

**Statistics of liquidations  
and insolvencies  
(preliminary)  
December 2005**

**Embargoed until:  
26 January 2006  
9:30**

**These figures are issued as preliminary**

**Table A - Key figures as at the end of December 2005 regarding liquidations**

Actual estimates	Number of liquidations December 2005	% change between December 2004 and December 2005	% change between July 2005 to September 2005 and October 2005 to December 2005	% change between January 2004 to December 2004 and January 2005 to December 2005
	196	-23,7	-25,2	-8,1

**Key findings as at the end of December 2005 regarding liquidations**

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

*The total number of liquidations recorded for the year 2005 decreased by 8,1% (from 3 510 to 3 225) compared with the year 2004. Furthermore, the total number of liquidations recorded for the fourth quarter of 2005 decreased by 25,2 % (from 888 to 664) compared with the third quarter of 2005. The total number of liquidations recorded for December 2005 decreased by 23,7% (from 257 to 196) compared with December 2004.*

The decrease of 25,2% in the total number of liquidations for the fourth quarter of 2005 compared with third quarter 2004 was due to a decrease of 41,7% (from 180 to 105) in compulsory liquidations and 21,0% (from 708 to 559) in voluntary liquidations.

The decrease of 8,1% in the total number of liquidations for the year 2005 compared with the year 2004 was due to a decrease of 7,1% (from 564 to 524) in compulsory liquidations and a decrease of 8,3% (from 2 946 to 2 701) in voluntary liquidations.

**Table B - Key figures regarding insolvencies for November 2005**

Actual estimates	Number of insolvencies November 2005	% change between November 2004 and November 2005	% change between June 2005 to August 2005 and September 2005 to November 2005
	101	-22,9	-6,8

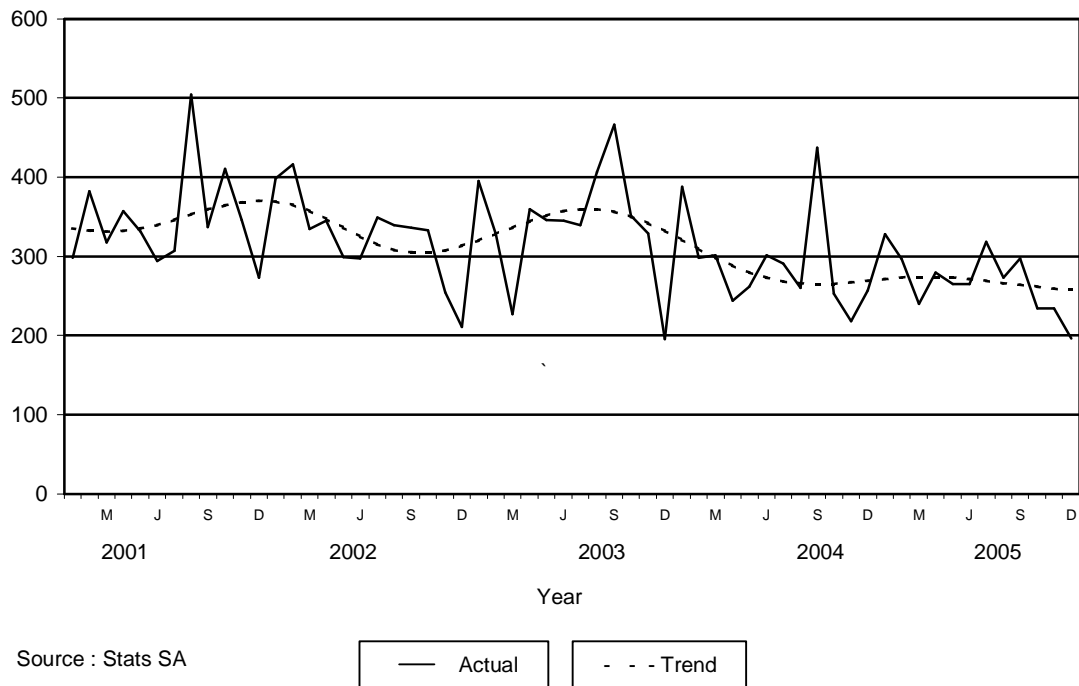
**Key findings as at the end of November 2005 regarding insolvencies**

