

Statistics of liquidations and insolvencies (Preliminary) August 2006

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Table A - Key figures for August 2006 regarding liquidations

Actual estimates	Number of liquidations August 2006	% change between August 2005 and August 2006	% change between January 2005 to August 2005 and January 2006 to August 2006
	333	22,0	-12,1

Key findings for August 2006 regarding liquidations

Total number of liquidations decreases

The total number of liquidations recorded for the first eight months of 2006 decreased by 12,1% (from 2 264 to 1 990) compared with the first eight months of 2005. However, the total number of liquidations recorded for August 2006 reflected a 22,0% increase (from 273 to 333) compared with August 2005 (see Table A).

The decrease of 12,1% in the total number of liquidations for the first eight months of 2006 compared with the first eight months of 2005 was due to a decrease of 42,9% (from 392 to 224) in compulsory liquidations and 5,7% (from 1 872 to 1 766) in voluntary liquidations.

The increase of 22,0% in the total number of liquidations for August 2006 compared with August 2005 was due to an increase of 40,7% (from 204 to 287) in voluntary liquidations (see Table 6).

Figure 1 –Percentage change for the eight months (January – August) of the number of liquidations from 2001 to 2006

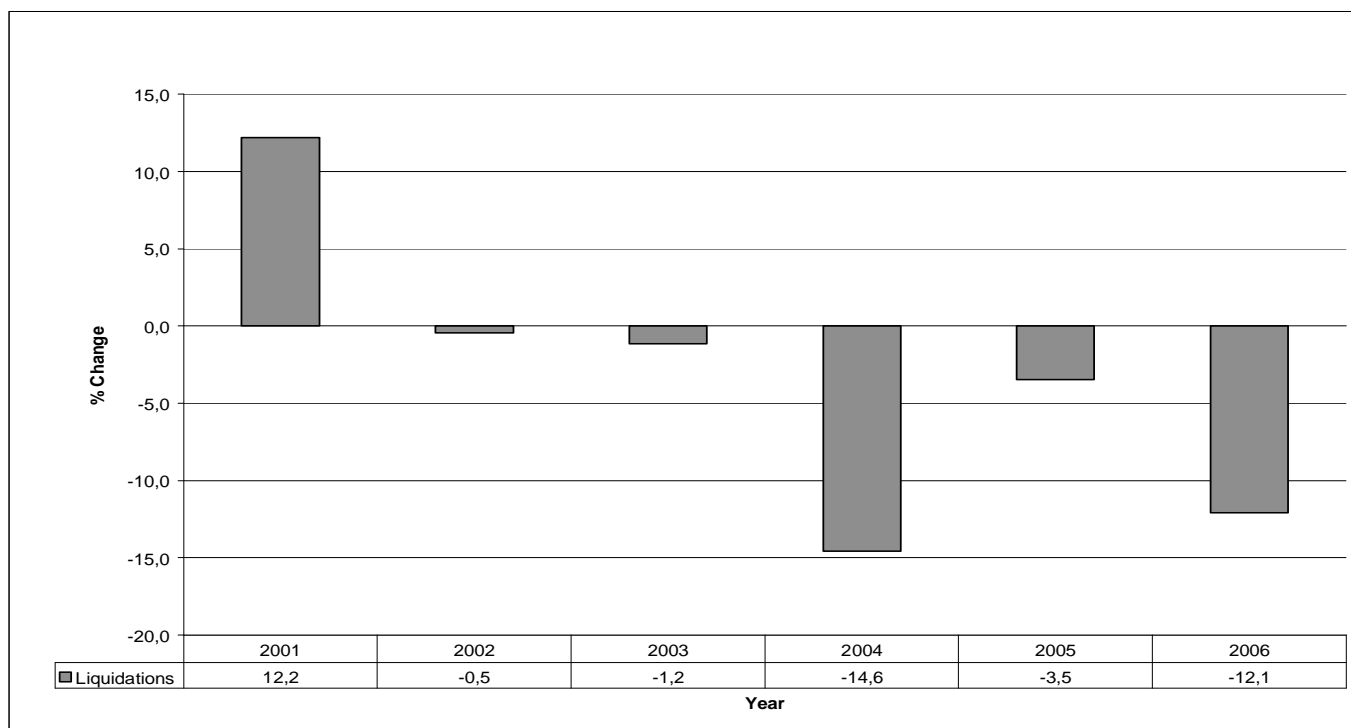


Figure 1 above shows the percentage change in the number of liquidations for the month January to August and covers the period from 2001 until 2006. The number of liquidations for the first eight months of the year decreased by 12,1% compared to the decrease of 3,5% for the same period a year ago.

Table B - Key figures regarding insolvencies for July 2006

Actual estimates	Number of insolvencies July 2006	% change between July 2005 and July 2006	% change between January 2005 to July 2005 and January 2006 to July 2006
	101	-15,1	-12,1

Key findings for July 2006 regarding insolvencies

Total number of insolvencies decreases

The total number of insolvencies recorded for the first seven months of 2006 decreased by 12,1 % (from 863 to 759) compared with the first seven months of 2005. The total number of insolvencies recorded for July 2006 decreased by 15,1% (from 119 to 101) compared with July 2005 (see Table B).

Figure 2 – Percentage change for the seven months (January – July) of the number of insolvencies from 2001 to 2006

