencies decreases

The total number of insolvencies recorded for the three months ended March 2003 decreased by 45,7% (from 551 to 299) compared with the previous three months. Furthermore, the total number of insolvencies for March 2003 decreased by 63,0% (from 257 to 95) compared with March 2002. The total number of insolvencies recorded for the first three months of 2003 decreased by 59,0% (from 730 to 299) compared with the first three months of 2002.

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| Forthcoming issues | Issue | Expected release date |
|---------------------------|----------------|------------------------------|
| | May 2003 | 03 July 2003 |
| | June 2003 | 31 July 2003 |
| | July 2003 | 28 August 2003 |
| | August 2003 | 02 October 2003 |
| | September 2003 | 30 October 2003 |
| | October 2003 | 27 November 2003 |
| | November 2003 | 18 December 2003 |
| | December 2003 | 29 January 2004 |

Purpose of the survey

The Survey of Liquidations and Insolvencies is a monthly survey covering all liquidations and insolvencies in South Africa (SA). Information on liquidations is obtained from the Registrar of Companies and Close Corporations, Department of Trade and Industry, while information on insolvencies is based on Notices of the Master of the Supreme Court which appears in the Government Gazette. The results of this survey are used by the private and public sectors to measure economic performance and are also an important indicator of the scope of unpaid debt in South Africa.

Glossary

| | |
|-------------------------------|--|
| Compulsory liquidation | A compulsory liquidation takes place when the affairs of a company or close corporation are wound up by order of the court. |
| Insolvency | An insolvency refers to an individual or partnership which is unable to pay its debt and is placed under final sequestration. The number of insolvencies does not refer to the number of persons involved, as a partnership which is unable to pay its debt is regarded as one insolvency, irrespective of the number of partners. |
| Liquidation | A liquidation refers to the winding-up of the affairs of a company or close corporation when liabilities exceed assets and it can be resolved by voluntarily action or by an order of the court. |
| Voluntary liquidation | A voluntary liquidation takes place when a company or close corporation, by own choice, resolves to wind-up its affairs. |

For more information

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Table 1- Total number of liquidations according to industry

| Industry | 2002 Total | | | April 2002 | | | March 2003 | | | April 2003 | | |
|--|-----------------|----------------|-------|-----------------|----------------|-------|-----------------|----------------|-------|-----------------|----------------|-------|
| | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total |
| 1.Agriculture, Hunting, Forestry & Fishing | 11 | 28 | 39 | 0 | 3 | 3 | 1 | 2 | 3 | 1 | 5 | 6 |
| 2.Mining & Quarrying | 29 | 51 | 80 | 1 | 2 | 3 | 0 | 2 | 2 | 0 | 1 | 1 |
| 3.Manufacturing | 107 | 225 | 332 | 13 | 18 | 31 | 8 | 9 | 17 | 5 | 19 | 24 |
| 4.Electricity,Gas & Water | 0 | 7 | 7 | 0 | | 0 | 0 | 2 | 2 | 0 | 0 | 0 |
| 5.Construction | 117 | 254 | 371 | 14 | 31 | 45 | 3 | 13 | 16 | 10 | 23 | 33 |
| 6.Wholesale and Retail Trade, Catering & Accommodation | 237 | 981 | 1 218 | 30 | 80 | 110 | 15 | 53 | 68 | 23 | 117 | 140 |
| 7.Transport, Storage, Communication | 43 | 132 | 175 | 3 | 19 | 22 | 0 | 1 | 1 | 4 | 9 | 13 |
| 8.Financing,Insurance, Real estate, Business Services | 241 | 1 312 | 1 553 | 25 | 96 | 121 | 15 | 85 | 100 | 18 | 93 | 111 |
| 9.Community, Social, Personal Services | 40 | 96 | 136 | 1 | 9 | 10 | 4 | 14 | 18 | 2 | 29 | 31 |
| Total number of liquidations | 825 | 3 086 | 3 911 | 87 | 258 | 345 | 46 | 181 | 227 | 63 | 296 | 359 |