**Total number of insolvencies decreases**

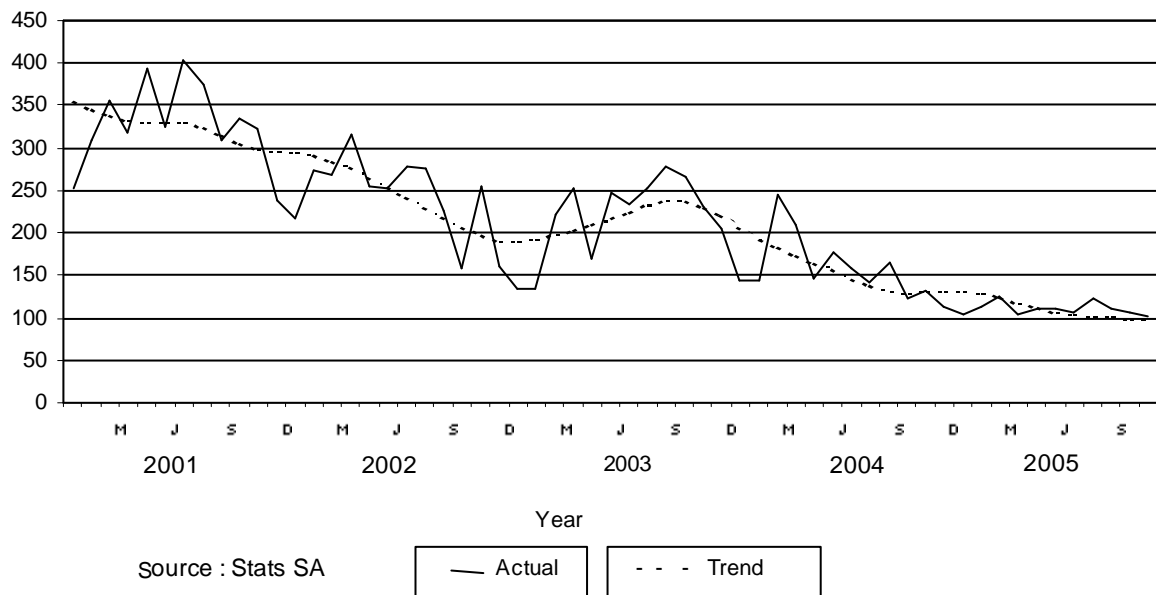
The total number of insolvencies recorded for the three months ended November 2005 decreased by 6,8% (from 339 to 316) compared with the previous three months. The total number of insolvencies for November 2005 decreased by 22,9% (from 131 to 101) compared with November 2004.

Figures 1 and 2 below outline the total number of liquidations and insolvencies from 2001 to 2005. In figure 1 the trend for the total number of liquidations has been leveling off since July 2004. In figure 2 the trend for the total number of insolvencies has shown a downward trend since September 2003.

**Figure 1 – Total number of liquidations**



**Figure 2 - Total number of insolvencies**



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

January 2006

2 March 2006

**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	2005 Total			Dec 2004			Nov 2005			Dec 2005		
	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	10	24	34	0	2	2	0	3	3	0	1	1
Mining and quarrying	2	21	23	0	0	0	1	0	1	0	3	3
Manufacturing	38	154	192	0	21	21	4	9	13	1	13	14
Electricity, gas and water	2	11	13	0	0	0	0	5	5	0	1	1
Construction	33	216	249	3	18	21	3	18	21	1	6	7
Wholesale and retail trade, catering and accommodation	189	848	1 037	13	71	84	14	70	84	8	46	54
Transport, storage and communication	26	96	122	4	15	19	2	7	9	0	1	1
Financing, insurance, real estate and business services	162	1 005	1 167	17	78	95	21	58	79	7	81	88
Community, social and personal services	62	326	388	2	13	15	2	17	19	1	26	27
Total number of liquidations	524	2 701	3 225	39	218	257	47	187	234	18	178	196