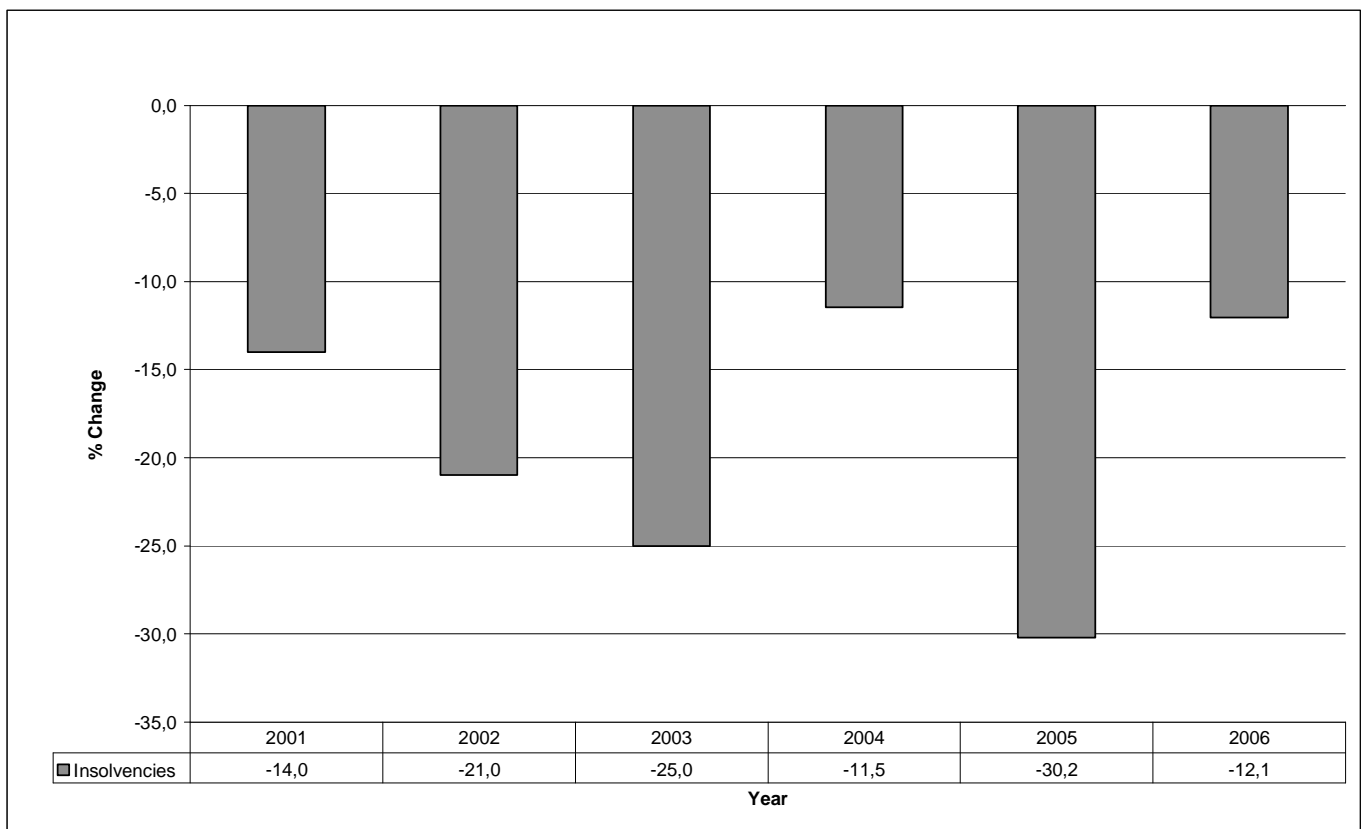


Figure 2 above shows the percentage change in the number of insolvencies for the month January to July and covers the period from 2001 until 2006. The growth in the number of insolvencies decreased by 12,1% for the first seven months of the year compared to the 30,2% decrease for the same period a year ago. The growth has been in the negative for the entire time series (2001-2006).

Figures 3 and 4 below outline the total number of liquidations and insolvencies from 2002 to 2006. Figure 3 shows that the trend estimates for the total number of liquidations has been decreasing from the beginning of 2002 until October of the same year. It then followed an upward trend that peaked in August 2003, but started to decrease thereafter until September 2004 and moved upwards to April 2005. There was a decline from May 2005 until February 2006. Since March 2006 the trend started to increase again.

