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Statistical release

P0043

Statistics of liquidations and insolvencies (Preliminary)

February 2009

**Embargoed until:
23 March 2009
14:30**

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Forthcoming issue	Expected release date
March 2009	28 April 2009

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SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES

Key findings regarding liquidations for February 2009

Total number of liquidations increases

The total number of liquidations recorded for the two months ended February 2009 increased by 69,5% (from 390 to 661) compared with the two months ended February 2008. The total number of liquidations recorded for February 2009 increased by 70,0% (from 230 to 391) compared with February 2008 (see Table A and Tables 14 and 15).

The 69,5% increase in the total number of liquidations for the two months ended February 2009 was due to increases of 81,8% in compulsory liquidations (from 44 to 80) and 67,9% in voluntary liquidations (from 346 to 581). When comparing February 2008 and February 2009, there were increases of 43,4% in close corporations liquidations (from 113 to 162) and 95,7% in company liquidations (from 117 to 229).

Table A – Selected key figures regarding liquidations for February 2009

Actual estimates

Number of liquidations February 2009	% change between February 2008 and February 2009	% change between January to February 2008 and January to February 2009
391	70,0	69,5

Figure 1 below shows the annual percentage change in the number of liquidations for the two months ended February for the years 2003 to 2009. The number of liquidations increased by 69,5% for the first two months of 2009, following an increase of 6,0% for the same period in 2008.

Figure 1 – Percentage change for the two months ended February compared with the corresponding period of the previous year for the number of liquidations for the years 2003 to 2009

