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Statistical release

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SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES

Key findings regarding liquidations for April 2008

Total number of liquidations increases

The total number of liquidations recorded for the four months ended April 2008 increased by 10,5% (from 845 to 934) when compared with the four months ended April 2007. Furthermore, the total number of liquidations recorded for April 2008 increased by 4,7% (from 236 to 247) compared with April 2007 (see Table A and Table 14).

The increase of 10,5% in the total number of liquidations for the four months ended April 2008 was due to increases of 50,7% in compulsory liquidations (from 71 to 107) and 6,8% in voluntary liquidations (from 774 to 827).

Key figures regarding liquidations for April 2008

Table A – Selected key figures regarding liquidations for April 2008

Actual estimates

Number of liquidations April 2008	% change between April 2007 and April 2008	% change between January 2007 to April 2007 and January 2008 to April 2008
247	4,7	10,5

Figure 1 below shows the annual percentage change in the number of liquidations for the four months ended April of the respective years and covers the period from 2002 to 2008. The 10,5% reported for the four months ended April 2008 compared with the four months ended April 2007 is higher than the 2,7% reported for the same period in 2007.

Figure 1 – Percentage change for the four months ended April compared with the corresponding period of the previous year for the number of liquidations from 2002 to 2008

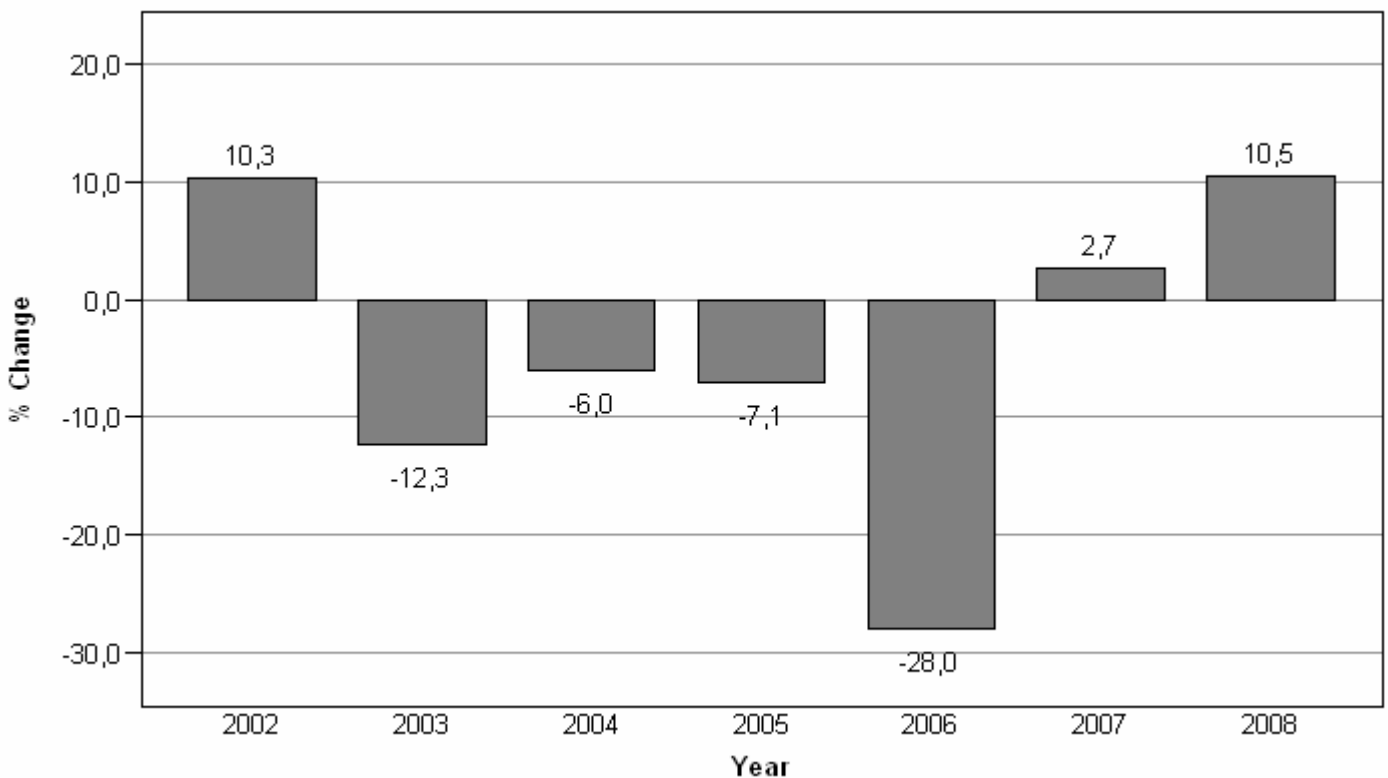
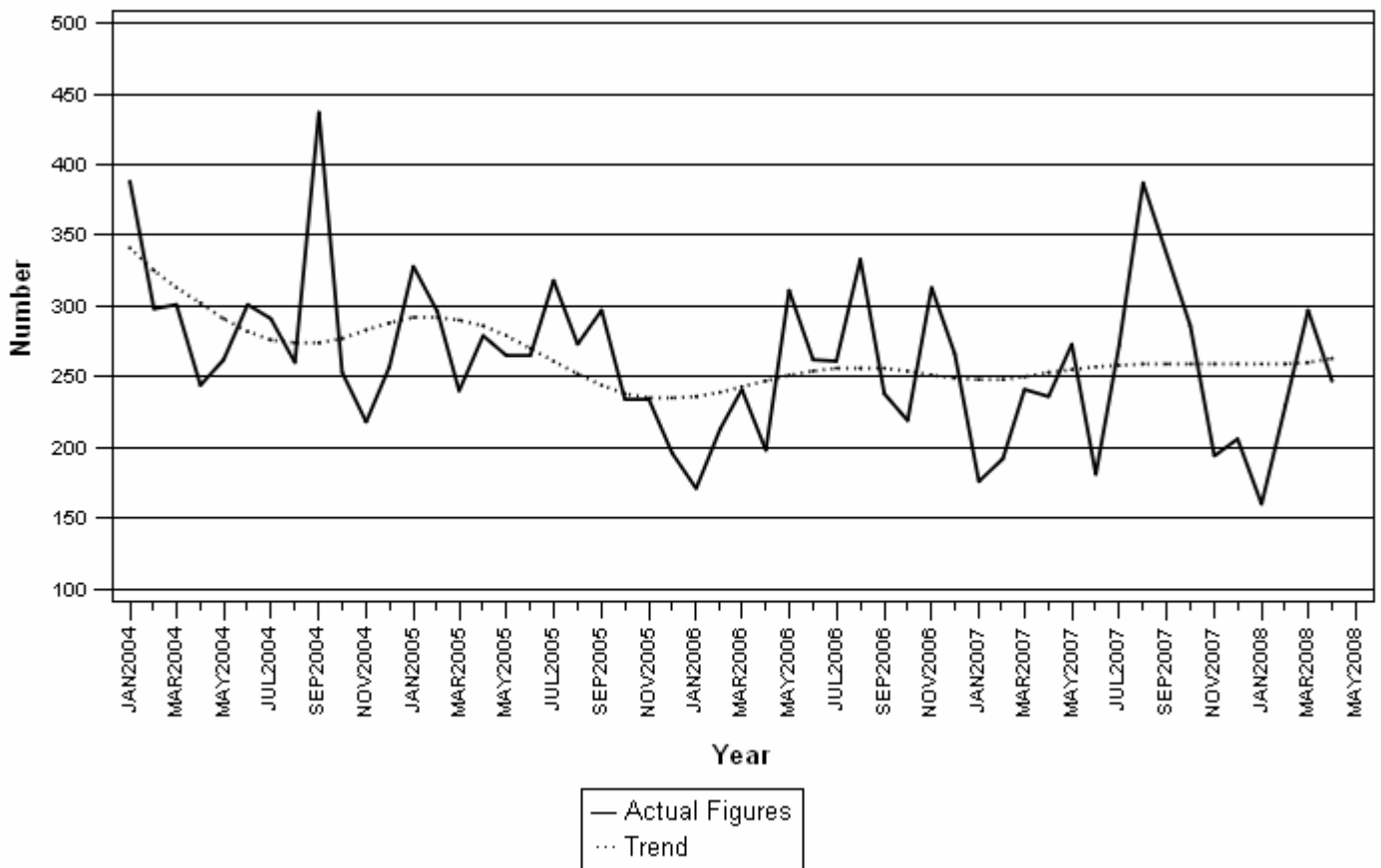