Figure 3 – Total number of liquidations

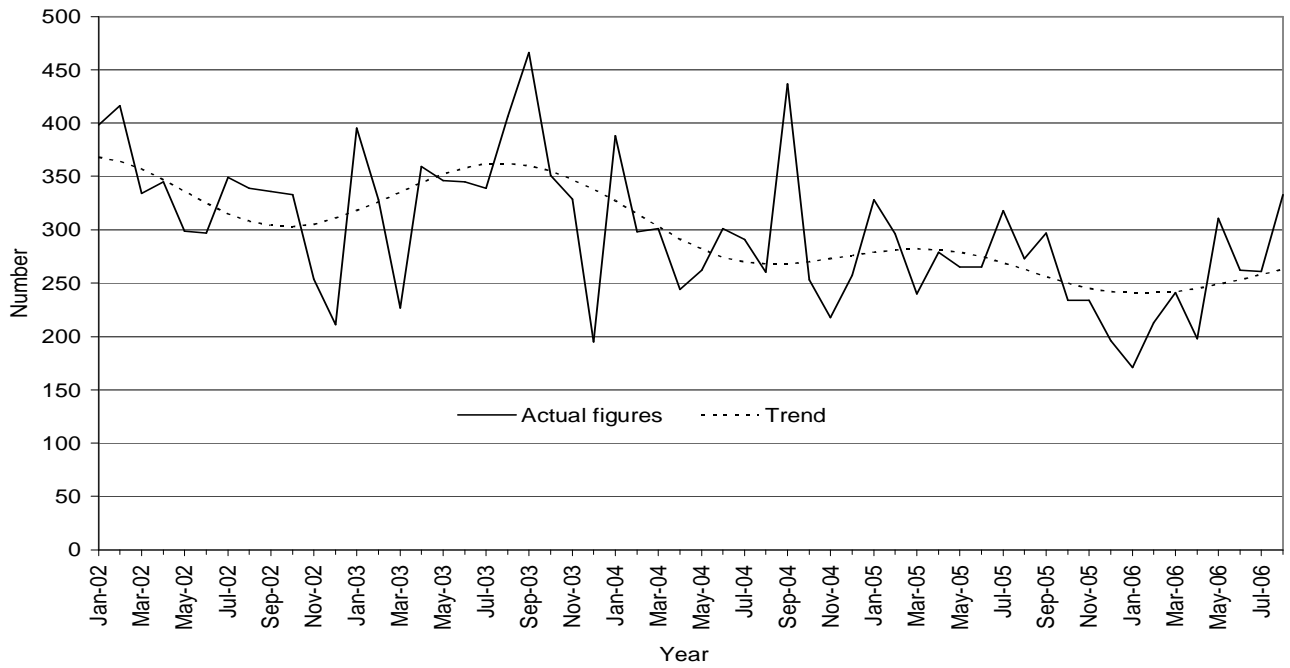
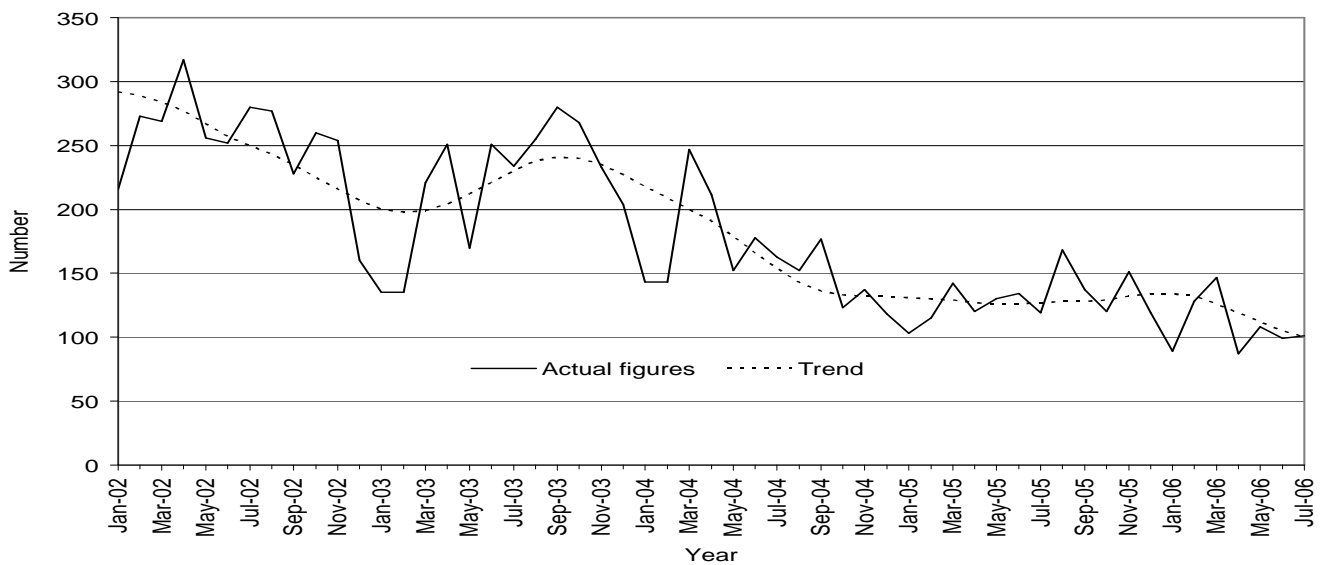


Figure 4 shows that the trend estimates for the total number of insolvencies from the beginning of 2002 shows a decreasing trend until February 2003 then started an upward trend with a peak in September 2003. From October 2003 the trend decreased until September 2004 and from then on stabilized throughout to January 2006. Since February 2006 the trend shows a continual decrease up to date.