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

Industry	2005 Total			Dec 2004			Nov 2005			Dec 2005		
	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	4	11	15	0	0	0	0	2	2	0	1	1
Mining and quarrying	2	18	20	0	0	0	1	0	1	0	3	3
Manufacturing	19	67	86	0	3	3	0	5	5	0	6	6
Electricity, gas and water	0	0	0	0	0	0	0	0	0	0	0	0
Construction	8	57	65	1	2	3	0	3	3	0	1	1
Wholesale and retail trade, catering and accommodation	82	338	420	1	14	15	3	19	22	5	30	35
Transport, storage and communication	11	32	43	0	1	1	0	5	5	0	0	0
Financing, insurance, real estate and business services	91	528	619	5	35	40	12	30	42	7	36	43
Community, social and personal services	58	278	336	2	11	13	2	13	15	1	23	24
Total number of liquidations	275	1 329	1 604	9	66	75	18	77	95	13	100	113

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

Industry	2005 Total			Dec 2004			Nov 2005			Dec 2005		
	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	6	13	19	0	2	2	0	1	1	0	0	0
Mining and quarrying	0	3	3	0	0	0	0	0	0	0	0	0
Manufacturing	19	87	106	0	18	18	4	4	8	1	7	8
Electricity, gas and water	2	11	13	0	0	0		5	5	0	1	1
Construction	25	159	184	2	16	18	3	15	18	1	5	6
Wholesale and retail trade, catering and accommodation	107	510	617	12	57	69	11	51	62	3	16	19
Transport, storage and communication	15	64	79	4	14	18	2	2	4	0	1	1
Financing, insurance, real estate and business services	71	477	548	12	43	55	9	28	37	0	45	45
Community, social and personal services	4	48	52	0	2	2	0	4	4	0	3	3
Total number of liquidations	249	1 372	1 621	30	152	182	29	110	139	5	78	83

**Table 4 - Total number of liquidations: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	367	193	298	398	395	388	328
February	367	229	382	416	328	298	296
March	332	326	317	334	227	301	240
April	370	273	357	345	359	244	279
May	379	258	331	299	346	262	265
June	297	383	294	297	345	301	265
July	333	314	307	349	339	291	318
August	326	511	504	339	406	260	273
September	421	490	337	336	466	437	297
October	277	269	410	333	351	253	234
November	341	348	346	254	329	218	234
December	202	211	273	211	195	257	196
<b>Year</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>	<b>3 225</b>

**Table 5 - Total number of compulsory liquidations: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	244	85	71	78	76	42	30
February	177	78	114	87	65	38	70
March	132	172	68	68	46	57	35
April	177	125	125	87	63	32	18
May	186	57	81	60	52	37	61
June	131	190	88	69	74	63	25
July	140	77	81	69	85	68	84
August	132	247	256	74	120	39	69
September	169	241	118	70	109	83	27
October	102	44	137	54	70	43	40
November	159	128	74	64	60	23	47
December	95	71	71	45	37	39	18
<b>Year</b>	<b>1 844</b>	<b>1 515</b>	<b>1 284</b>	<b>825</b>	<b>857</b>	<b>564</b>	<b>524</b>

**Table 6 - Total number of voluntary liquidations: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	123	108	227	320	319	346	298
February	190	151	268	329	263	260	226
March	200	154	249	266	181	244	205
April	193	148	232	258	296	212	261
May	193	201	250	239	294	225	204
June	166	193	206	228	271	238	240
July	193	237	226	280	254	223	234
August	194	264	248	265	286	221	204
September	252	249	219	266	357	354	270
October	175	225	273	279	281	210	194
November	182	220	272	190	269	195	187
December	107	140	202	166	158	218	178
<b>Year</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>	<b>2 701</b>