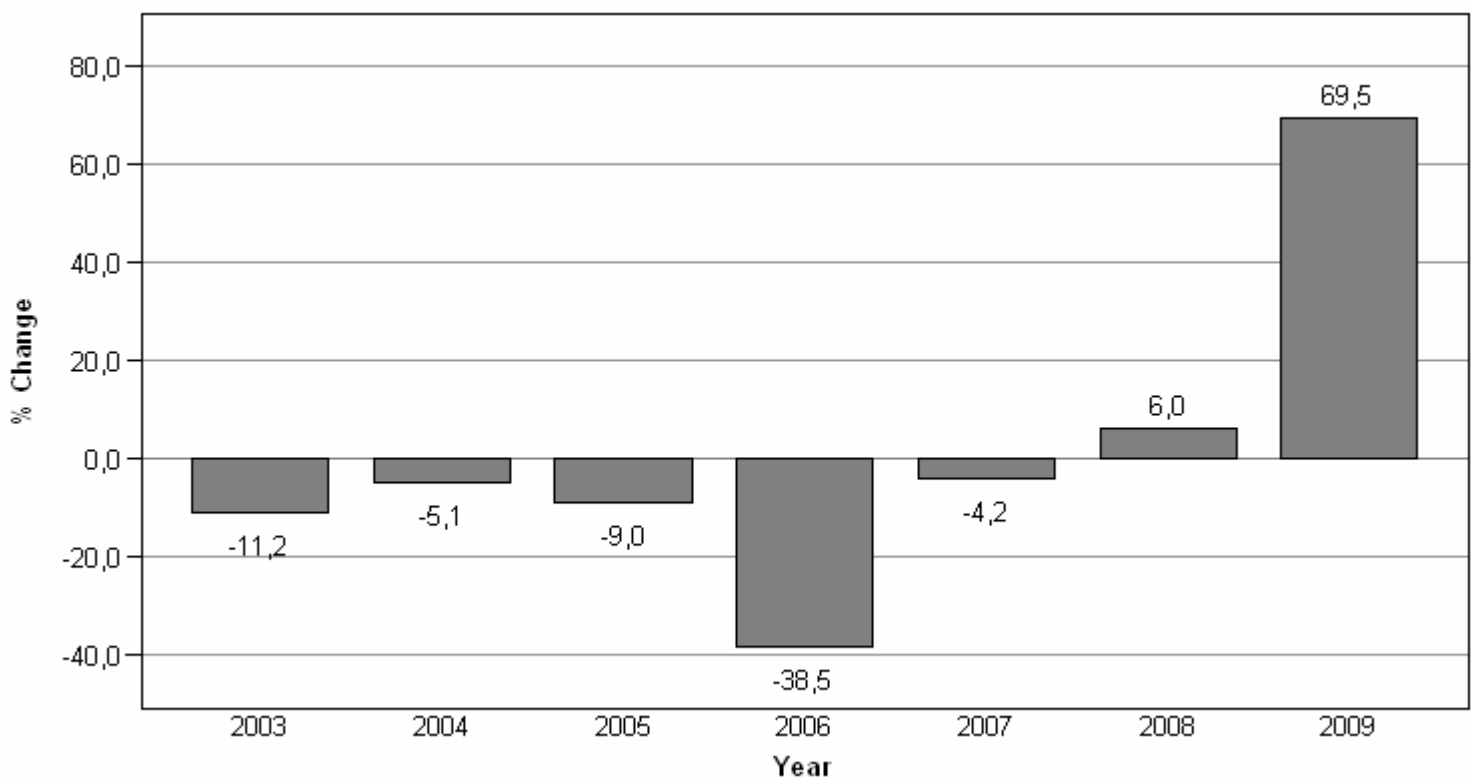
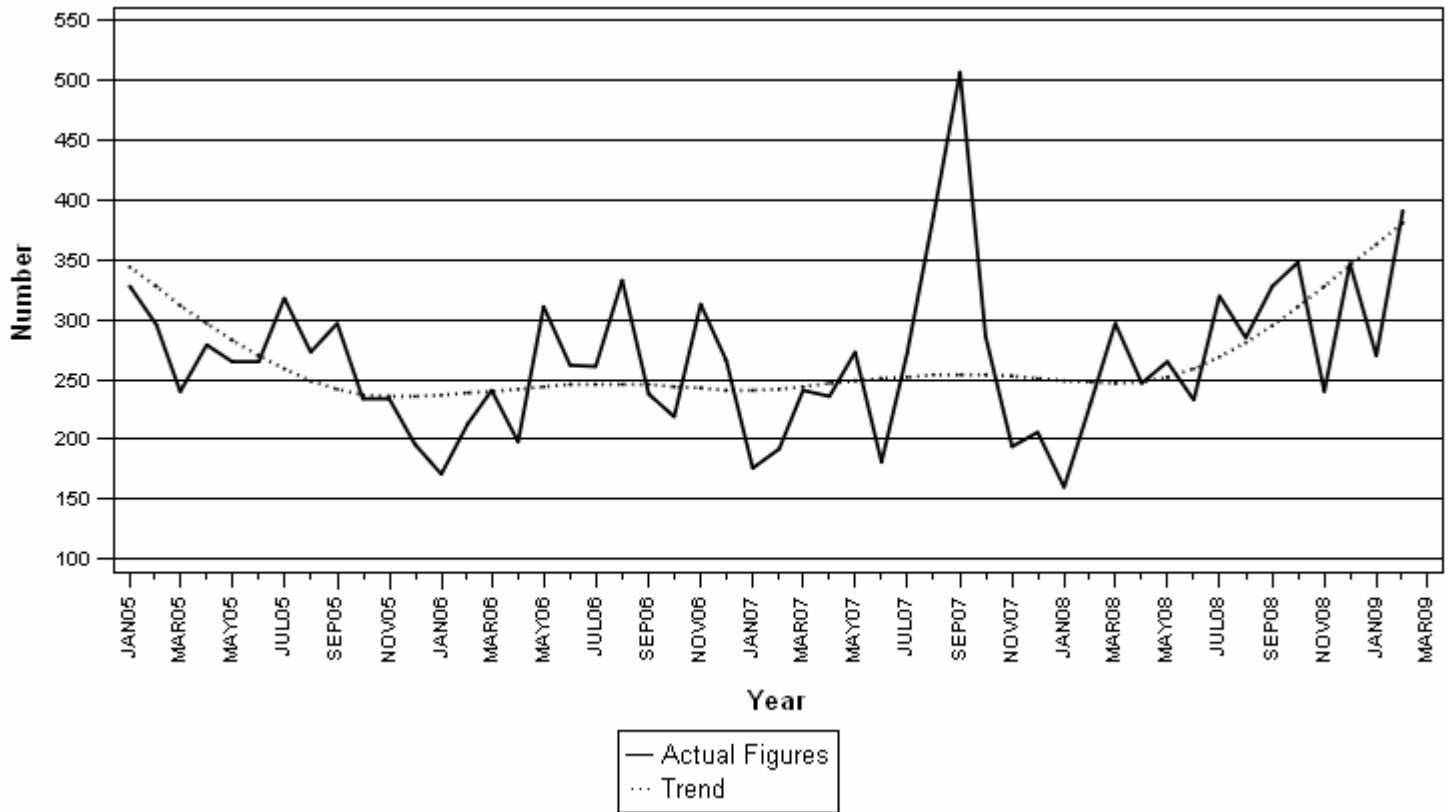


Figure 2 outlines the trend in the total number of liquidations from January 2005 to February 2009.

Figure 2 – Total number of liquidations



Key findings regarding insolvencies for January 2009

Total number of insolvencies increases

The total number of insolvencies recorded for the three months ended January 2009 increased by 9,4% (from 609 to 666) compared with the three months ended January 2008. The total number of insolvencies recorded for January 2009 increased by 38,8% (from 103 to 143) compared with January 2008 (see Table B and Tables 16 and 17).