Figure 4 - Total number of insolvencies



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Notes**Forthcoming issue** **Issue** **Expected release date**

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Data source

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 appear in the Government Gazette. 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. Due to insolvencies figures being available late, the data on insolvencies are published a month later than liquidations.

Table 1- Total number of liquidations according to industry

Industry	Jan – August 2006			August 2005			July 2006			August 2006		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
Agriculture, hunting, forestry and fishing	3	16	19	2	2	4	0	1	1	1	2	3
Mining and quarrying	3	17	20	0	0	0	0	1	1	3	1	4
Manufacturing	17	102	119	6	8	14	2	11	13	2	9	11
Electricity, gas and water	1	5	6	1	2	3	0	1	1	0	0	0
Construction	23	134	157	7	13	20	1	21	22	3	21	24
Wholesale and retail trade, catering and accommodation	77	570	647	28	72	100	6	76	82	14	122	136
Transport, storage and communication	8	83	91	1	13	14	1	12	13	3	12	15
Financing, insurance, real estate and business services	66	695	761	22	82	104	2	103	105	20	102	122
Community, social and personal services	26	144	170	2	12	14	4	19	23	0	18	18
Total number of liquidations	224	1766	1990	69	204	273	16	245	261	46	287	333

Table 2 – Number of liquidations of companies according to industry

Industry	Jan – August 2006			August 2005			July 2006			August 2006		
	Compul- sory	Volun- tary	Total	Compul- sory	Compul- sory	Volun- tary	Total	Compul- sory	Compul- sory	Volun- tary	Total	Compul- sory
Agriculture, hunting, forestry and fishing	0	6	6	1	1	2	0	0	0	0	1	1
Mining and quarrying	2	11	13	0	0	0	0	1	1	2	1	3
Manufacturing	6	58	64	2	6	8	0	5	5	0	5	5
Electricity, gas and water	0	3	3	0	0	0	0	1	1	0	0	0
Construction	9	41	50	1	5	6	1	6	7	0	10	10
Wholesale and retail trade, catering and accommodation	30	239	269	6	32	38	1	36	37	3	40	43
Transport, storage and communication	6	18	24	1	4	5	0	0	0	3	2	5
Financing, insurance, real estate and business services	29	375	404	8	45	53	0	76	76	3	56	59
Community, social and personal services	25	120	145	2	10	12	4	14	18	0	17	17
Total number of liquidations	107	871	978	21	103	124	6	139	145	11	132	143

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

Industry	Jan – August 2006			August 2005			July 2006			August 2006		
	Compul- sory	Volun- tary	Total	Compul- sory	Compul- sory	Volun- tary	Total	Compul- sory	Compul- sory	Volun- tary	Total	Compul- sory
Agriculture, hunting, forestry and fishing	3	10	13	1	1	2	0	1	1	1	1	2
Mining and quarrying	1	6	7	0	0	0	0	0	0	1	0	1
Manufacturing	11	44	55	4	2	6	2	6	8	2	4	6
Electricity, gas and water	1	2	3	1	2	3	0	0	0	0	0	0
Construction	14	93	107	6	8	14	0	15	15	3	11	14
Wholesale and retail trade, catering and accommodation	47	331	378	22	40	62	5	40	45	11	82	93
Transport, storage and communication	2	65	67	0	9	9	1	12	13	0	10	10
Financing, insurance, real estate and business services	37	320	357	14	37	51	2	27	29	17	46	63
Community, social and personal services	1	24	25		2	2	0	5	5	0	1	1
Total number of liquidations	117	895	1012	48	101	149	10	106	116	35	155	190

