



**Statistics of liquidations  
and insolvencies  
(preliminary)  
December 2004**

**Embargoed until:  
2 February 2005  
09:30**

**These figures are issued as preliminary**

**Table A - Key figures as at the end of December 2004 regarding liquidations**

Actual estimates	Number of liquidations December 2004	% change between December 2003 and December 2004	% change between July 2004 to September 2004 and October 2004 to December 2004	% change between January 2003 to December 2003 and January 2004 to December 2004
	257	+31,8	-26,3	-14,1

**Key findings as at the end of December 2004 regarding liquidations**

**Total number of liquidations lower than a year ago**

*The total number of liquidations recorded for the year 2004 decreased by 14,1% (from 4 086 to 3 510) compared with the year 2003. Furthermore, the total number of liquidations recorded for the fourth quarter of 2004 decreased by 26,3 % (from 988 to 728) compared with the third quarter of 2004. However, the total number of liquidations recorded for December 2004 increased by 31,8% (from 195 to 257) compared with December 2003.*

The decrease of 26,3% in the total number of liquidations for the fourth quarter of 2004 compared with third quarter 2003 was due to a decrease of 44,7% (from 190 to 105) in compulsory liquidations and 21,9% (from 798 to 623) in voluntary liquidations.

The decrease of 14,1% in the total number of liquidations for the year 2004 compared with the year 2003 was due to a decrease of 34,2% (from 857 to 564) in compulsory liquidations and a decrease of 8,8% (from 3 229 to 2 946) in voluntary liquidations.

**Table B - Key figures regarding insolvencies for November 2004**

Actual estimates	Number of insolvencies November 2004	% change between November 2003 and November 2004	% change between June 2004 to August 2004 and September 2004 to November 2004	% change between January 2003 to November 2003 and January 2004 to November 2004
	117	-47,8	-9,8	-34,1

**Key findings as at the end of November 2004 regarding insolvencies**

**Total number of insolvencies decreases**

The total number of insolvencies recorded for the three months ended November 2004 decreased by 9,8% (from 397 to 358) compared with the previous three months. The total number of insolvencies for November 2004 decreased by 47,8% (from 224 to 117) compared with November 2003. Furthermore, the total number of insolvencies for the first eleven months of 2004 decreased by 34,1% (from 2 386 to 1 573) compared with the first eleven months of 2003.

Figures 1 and 2 outline the total number of liquidations and insolvencies from 2000 to 2004.