**Table 7 – Number of liquidations of companies: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	134	91	107	130	200	191	130
February	198	151	119	212	188	132	154
March	165	241	132	183	127	148	123
April	166	166	129	161	151	119	176
May	142	130	156	117	162	128	122
June	114	173	129	145	178	136	132
July	114	89	144	183	141	132	177
August	169	152	149	173	202	114	124
September	157	93	136	164	260	141	143
October	145	106	166	118	235	126	115
November	136	112	181	106	136	90	95
December	98	122	123	166	130	75	113
<b>Year</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>	<b>1 604</b>

**Table 8 – Number of compulsory liquidations of companies: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	69	32	34	19	37	16	6
February	96	57	17	46	28	15	43
March	70	147	28	32	17	32	23
April	87	87	27	53	17	6	13
May	73	40	41	12	28	20	30
June	46	100	53	29	31	16	7
July	43	32	41	33	29	31	62
August	77	48	38	17	69	11	21
September	61	31	54	22	60	33	17
October	65	21	51	22	42	22	22
November	76	25	35	25	38	12	18
December	47	39	24	29	27	9	13
<b>Year</b>	<b>810</b>	<b>659</b>	<b>443</b>	<b>339</b>	<b>423</b>	<b>223</b>	<b>275</b>

**Table 9 - Number of voluntary liquidations of companies: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	65	59	73	111	163	175	124
February	102	94	102	166	160	117	111
March	95	94	104	151	110	116	100
April	79	79	102	108	134	113	163
May	69	90	115	105	134	108	92
June	68	73	76	116	147	120	125
July	71	57	103	150	112	101	115
August	92	104	111	156	133	103	103
September	96	62	82	142	200	108	126
October	80	85	115	96	193	104	93
November	60	87	146	81	98	78	77
December	51	83	99	137	103	66	100
<b>Year</b>	<b>928</b>	<b>967</b>	<b>1 228</b>	<b>1 519</b>	<b>1 687</b>	<b>1 309</b>	<b>1 329</b>



**Table 10 - Number of liquidations of close corporations: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	233	102	191	268	195	197	198
February	169	78	263	204	140	166	142
March	167	85	185	151	100	153	117
April	204	107	228	184	208	125	103
May	237	128	175	182	184	134	143
June	183	210	165	152	167	165	133
July	219	225	163	166	198	159	141
August	157	359	355	166	204	146	149
September	264	397	201	172	206	296	154
October	132	163	244	215	116	127	119
November	205	236	165	148	193	128	139
December	104	89	150	45	65	182	83
<b>Year</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>	<b>1 621</b>

**Table 11 - Number of compulsory liquidations of close corporations: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	175	53	37	59	39	26	24
February	81	21	97	41	37	23	27
March	62	25	40	36	29	25	12
April	90	38	98	34	46	26	5
May	113	17	40	48	24	17	31
June	85	90	35	40	43	47	18
July	97	45	40	36	56	37	22
August	55	199	218	57	51	28	48
September	108	210	64	48	49	50	10
October	37	23	86	32	28	21	18
November	83	103	39	39	22	11	29
December	48	32	47	16	10	30	5
<b>Year</b>	<b>1 034</b>	<b>856</b>	<b>841</b>	<b>486</b>	<b>434</b>	<b>341</b>	<b>249</b>

**Table 12 – Number of voluntary liquidations of close corporations: 1999 to 2005**

Month	1999	2000	2001	2002	2003	2004	2005
January	58	49	154	209	156	171	174
February	88	57	166	163	103	143	115
March	105	60	145	115	71	128	105
April	114	69	130	150	162	99	98
May	124	111	135	134	160	117	112
June	98	120	130	112	124	118	115
July	122	180	123	130	142	122	119
August	102	160	137	109	153	118	101
September	156	187	137	124	157	246	144
October	95	140	158	183	88	106	101
November	122	133	126	109	171	117	110
December	56	57	103	29	55	152	78
<b>Year</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>	<b>1 372</b>