Figure 2 outlines the trend in the total number of liquidations.

Figure 2 – Total number of liquidations



Key findings regarding insolvencies for March 2008

Total number of insolvencies increases

The total number of insolvencies recorded for the first quarter of 2008 increased by 7,5% (from 398 to 428) compared with the first quarter of 2007. Furthermore, the total number of insolvencies recorded for March 2008 increased by 3,1% (from 163 to 168) when compared with March 2007 (see Table B and Table 16).

Key figures regarding insolvencies for March 2008

Table B – Selected key figures regarding insolvencies for March 2008

Actual estimates

Number of insolvencies March 2008	% change between March 2007 and March 2008	% change between January 2007 to March 2007 and January 2008 to March 2008
168	3,1	7,5

Figure 3 below shows the annual percentage change in the number of insolvencies for the first quarter of the respective years, compared with the first quarter of the year before, and covers the period 2002 to 2008. The number of insolvencies increased by 7,5% for the first quarter of 2008 and it is the third consecutive, first quarter, increase recorded since 2001.

Figure 3 – Percentage change in the number of insolvencies for the first quarter of the year from 2002 to 2008

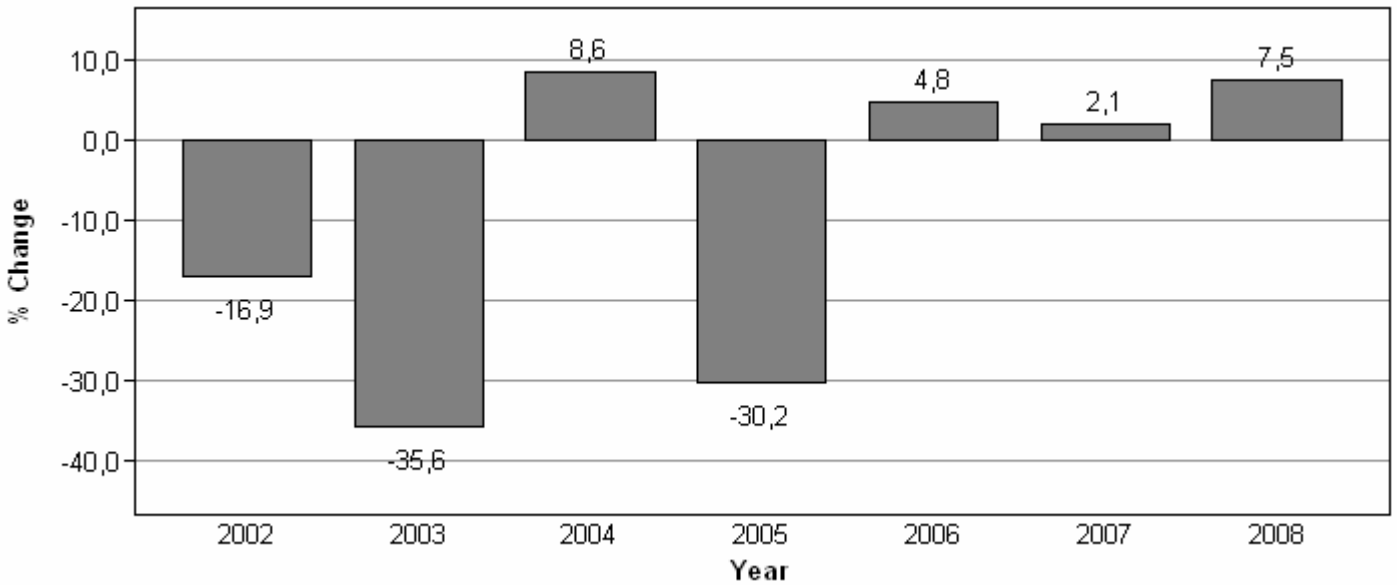
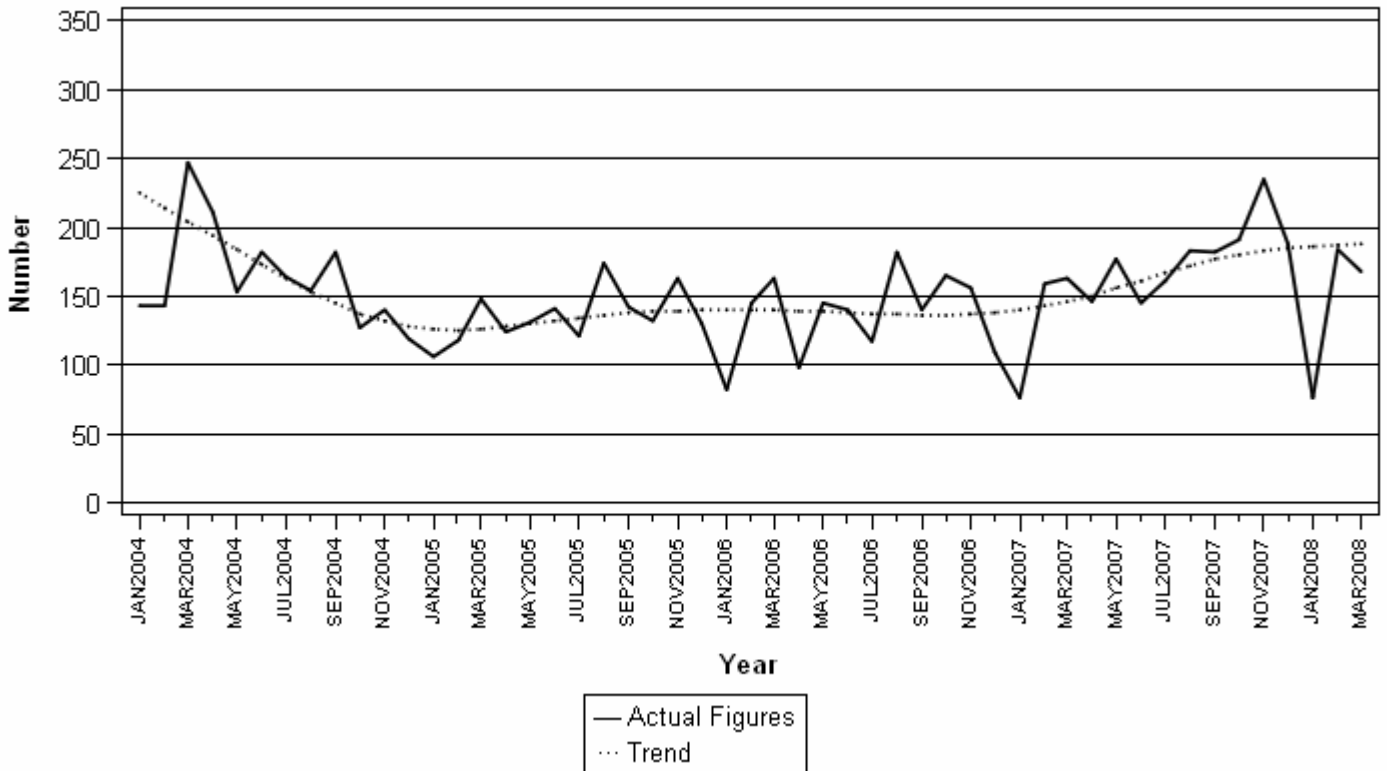