Figure 1 – Total number of liquidations

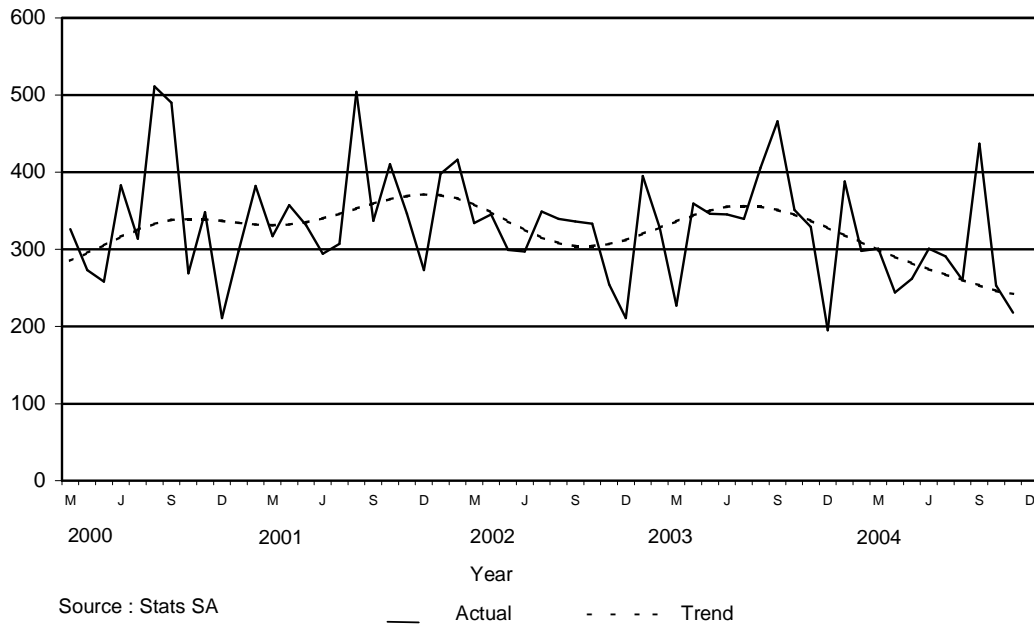
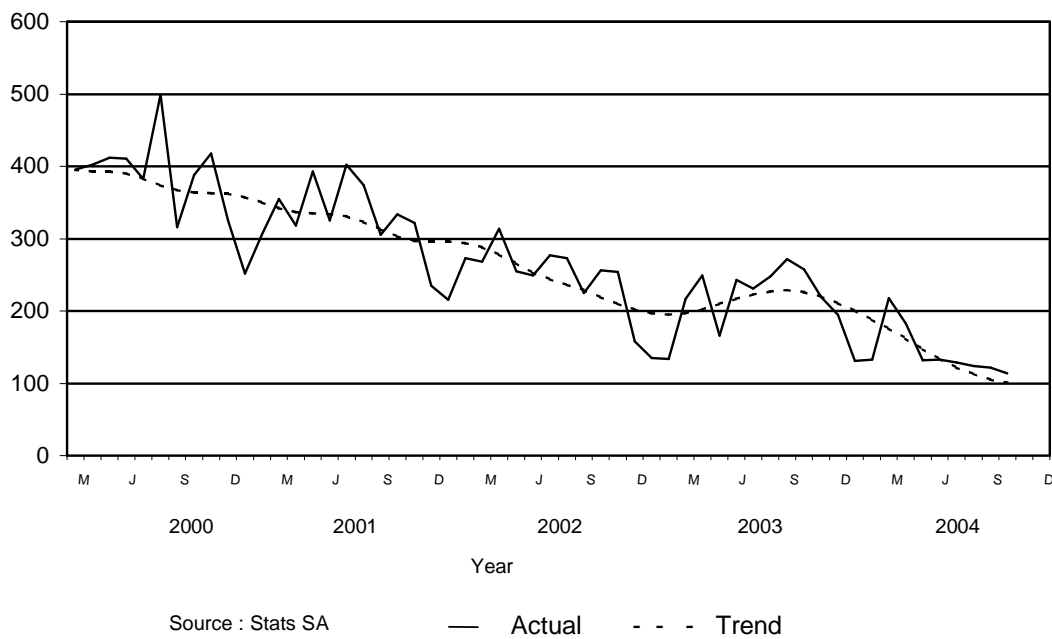


Figure 2 - Total number of insolvencies



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

January 2005

3 March 2005

**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.

**Table 1- Total number of liquidations according to industry**

Industry	2004 Total			December 2003			November 2004			December 2004		
	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	13	42	55	1	5	6	2	6	8	0	2	2
Mining and quarrying	7	22	29	0	2	2	0	1	1	0	0	0
Manufacturing	52	218	270	6	7	13	1	15	16	0	21	21
Electricity, gas and water	2	6	8	0	1	1	0	0	0	0	0	0
Construction	43	211	254	2	8	10	1	11	12	3	18	21
Wholesale and retail trade, catering and accommodation	182	987	1169	13	43	56	4	53	57	13	71	84
Transport, storage and communication	23	112	135	0	5	5	1	6	7	4	15	19
Financing, insurance, real estate and business services	191	1064	1255	11	68	79	11	89	100	17	78	95
Community, social and personal services	51	284	335	4	19	23	3	14	17	2	13	15
Total number of liquidations	564	2946	3510	37	158	195	23	195	218	39	218	257

**Table 2 – Number of liquidations of companies according to industry**

Industry	2004 Total			December 2003			November 2004			December 2004		
	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	2	22	24	1	5	6	0	4	4	0	0	0
Mining and quarrying	5	9	14	0	2	2	0	0	0	0	0	0
Manufacturing	20	85	105	5	3	8	0	7	7	0	3	3
Electricity, gas and water	1	4	5				0	0	0	0	0	0
Construction	12	38	50	2	2	4	0	0	0	1	2	3
Wholesale and retail trade, catering and accommodation	58	369	427	8	21	29	2	20	22	1	14	15
Transport, storage and communication	6	42	48	0	2	2	1	1	2	0	1	1
Financing, insurance, real estate and business services	78	504	582	7	51	58	6	36	42	5	35	40
Community, social and personal services	41	236	277	4	17	21	3	10	13	2	11	13
Total number of liquidations	223	1309	1532	27	103	130	12	78	90	9	66	75