Table 4 - Total number of liquidations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	193	298	398	395	388	328	171
February	229	382	416	328	298	296	213
March	326	317	334	227	301	240	241
April	273	357	345	359	244	279	198
May	258	331	299	346	262	265	311
June	383	294	297	345	301	265	262
July	314	307	349	339	291	318	261
August	511	504	339	406	260	273	333
September	490	337	336	466	437	297	
October	269	410	333	351	253	234	
November	348	346	254	329	218	234	
December	211	273	211	195	257	196	
Year	3 805	4 156	3 911	4 086	3 510	3 225	

Table 5 - Total number of compulsory liquidations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	85	71	78	76	42	30	37
February	78	114	87	65	38	70	15
March	172	68	68	46	57	35	31
April	125	125	87	63	32	18	9
May	57	81	60	52	37	61	20
June	190	88	69	74	63	25	50
July	77	81	69	85	68	84	16
August	247	256	74	120	39	69	46
September	241	118	70	109	83	27	
October	44	137	54	70	43	40	
November	128	74	64	60	23	47	
December	71	71	45	37	39	18	
Year	1 515	1 284	825	857	564	524	

Table 6 - Total number of voluntary liquidations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	108	227	320	319	346	298	134
February	151	268	329	263	260	226	198
March	154	249	266	181	244	205	210
April	148	232	258	296	212	261	189
May	201	250	239	294	225	204	291
June	193	206	228	271	238	240	212
July	237	226	280	254	223	234	245
August	264	248	265	286	221	204	287
September	249	219	266	357	354	270	
October	225	273	279	281	210	194	
November	220	272	190	269	195	187	
December	140	202	166	158	218	178	
Year	2 290	2 872	3 086	3 229	2 946	2 701	

Table 7 – Number of liquidations of companies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	91	107	130	200	191	130	85
February	151	119	212	188	132	154	107
March	241	132	183	127	148	123	127
April	166	129	161	151	119	176	100
May	130	156	117	162	128	122	131
June	173	129	145	178	136	132	140
July	89	144	183	141	132	177	145
August	152	149	173	202	114	124	143
September	93	136	164	260	141	143	
October	106	166	118	235	126	115	
November	112	181	106	136	90	95	
December	122	123	166	130	75	113	
Year	1 626	1 671	1 858	2 110	1 532	1 604	

Table 8 – Number of compulsory liquidations of companies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	32	34	19	37	16	6	18
February	57	17	46	28	15	43	4
March	147	28	32	17	32	23	23
April	87	27	53	17	6	13	5
May	40	41	12	28	20	30	5
June	100	53	29	31	16	7	35
July	32	41	33	29	31	62	6
August	48	38	17	69	11	21	11
September	31	54	22	60	33	17	
October	21	51	22	42	22	22	
November	25	35	25	38	12	18	
December	39	24	29	27	9	13	
Year	659	443	339	423	223	275	

Table 9 - Number of voluntary liquidations of companies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	59	73	111	163	175	124	67
February	94	102	166	160	117	111	103
March	94	104	151	110	116	100	104
April	79	102	108	134	113	163	95
May	90	115	105	134	108	92	126
June	73	76	116	147	120	125	105
July	57	103	150	112	101	115	139
August	104	111	156	133	103	103	132
September	62	82	142	200	108	126	
October	85	115	96	193	104	93	
November	87	146	81	98	78	77	
December	83	99	137	103	66	100	
Year	967	1 228	1 519	1 687	1 309	1 329	

Table 10 - Number of liquidations of close corporations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	102	191	268	195	197	198	86
February	78	263	204	140	166	142	106
March	85	185	151	100	153	117	114
April	107	228	184	208	125	103	98
May	128	175	182	184	134	143	180
June	210	165	152	167	165	133	122
July	225	163	166	198	159	141	116
August	359	355	166	204	146	149	190
September	397	201	172	206	296	154	
October	163	244	215	116	127	119	
November	236	165	148	193	128	139	
December	89	150	45	65	182	83	
Year	2 179	2 485	2 053	1 976	1 978	1 621	