Figure 4 outlines the trend in the total number of insolvencies

Figure 4 – Total number of insolvencies



P J Lehohla
Statistician-General

Detailed results: Tables

Table 1 – Total number of liquidations according to industry

Industry	January - April 2008			April 2007			March 2008			April 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	2	6	8	0	3	3	0	1	1	2	2	4
2.Mining and quarrying	0	3	3	0	0	0	0	1	1	0	1	1
3.Manufacturing	15	52	67	1	5	6	7	13	20	2	12	14
4.Electricity, gas and water	1	3	4	0	2	2	1	0	1	0	0	0
5.Construction	3	32	35	4	8	12	0	9	9	0	14	14
6.Wholesale and retail trade, catering and accommodation	45	299	344	13	54	67	20	108	128	8	86	94
7.Transport, storage, communication	3	22	25	1	7	8	0	6	6	1	6	7
8.Financing, insurance, real estate, business services	32	338	370	12	104	116	11	100	111	5	85	90
9.Community, social, personal services	6	72	78	1	21	22	2	18	20	4	19	23
Total number of liquidations	107	827	934	32	204	236	41	256	297	22	225	247

Table 2 – Number of liquidations of companies according to industry

Industry	January - April 2008			April 2007			March 2008			April 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	1	0	1	0	1	1	0	0	0	1	0	1
2.Mining and quarrying	0	3	3	0	0	0	0	1	1	0	1	1
3.Manufacturing	8	28	36	0	3	3	4	8	12	2	5	7
4.Electricity, gas and water	0	1	1	0	0	0	0	0	0	0	0	0
5.Construction	2	4	6	0	5	5	0	0	0	0	1	1
6.Wholesale and retail trade, catering and accommodation	15	102	117	9	29	38	3	24	27	2	30	32
7.Transport, storage, communication	0	6	6	0	6	6	0	0	0	0	3	3
8.Financing, insurance, real estate, business services	14	188	202	9	63	72	3	55	58	2	46	48
9.Community, social, personal services	1	43	44	1	17	18	0	10	10	1	10	11
Total number of liquidations	41	375	416	19	124	143	10	98	108	8	96	104

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

Industry	January - April 2008			April 2007			March 2008			April 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	1	6	7	0	2	2	0	1	1	1	2	3
2.Mining and quarrying	0	0	0	0	0	0	0	0	0	0	0	0
3.Manufacturing	7	24	31	1	2	3	3	5	8	0	7	7
4.Electricity, gas and water	1	2	3	0	2	2	1	0	1	0	0	0
5.Construction	1	28	29	4	3	7	0	9	9	0	13	13
6.Wholesale and retail trade, catering and accommodation	30	197	227	4	25	29	17	84	101	6	56	62
7.Transport, storage, communication	3	16	19	1	1	2	0	6	6	1	3	4
8.Financing, insurance, real estate, business services	18	150	168	3	41	44	8	45	53	3	39	42
9.Community, social, personal services	5	29	34	0	4	4	2	8	10	3	9	12
Total number of liquidations	66	452	518	13	80	93	31	158	189	14	129	143

C = Compulsory.
V= Voluntary.

Table 4 – Total number of liquidations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	398	395	388	328	171	176	160
February	416	328	298	296	213	192	230
March	334	227	301	240	241	241	297
April	345	359	244	279	198	236	247
May	299	346	262	265	311	273	
June	297	345	301	265	262	181	
July	349	339	291	318	261	272	
August	339	406	260	273	333	387	
September	336	466	437	297	238	507	
October	333	351	253	234	219	286	
November	254	329	218	234	313	194	
December	211	195	257	196	266	206	
Year	3 911	4 086	3 510	3 225	3 026	3 151	934