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

Industry	2004 Total			December 2003			November 2004			December 2004		
	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	11	20	31	0	0	0	2	2	4	0	2	2
Mining and quarrying	2	13	15	0	0	0	0	1	1	0	0	0
Manufacturing	32	133	165	1	4	5	1	8	9	0	18	18
Electricity, gas and water	1	2	3	0	1	1	0	0	0	0	0	0
Construction	31	173	204	0	6	6	1	11	12	2	16	18
Wholesale and retail trade, catering and accommodation	124	618	742	5	22	27	2	33	35	12	57	69
Transport, storage and communication	17	70	87	0	3	3	0	5	5	4	14	18
Financing, insurance, real estate and business services	113	560	673	4	17	21	5	53	58	12	43	55
Community, social and personal services	10	48	58	0	2	2	0	4	4	0	2	2
Total number of liquidations	341	1637	1978	10	55	65	11	117	128	30	152	182

**Table 4 - Total number of liquidations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	162	367	193	298	398	395	388
February	234	367	229	382	416	328	298
March	253	332	326	317	334	227	301
April	320	370	273	357	345	359	244
May	291	379	258	331	299	346	262
June	423	297	383	294	297	345	301
July	348	333	314	307	349	339	291
August	347	326	511	504	339	406	260
September	307	421	490	337	336	466	437
October	334	277	269	410	333	351	253
November	476	341	348	346	254	329	218
December	271	202	211	273	211	195	257
<b>Year</b>	<b>3 766</b>	<b>4 012</b>	<b>3 805</b>	<b>4 156</b>	<b>3 911</b>	<b>4 086</b>	<b>3 510</b>

**Table 5 - Total number of compulsory liquidations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	88	244	85	71	78	76	42
February	130	177	78	114	87	65	38
March	122	132	172	68	68	46	57
April	150	177	125	125	87	63	32
May	189	186	57	81	60	52	37
June	240	131	190	88	69	74	63
July	221	140	77	81	69	85	68
August	218	132	247	256	74	120	39
September	192	169	241	118	70	109	83
October	226	102	44	137	54	70	43
November	275	159	128	74	64	60	23
December	150	95	71	71	45	37	39
<b>Year</b>	<b>2 201</b>	<b>1 844</b>	<b>1 515</b>	<b>1 284</b>	<b>825</b>	<b>857</b>	<b>564</b>

**Table 6 - Total number of voluntary liquidations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	74	123	108	227	320	319	346
February	104	190	151	268	329	263	260
March	131	200	154	249	266	181	244
April	170	193	148	232	258	296	212
May	102	193	201	250	239	294	225
June	183	166	193	206	228	271	238
July	127	193	237	226	280	254	223
August	129	194	264	248	265	286	221
September	115	252	249	219	266	357	354
October	108	175	225	273	279	281	210
November	201	182	220	272	190	269	195
December	121	107	140	202	166	158	218
<b>Year</b>	<b>1 565</b>	<b>2 168</b>	<b>2 290</b>	<b>2 872</b>	<b>3 086</b>	<b>3 229</b>	<b>2 946</b>

**Table 7 – Number of liquidations of companies: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	86	134	91	107	130	200	191
February	99	198	151	119	212	188	132
March	108	165	241	132	183	127	148
April	171	166	166	129	161	151	119
May	125	142	130	156	117	162	128
June	202	114	173	129	145	178	136
July	133	114	89	144	183	141	132
August	151	169	152	149	173	202	114
September	116	157	93	136	164	260	141
October	106	145	106	166	118	235	126
November	170	136	112	181	106	136	90
December	166	98	122	123	166	130	75
<b>Year</b>	<b>1 633</b>	<b>1 738</b>	<b>1 626</b>	<b>1 671</b>	<b>1 858</b>	<b>2 110</b>	<b>1 532</b>

**Table 8 – Number of compulsory liquidations of companies: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	51	69	32	34	19	37	16
February	53	96	57	17	46	28	15
March	49	70	147	28	32	17	32
April	43	87	87	27	53	17	6
May	73	73	40	41	12	28	20
June	86	46	100	53	29	31	16
July	70	43	32	41	33	29	31
August	103	77	48	38	17	69	11
September	59	61	31	54	22	60	33
October	66	65	21	51	22	42	22
November	54	76	25	35	25	38	12
December	82	47	39	24	29	27	9
<b>Year</b>	<b>789</b>	<b>810</b>	<b>659</b>	<b>443</b>	<b>339</b>	<b>423</b>	<b>223</b>