Table 11 - Number of compulsory liquidations of close corporations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	53	37	59	39	26	24	19
February	21	97	41	37	23	27	11
March	25	40	36	29	25	12	8
April	38	98	34	46	26	5	4
May	17	40	48	24	17	31	15
June	90	35	40	43	47	18	15
July	45	40	36	56	37	22	10
August	199	218	57	51	28	48	35
September	210	64	48	49	50	10	
October	23	86	32	28	21	18	
November	103	39	39	22	11	29	
December	32	47	16	10	30	5	
Year	856	841	486	434	341	249	

Table 12 – Number of voluntary liquidations of close corporations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	49	154	209	156	171	174	67
February	57	166	163	103	143	115	95
March	60	145	115	71	128	105	106
April	69	130	150	162	99	98	94
May	111	135	134	160	117	112	165
June	120	130	112	124	118	115	107
July	180	123	130	142	122	119	106
August	160	137	109	153	118	101	155
September	187	137	124	157	246	144	
October	140	158	183	88	106	101	
November	133	126	109	171	117	110	
December	57	103	29	55	152	78	
Year	1 323	1 644	1 567	1 542	1 637	1 372	

Table 13 - Total number of insolvencies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	285	253	216	135	143	103	89
February	445	308	273	135	143	115	*128
March	399	356	269	221	*247	142	*147
April	404	319	317	251	211	120	87
May	413	394	256	170	152	*130	*108
June	412	325	252	251	178	134	99
July	384	403	280	234	*163	*119	1/ 101
August	499	374	277	255	152	168	
September	317	308	228	280	177	137	
October	388	334	260	268	123	*120	
November	420	323	254	233	137	151	
December	327	238	160	204	118	*119	
Year	4 693	3 935	3 042	2 637	1 944	1 558	

1/ Preliminary.

*Revised.

Table 14 – Percentage change between August 2006 and the corresponding month of the previous year regarding the number of liquidations

Actual estimates	Number of liquidations August 2005	Number of liquidations August 2006	% change between August 2005 and August 2006	Difference between August 2005 and August 2006
	273	333	22,0	60

Table 15 – Percentage change between the first eight months of 2006 and the first eight months of 2005 regarding the number of liquidations

Actual estimates	Number of liquidations January 2005 to August 2005	Number of liquidations January 2006 to August 2006	% change between January 2005 to August 2005 and January 2006 to August 2006	Difference between January 2005 to August 2005 and January 2006 to August 2006
	2 264	1990	-12,1	-274

Table 16 – Percentage change between July 2006 and the corresponding month of the previous year regarding the number of insolvencies

Actual estimates	Number of insolvencies July 2005	Number of insolvencies July 2006	% change between July 2005 and July 2006	Difference between July 2005 and July 2006
	119	101	-15,1	-18

Table 17 - Percentage change between the first seven months of 2006 and the first seven months of 2005 regarding the number of insolvencies

Actual estimates	Number of insolvencies January 2005 to July 2005	Number of insolvencies January 2006 to July 2006	% change between January 2005 to July 2005 and January 2006 to July 2006	Difference between January 2005 to July 2005 and January 2006 to July 2006
	863	759	-12,1	-104

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. | | | | |
| Scope of the survey | 3 | This survey covers - <ul style="list-style-type: none"> • the total number of companies and close corporations which were liquidated; and • the total number of individuals and partnerships placed under final sequestration. | | | | |
| Related publications | 4 | Users may also wish to refer to the following publications which are available from Stats SA - <ul style="list-style-type: none"> • <i>Bulletin of Statistics.</i> • <i>SA Statistics.</i> | | | | |
| Unpublished statistics | 5 | 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 | 6 | <table border="0"> <tr> <td>CD</td> <td>Compact Disc</td> </tr> <tr> <td>Stats SA</td> <td>Statistics South Africa</td> </tr> </table> | CD | Compact Disc | Stats SA | Statistics South Africa |
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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	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	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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