Table 2 - Number of liquidations of companies according to industry

| Industry | 2002 Total | | | April 2002 | | | March 2003 | | | April 2003 | | |
|--|-----------------|----------------|-------|-----------------|----------------|-------|-----------------|----------------|-------|-----------------|----------------|-------|
| | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total |
| 1.Agriculture, Hunting, Forestry & Fishing | 10 | 13 | 23 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 2 | 2 |
| 2.Mining & Quarrying | 1 | 15 | 16 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 1 |
| 3.Manufacturing | 29 | 108 | 137 | 4 | 5 | 9 | 1 | 6 | 7 | 1 | 11 | 12 |
| 4.Electricity,Gas & Water | 0 | 6 | 6 | 0 | | 0 | 0 | 1 | 1 | 0 | 0 | 0 |
| 5.Construction | 24 | 67 | 91 | 6 | 9 | 15 | 2 | 8 | 10 | 1 | 9 | 10 |
| 6.Wholesale and Retail Trade, Catering & Accommodation | 115 | 489 | 604 | 22 | 26 | 48 | 4 | 28 | 32 | 7 | 34 | 41 |
| 7.Transport, Storage, Communication | 19 | 32 | 51 | 2 | 8 | 10 | 0 | 0 | 0 | 1 | 4 | 5 |
| 8.Financing,Insurance, Real estate, Business Services | 114 | 737 | 851 | 19 | 55 | 74 | 7 | 53 | 60 | 6 | 49 | 55 |
| 9.Community, Social, Personal Services | 27 | 52 | 79 | | 3 | 3 | 3 | 12 | 15 | 1 | 24 | 25 |
| Total number of liquidations of companies | 339 | 1 519 | 1 858 | 53 | 108 | 161 | 17 | 110 | 127 | 17 | 134 | 151 |

Table 3 - Number of liquidations of close corporations according to industry

| Industry | 2002 Total | | | April 2002 | | | March 2003 | | | April 2003 | | |
|---|-----------------|----------------|-------|-----------------|----------------|-------|-----------------|----------------|-------|-----------------|----------------|-------|
| | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total | Compul- sory | Volun- tary | Total |
| 1.Agriculture, Hunting, Forestry & Fishing | 1 | 15 | 16 | 0 | 2 | 2 | 1 | 1 | 2 | 1 | 3 | 4 |
| 2.Mining & Quarrying | 28 | 36 | 64 | 1 | 1 | 2 | 0 | 1 | 1 | 0 | 0 | 0 |
| 3.Manufacturing | 78 | 117 | 195 | 9 | 13 | 22 | 7 | 3 | 10 | 4 | 8 | 12 |
| 4.Electricity,Gas & Water | 0 | 1 | 1 | 0 | | 0 | 0 | 1 | 1 | 0 | 0 | 0 |
| 5.Construction | 93 | 187 | 280 | 8 | 22 | 30 | 1 | 5 | 6 | 9 | 14 | 23 |
| 6.Wholesale and Retail trade,Catering and Accommodation | 122 | 492 | 614 | 8 | 54 | 62 | 11 | 25 | 36 | 16 | 83 | 99 |
| 7.Transport, Storage, Communication | 24 | 100 | 124 | 1 | 11 | 12 | 0 | 1 | 1 | 3 | 5 | 8 |
| 8.Financing,Insurance, Real estate, Business Services | 127 | 575 | 702 | 6 | 41 | 47 | 8 | 32 | 40 | 12 | 44 | 56 |
| 9.Community, Social, Personal Services | 13 | 44 | 57 | 1 | 6 | 7 | 1 | 2 | 3 | 1 | 5 | 6 |
| Total number of liquidations of close corporations | 486 | 1 567 | 2 053 | 34 | 150 | 184 | 29 | 71 | 100 | 46 | 162 | 208 |

Table 9 - Number of voluntary liquidations of companies: 1991 to 2003

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Year-tot | Year-ave |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------|----------|
| 1991 | 14 | 15 | 18 | 16 | 16 | 15 | 7 | 15 | 24 | 12 | 11 | 13 | 176 | 15 |
| 1992 | 13 | 14 | 10 | 9 | 5 | 16 | 15 | 15 | 15 | 9 | 17 | 16 | 154 | 13 |
| 1993 | 17 | 22 | 31 | 14 | 22 | 19 | 23 | 33 | 28 | 25 | 50 | 58 | 342 | 29 |
| 1994 | 60 | 77 | 97 | 71 | 120 | 75 | 85 | 94 | 118 | 127 | 174 | 118 | 1 216 | 101 |
| 1995 | 97 | 106 | 138 | 78 | 84 | 53 | 97 | 88 | 74 | 59 | 40 | 41 | 955 | 80 |
| 1996 | 44 | 37 | 43 | 45 | 26 | 44 | 32 | 33 | 41 | 50 | 31 | 23 | 449 | 37 |
| 1997 | 50 | 37 | 50 | 37 | 47 | 54 | 33 | 33 | 68 | 67 | 53 | 47 | 576 | 48 |
| 1998 | 35 | 46 | 59 | 128 | 52 | 116 | 63 | 48 | 57 | 40 | 116 | 84 | 844 | 70 |
| 1999 | 65 | 102 | 95 | 79 | 69 | 68 | 71 | 92 | 96 | 80 | 60 | 51 | 928 | 77 |
| 2000 | 59 | 94 | 94 | 79 | 90 | 73 | 57 | 104 | 62 | 85 | 87 | 83 | 967 | 81 |
| 2001 | 73 | 102 | 104 | 102 | 115 | 76 | 103 | 111 | 82 | 115 | 146 | 99 | 1 228 | 103 |
| 2002 | 111 | 166 | 151 | 108 | 105 | 116 | 150 | 156 | 142 | 96 | 81 | 137 | 1 519 | 127 |
| 2003 | 163 | 160 | 110 | 134 | | | | | | | | | | 142 |