**Table 9 - Number of voluntary liquidations of companies: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	35	65	59	73	111	163	175
February	46	102	94	102	166	160	117
March	59	95	94	104	151	110	116
April	128	79	79	102	108	134	113
May	52	69	90	115	105	134	108
June	116	68	73	76	116	147	120
July	63	71	57	103	150	112	101
August	48	92	104	111	156	133	103
September	57	96	62	82	142	200	108
October	40	80	85	115	96	193	104
November	116	60	87	146	81	98	78
December	84	51	83	99	137	103	66
<b>Year</b>	<b>844</b>	<b>928</b>	<b>967</b>	<b>1 228</b>	<b>1 519</b>	<b>1 687</b>	<b>1 309</b>



**Table 10 - Number of liquidations of close corporations: 1998 to 2004**

<b>Month</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
January	76	233	102	191	268	195	197
February	135	169	78	263	204	140	166
March	145	167	85	185	151	100	153
April	149	204	107	228	184	208	125
May	166	237	128	175	182	184	134
June	221	183	210	165	152	167	165
July	215	219	225	163	166	198	159
August	196	157	359	355	166	204	146
September	191	264	397	201	172	206	296
October	228	132	163	244	215	116	127
November	306	205	236	165	148	193	128
December	105	104	89	150	45	65	182
<b>Year</b>	<b>2 133</b>	<b>2 274</b>	<b>2 179</b>	<b>2 485</b>	<b>2 053</b>	<b>1 976</b>	<b>1 978</b>

**Table 11 - Number of compulsory liquidations of close corporations: 1998 to 2004**

<b>Month</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
January	37	175	53	37	59	39	26
February	77	81	21	97	41	37	23
March	73	62	25	40	36	29	25
April	107	90	38	98	34	46	26
May	116	113	17	40	48	24	17
June	154	85	90	35	40	43	47
July	151	97	45	40	36	56	37
August	115	55	199	218	57	51	28
September	133	108	210	64	48	49	50
October	160	37	23	86	32	28	21
November	221	83	103	39	39	22	11
December	68	48	32	47	16	10	30
<b>Year</b>	<b>1 412</b>	<b>1 034</b>	<b>856</b>	<b>841</b>	<b>486</b>	<b>434</b>	<b>341</b>

**Table 12 – Number of voluntary liquidations of close corporations: 1998 to 2004**

<b>Month</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
January	39	58	49	154	209	156	171
February	58	88	57	166	163	103	143
March	72	105	60	145	115	71	128
April	42	114	69	130	150	162	99
May	50	124	111	135	134	160	117
June	67	98	120	130	112	124	118
July	64	122	180	123	130	142	122
August	81	102	160	137	109	153	118
September	58	156	187	137	124	157	246
October	68	95	140	158	183	88	106
November	85	122	133	126	109	171	117
December	37	56	57	103	29	55	152
<b>Year</b>	<b>721</b>	<b>1 240</b>	<b>1 323</b>	<b>1 644</b>	<b>1 567</b>	<b>1 542</b>	<b>1 637</b>

**Table 13 - Total number of insolvencies: 1998 to 2004**

<b>Month</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002*</b>	<b>2003*</b>	<b>2004*</b>
January	203	354	285	253	216	135	132
February	259	372	445	306	273	134	138
March	418	645	396	355	268	217	223
April	345	475	402	318	314	250	193
May	278	547	412	393	255	167	132
June	339	703	411	325	250	243	144
July	326	471	383	403	277	231	129
August	378	604	499	374	273	248	124
September	367	479	316	306	226	275	122
October	416	525	388	334	256	262	119
November	507	567	418	322	254	224	117
December	453	271	326	235	159	196	
<b>Year</b>	<b>4 289</b>	<b>6 013</b>	<b>4 681</b>	<b>3 924</b>	<b>3 021</b>	<b>2 582</b>	

## 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 -
- 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 -
- *Bulletin of Statistics.*
  - *SA Statistics.*
- 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**     CD            Compact Disc  
Stats SA      Statistics South Africa

## **Glossary**

<b>Compulsory liquidation</b>	A compulsory liquidation takes place when the affairs of a company or close corporation are wound up by order of the court.
<b>Insolvency</b>	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.
<b>Liquidation</b>	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 voluntary action or by an order of the court.
<b>Voluntary liquidation</b>	A voluntary liquidation takes place when a company or close corporation, by own choice, resolves to wind-up its affairs.

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