Table 5 – Total number of compulsory liquidations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	78	76	42	30	37	12	29
February	87	65	38	70	15	15	15
March	68	46	57	35	31	12	41
April	87	63	32	18	9	32	22
May	60	52	37	61	20	13	
June	69	74	63	25	50	9	
July	69	85	68	84	16	14	
August	74	120	39	69	46	111	
September	70	109	83	27	22	47	
October	54	70	43	40	20	39	
November	64	60	23	47	56	13	
December	45	37	39	18	53	9	
Year	825	857	564	524	375	326	107

Table 6 – Total number of voluntary liquidations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	320	319	346	298	134	164	131
February	329	263	260	226	198	177	215
March	266	181	244	205	210	229	256
April	258	296	212	261	189	204	225
May	239	294	225	204	291	260	
June	228	271	238	240	212	172	
July	280	254	223	234	245	258	
August	265	286	221	204	287	276	
September	266	357	354	270	216	460	
October	279	281	210	194	199	247	
November	190	269	195	187	257	181	
December	166	158	218	178	213	197	
Year	3 086	3 229	2 946	2 701	2 651	2 825	827

Table 7 – Number of liquidations of companies: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	130	200	191	130	85	99	87
February	212	188	132	154	107	96	117
March	183	127	148	123	127	114	108
April	161	151	119	176	100	143	104
May	117	162	128	122	131	157	
June	145	178	136	132	140	104	
July	183	141	132	177	145	129	
August	173	202	114	124	143	243	
September	164	260	141	143	122	416	
October	118	235	126	115	132	175	
November	106	136	90	95	183	94	
December	166	130	75	113	167	127	
Year	1 858	2 110	1 532	1 604	1 582	1 897	416

Table 8 – Number of compulsory liquidations of companies: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	19	37	16	6	18	4	8
February	46	28	15	43	4	4	15
March	32	17	32	23	23	5	10
April	53	17	6	13	5	19	8
May	12	28	20	30	5	3	
June	29	31	16	7	35	2	
July	33	29	31	62	6	4	
August	17	69	11	21	11	89	
September	22	60	33	17	18	34	
October	22	42	22	22	13	26	
November	25	38	12	18	43	7	
December	29	27	9	13	37	8	
Year	339	423	223	275	218	205	41

Table 9 – Number of voluntary liquidations of companies: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	111	163	175	124	67	95	79
February	166	160	117	111	103	92	102
March	151	110	116	100	104	109	98
April	108	134	113	163	95	124	96
May	105	134	108	92	126	154	
June	116	147	120	125	105	102	
July	150	112	101	115	139	125	
August	156	133	103	103	132	154	
September	142	200	108	126	104	382	
October	96	193	104	93	119	149	
November	81	98	78	77	140	87	
December	137	103	66	100	130	119	
Year	1 519	1 687	1 309	1 329	1 364	1 692	375

Table 10 – Number of liquidations of close corporations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	268	195	197	198	86	77	73
February	204	140	166	142	106	96	113
March	151	100	153	117	114	127	189
April	184	208	125	103	98	93	143
May	182	184	134	143	180	116	
June	152	167	165	133	122	77	
July	166	198	159	141	116	143	
August	166	204	146	149	190	144	
September	172	206	296	154	116	91	
October	215	116	127	119	87	111	
November	148	193	128	139	130	100	
December	45	65	182	83	99	79	
Year	2 053	1 976	1 978	1 621	1 444	1 254	518

Table 11 – Number of compulsory liquidations of close corporations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	59	39	26	24	19	8	21
February	41	37	23	27	11	11	0
March	36	29	25	12	8	7	31
April	34	46	26	5	4	13	14
May	48	24	17	31	15	10	
June	40	43	47	18	15	7	
July	36	56	37	22	10	10	
August	57	51	28	48	35	22	
September	48	49	50	10	4	13	
October	32	28	21	18	7	13	
November	39	22	11	29	13	6	
December	16	10	30	5	16	1	
Year	486	434	341	249	157	121	66