Table 10 - Number of liquidations of close corporations: 1991 to 2003

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Year-tot | Year-ave |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|----------|----------|
| 1991 | 58 | 30 | 52 | 61 | 49 | 47 | 70 | 102 | 80 | 72 | 47 | 70 | 738 | 62 |
| 1992 | 84 | 98 | 165 | 81 | 78 | 91 | 95 | 100 | 108 | 122 | 105 | 90 | 1 217 | 101 |
| 1993 | 106 | 112 | 140 | 104 | 127 | 146 | 82 | 124 | 103 | 129 | 107 | 96 | 1 376 | 115 |
| 1994 | 44 | 137 | 78 | 80 | 119 | 104 | 92 | 128 | 144 | 122 | 78 | 89 | 1 215 | 101 |
| 1995 | 118 | 118 | 156 | 135 | 137 | 104 | 150 | 155 | 114 | 174 | 151 | 38 | 1 550 | 129 |
| 1996 | 119 | 102 | 123 | 115 | 117 | 142 | 149 | 174 | 151 | 157 | 169 | 58 | 1 576 | 131 |
| 1997 | 147 | 154 | 200 | 134 | 167 | 179 | 188 | 183 | 131 | 137 | 179 | 154 | 1 953 | 163 |
| 1998 | 76 | 135 | 145 | 149 | 166 | 221 | 215 | 196 | 191 | 228 | 306 | 105 | 2 133 | 178 |
| 1999 | 233 | 169 | 167 | 204 | 237 | 183 | 219 | 157 | 264 | 132 | 205 | 104 | 2 274 | 190 |
| 2000 | 102 | 78 | 85 | 107 | 128 | 210 | 225 | 359 | 397 | 163 | 236 | 89 | 2 179 | 182 |
| 2001 | 191 | 263 | 185 | 228 | 175 | 165 | 163 | 355 | 201 | 244 | 165 | 150 | 2 485 | 207 |
| 2002 | 268 | 204 | 151 | 184 | 182 | 152 | 166 | 172 | 215 | 148 | 45 | 2 053 | 171 | |
| 2003 | 195 | 140 | 100 | 208 | | | | | | | | | | 161 |

Table 11 - Number of compulsory liquidations of close corporations: 1991 to 2003

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Year-tot | Year-ave |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------|----------|
| 1991 | 56 | 29 | 51 | 59 | 46 | 47 | 67 | 99 | 79 | 67 | 42 | 70 | 712 | 59 |
| 1992 | 82 | 86 | 159 | 75 | 71 | 85 | 83 | 95 | 103 | 115 | 103 | 85 | 1 142 | 95 |
| 1993 | 96 | 110 | 127 | 100 | 120 | 133 | 68 | 111 | 91 | 111 | 73 | 86 | 1 226 | 102 |
| 1994 | 24 | 94 | 51 | 57 | 89 | 79 | 60 | 97 | 89 | 59 | 36 | 43 | 778 | 65 |
| 1995 | 73 | 51 | 95 | 62 | 63 | 45 | 98 | 105 | 84 | 147 | 112 | 18 | 953 | 79 |
| 1996 | 98 | 53 | 110 | 88 | 83 | 117 | 125 | 143 | 119 | 110 | 129 | 44 | 1 219 | 102 |
| 1997 | 93 | 107 | 167 | 104 | 128 | 142 | 133 | 119 | 93 | 94 | 112 | 107 | 1 399 | 117 |
| 1998 | 37 | 77 | 73 | 107 | 116 | 154 | 151 | 115 | 133 | 160 | 221 | 68 | 1 412 | 118 |
| 1999 | 175 | 81 | 62 | 90 | 113 | 85 | 97 | 55 | 108 | 37 | 83 | 48 | 1 034 | 86 |
| 2000 | 53 | 21 | 25 | 38 | 17 | 90 | 45 | 199 | 210 | 23 | 103 | 32 | 856 | 71 |
| 2001 | 37 | 97 | 40 | 98 | 40 | 35 | 40 | 218 | 64 | 86 | 39 | 47 | 841 | 70 |
| 2002 | 59 | 41 | 36 | 34 | 48 | 40 | 36 | 57 | 48 | 32 | 39 | 16 | 486 | 41 |
| 2003 | 39 | 37 | 29 | 46 | | | | | | | | | | 38 |