**Table 13 - Total number of insolvencies: 1999 to 2005**

<b>Month</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003*</b>	<b>2004*</b>	<b>2005*</b>
January	354	285	253	216	135	143	103
February	372	445	308	273	135	143	112
March	645	397	355	268	221	244	125
April	475	402	319	316	251	210	104
May	547	413	394	255	169	146	111
June	703	412	325	251	248	176	110
July	471	384	403	279	233	159	105
August	604	499	374	275	253	142	124
September	480	317	308	227	279	166	110
October	525	388	334	259	266	122	105
November	567	419	323	254	231	131	101
December	272	326	237	160	204	114	
<b>Year</b>	<b>6 015</b>	<b>4 687</b>	<b>3 933</b>	<b>3 033</b>	<b>2 625</b>	<b>1 896</b>	

\* Revised

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

Actual estimates	Number of liquidations December 2004	Number of liquidations December 2005	% change between December 2004 and December 2005	Difference between December 2004 and December 2005
		257	196	-23,7

**Table 15 – Percentage change between the fourth quarter of 2005 and the previous quarter of 2005 regarding the number of liquidations**

Actual estimates	Number of liquidations July 2005 to September 2005	Number of liquidations October 2005 to December 2005	% change between July 2005 to September 2005 and October 2005 to December 2005	Difference between July 2005 to September 2005 and October 2005 to December 2005
		888	664	-25,2

**Table 16 – Percentage change between the 2004 and 2005 regarding the number of liquidations**

Actual estimates	Number of liquidations January 2004 to December 2004	Number of liquidations January 2005 to December 2005	% change between January 2004 to December 2004 and January 2005 to December 2005	Difference between January 2004 to December 2004 and January 2005 to December 2005
		3 510	3 225	-8,1

**Table 17 – Percentage change between November 2005 and the corresponding month of the previous year regarding the number of insolvencies**

Actual estimates	Number of insolvencies November 2004	Number of insolvencies November 2005	% change between November 2004 and November 2005	Difference between November 2004 and November 2005
		131	101	-22,9

**Table 18 - Percentage change between the three months ended November 2005 and the previous three months regarding the number of insolvencies**

Actual estimates	Number of insolvencies June 2005 to August 2005	Number of liquidations September 2005 to November 2005	% change between June 2005 to August 2005 and September 2005 to November 2005	Difference between June 2005 to August 2005 and September 2005 to November 2005
		339	316	-6,8

## Explanatory notes

- |                                  |                         |   |    |              |          |                         |
|----------------------------------|-------------------------|---|----|--------------|----------|-------------------------|
| <b>Introduction</b>              | <b>1</b>                | 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. |    |              |          |                         |
|                                  | <b>2</b>                | This statistical release reflects voluntary and compulsory liquidations of companies and close corporations and insolvencies of individuals and partnerships.   |    |              |          |                         |
| <b>Scope of the survey</b>       | <b>3</b>                | This survey covers - <ul style="list-style-type: none"> <li>• the total number of companies and close corporations which were liquidated; and</li> <li>• the total number of individuals and partnerships placed under final sequestration.</li> </ul>  |    |              |          |                         |
| <b>Related publications</b>      | <b>4</b>                | Users may also wish to refer to the following publications which are available from Stats SA - <ul style="list-style-type: none"> <li>• <i>Bulletin of Statistics.</i></li> <li>• <i>SA Statistics.</i></li> </ul>  |    |              |          |                         |
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| <b>Symbols and abbreviations</b> | <b>6</b>                | <table border="0" style="border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">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 |
| CD                               | Compact Disc            |   |    |              |          |                         |
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## **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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