Table 12 – Number of voluntary liquidations of close corporations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	209	156	171	174	67	69	52
February	163	103	143	115	95	85	113
March	115	71	128	105	106	120	158
April	150	162	99	98	94	80	129
May	134	160	117	112	165	106	
June	112	124	118	115	107	70	
July	130	142	122	119	106	133	
August	109	153	118	101	155	122	
September	124	157	246	144	112	78	
October	183	88	106	101	80	98	
November	109	171	117	110	117	94	
December	29	55	152	78	83	78	
Year	1 567	1 542	1 637	1 372	1 287	1 133	452

Table 13 – Total number of insolvencies of individuals and partnerships: 2002 to 2008

Month	2002	2003	2004	* 2005	* 2006	* 2007	1/ 2008
January	217	135	143	106	82	76	76
February	277	136	143	118	145	159	184
March	269	221	247	148	163	163	168
April	318	253	211	124	98	146	
May	256	170	153	131	145	177	
June	252	254	182	141	140	145	
July	282	234	164	121	117	161	
August	278	255	154	174	182	183	
September	229	286	182	142	140	182	
October	262	268	127	132	165	191	
November	255	236	140	163	156	235	
December	162	204	119	130	109	188	
Year	3 057	2 652	1 965	1 630	1 642	2 006	428

1/ Preliminary.

* Revised.

Table 14 – Percentage change between April 2008 and the corresponding month of the previous year regarding the number of liquidations

Number of liquidations April 2007	Number of liquidations April 2008	% change between April 2007 and April 2008	Difference between April 2007 and April 2008
236	247	4,7	11

Table 15 – Percentage change between the first four months of 2008 and the first four months of 2007 regarding the number of liquidations

Number of liquidations January 2007 to April 2007	Number of liquidations January 2008 to April 2008	% change between January 2007 to April 2007 and January 2008 to April 2008	Difference between January 2007 to April 2007 and January 2008 to April 2008
845	934	10,5	89

Table 16 – Percentage change between March 2008 and the corresponding month of the previous year regarding the number of insolvencies

Number of insolvencies March 2007	Number of insolvencies March 2008	% change between March 2007 and March 2008	Difference between March 2007 and March 2008
163	168	3,1	5

Table 17 – Percentage change between the first quarter of 2008 and the first quarter of 2007 regarding the number of insolvencies

Number of insolvencies January 2007 to March 2007	Number of insolvencies January 2008 to March 2008	% change between January 2007 to March 2007 and January 2008 to March 2008	Difference between January 2007 to March 2007 and January 2008 to March 2008
398	428	7,5	30

Explanatory notes

- | | | |
|----------------------------------|----------|---|
| Introduction | 1 | Statistics South Africa (Stats SA) collects administrative information on liquidations from the Registrar of Companies and Close Corporations, Department of Trade and Industry, while information on insolvencies is gathered from Notices of the Master of the Supreme Court which appears in the Government Gazette. |
| | 2 | This statistical release reflects voluntary and compulsory liquidations of companies and close corporations and insolvencies of individuals and partnerships. |
| Purpose of the survey | 3 | The aggregated data in this release 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. |
| | 4 | Due to insolvencies figures being available late, the data on insolvencies are published a month later than liquidations. |
| Scope of the survey | 5 | This survey covers <ul style="list-style-type: none"> • The total number of companies and close corporations which were liquidated. • The total number of individuals and partnerships placed under final sequestration. |
| Related publications | 6 | Users may also wish to refer to the following publications which are available from Stats SA - <ul style="list-style-type: none"> • Bulletin of Statistics. • SA Statistics. |
| Unpublished statistics | 7 | In some cases Stats SA can also make available statistics not included in standard publications. The statistics can be made available in one or more of the following ways: computer printout, CD or diskette. Generally a charge is made for providing unpublished statistics. |
| Symbols and abbreviations | 8 | CD - Compact Disc
Stats SA - Statistics South Africa |

Glossary

Compulsory liquidation	A compulsory liquidation takes place when the affairs of a company or close corporation are wind-up by order of the court.
Insolvency	Insolvencies refer 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	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 voluntary 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.

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(012) 310 4883/4885/8018 (library)

Fax number: (012) 310 8332 (technical enquiries)

email: juan-pierret@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