Table 12 - Number of voluntary liquidations of close corporations: 1991 to 2003

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Year-tot | Year-ave |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------|----------|
| 1991 | 2 | 1 | 1 | 2 | 3 | 0 | 3 | 3 | 1 | 5 | 5 | 0 | 26 | 2 |
| 1992 | 2 | 12 | 6 | 6 | 7 | 6 | 12 | 5 | 5 | 7 | 2 | 5 | 75 | 6 |
| 1993 | 10 | 2 | 13 | 4 | 7 | 13 | 14 | 13 | 12 | 18 | 34 | 10 | 150 | 13 |
| 1994 | 20 | 43 | 27 | 23 | 30 | 25 | 32 | 31 | 55 | 63 | 42 | 46 | 437 | 36 |
| 1995 | 45 | 67 | 61 | 73 | 74 | 59 | 52 | 50 | 30 | 27 | 39 | 20 | 597 | 50 |
| 1996 | 21 | 49 | 13 | 27 | 34 | 25 | 24 | 31 | 32 | 47 | 40 | 14 | 357 | 30 |
| 1997 | 54 | 47 | 33 | 30 | 39 | 37 | 55 | 64 | 38 | 43 | 67 | 47 | 554 | 46 |
| 1998 | 39 | 58 | 72 | 42 | 50 | 67 | 64 | 81 | 58 | 68 | 85 | 37 | 721 | 60 |
| 1999 | 58 | 88 | 105 | 114 | 124 | 98 | 122 | 102 | 156 | 95 | 122 | 56 | 1 240 | 103 |
| 2000 | 49 | 57 | 60 | 69 | 111 | 120 | 180 | 160 | 187 | 140 | 133 | 57 | 1 323 | 110 |
| 2001 | 154 | 166 | 145 | 130 | 135 | 130 | 123 | 137 | 137 | 158 | 126 | 103 | 1 644 | 137 |
| 2002 | 209 | 163 | 115 | 150 | 134 | 112 | 130 | 109 | 124 | 183 | 109 | 29 | 1 567 | 131 |
| 2003 | 156 | 103 | 71 | 162 | | | | | | | | | | 123 |

Table 13 - Total number of insolvencies: 1991 to 2003

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Year-tot | Year-ave |
|-------|------|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|----------|----------|
| 1991 | 271 | 257 | 325 | 320 | 315 | 306 | 369 | 432 | 411 | 448 | 349 | 254 | 4 057 | 338 |
| 1992 | 369 | 349 | 485 | 435 | 370 | 447 | 414 | 460 | 548 | 480 | 512 | 385 | 5 254 | 438 |
| 1993 | 379 | 408 | 553 | 386 | 376 | 390 | 377 | 419 | 385 | 379 | 472 | 319 | 4 843 | 404 |
| 1994 | 336 | 298 | 399 | 237 | 243 | 283 | 323 | 381 | 275 | 256 | 251 | 191 | 3 473 | 289 |
| 1995 | 246 | 238 | 250 | 210 | 210 | 212 | 194 | 316 | 231 | 240 | 259 | 164 | 2 770 | 231 |
| 1996 | 224 | 240 | 240 | 217 | 209 | 230 | 268 | 241 | 236 | 253 | 216 | 229 | 2 803 | 234 |
| 1997 | 194 | 257 | 218 | 272 | 247 | 300 | 323 | 300 | 330 | 310 | 312 | 220 | 3 283 | 274 |
| 1998 | 203 | 259 | 418 | 345 | 278 | 339 | 326 | 378 | 367 | 416 | 507 | 453 | 4 289 | 357 |
| 1999 | 354 | 372 | 645 | 475 | 547 | 703 | 471 | 602 | 479 | 525 | 567 | 286 | 6 025 | 502 |
| 2000 | 284 | 445 | 396 | 401 | 412 | 410 | 381 | 494 | 311* | 385 | 415 | 323 | 4 657 | 388 |
| 2001* | 251 | 304 | 353 | 315 | 388 | 323 | 399 | 373 | 297 | 323 | 316 | 232 | 3 874 | 323 |
| 2002* | 211 | 262 | 257 | 306 | 241 | 234 | 254 | 244 | 210 | 219 | 205 | 127 | 2 770 | 231 |
| 2003 | 105* | 99* | 95^ | | | | | | | | | | | 100 |

^ Preliminary

* Revised