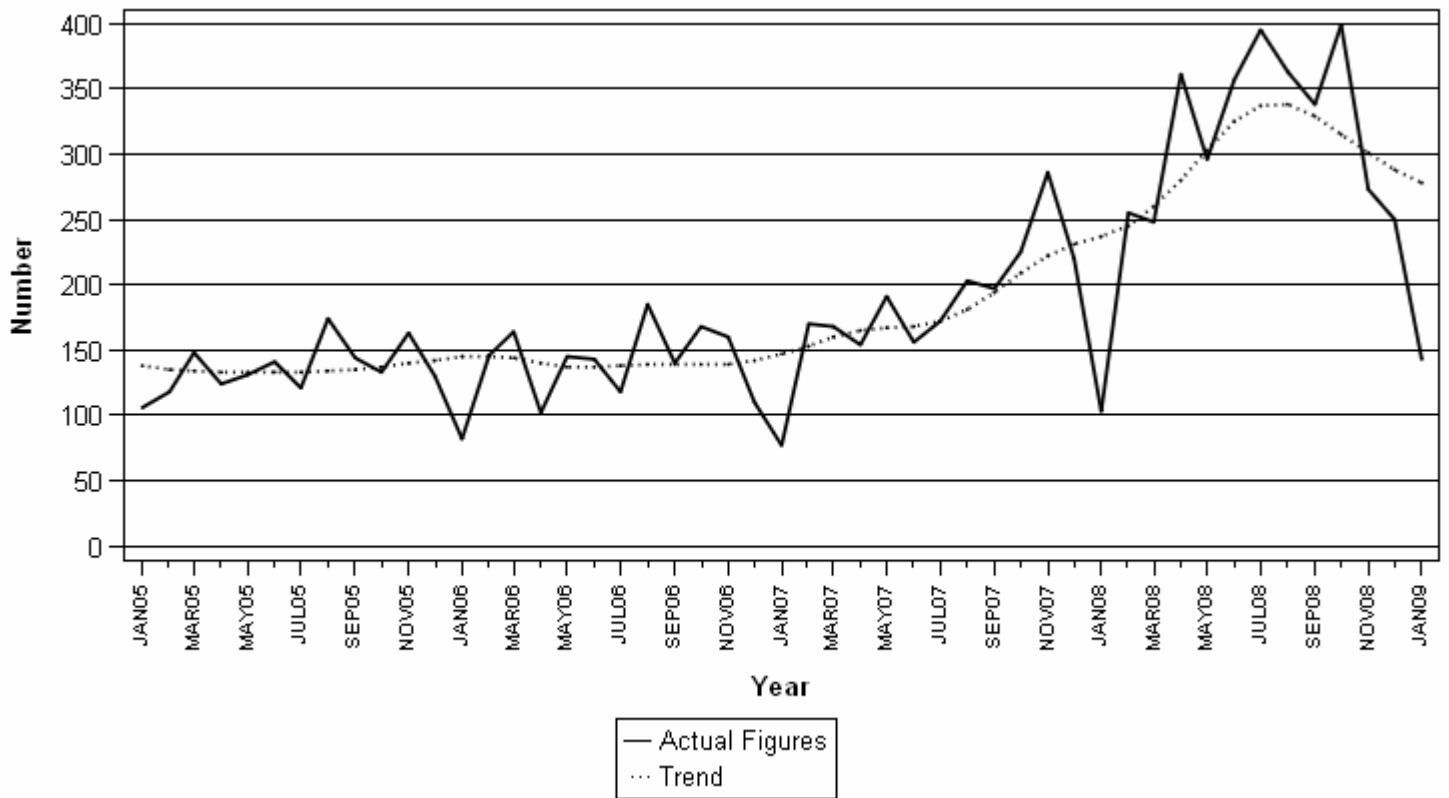
Table B – Selected key figures regarding insolvencies for January 2009

Actual estimates

Number of insolvencies January 2009	% change between January 2008 and January 2009	% change between November 2007 to January 2008 and November 2008 to January 2009
143	38,8	9,4

Figure 3 outlines the trend in the total number of insolvencies from January 2005 to January 2009.

Figure 3 – Total number of insolvencies



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Statistician-General

Detailed results: Tables

Table 1 – Total number of liquidations according to industry

Industry	January - February 2009			February 2008			January 2009			February 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	1	5	6	0	3	3	1	2	3	0	3	3
2.Mining and quarrying	0	3	3	0	1	1	0	0	0	0	3	3
3.Manufacturing	5	34	39	1	10	11	5	18	23	0	16	16
4.Electricity, gas and water	0	7	7	0	1	1	0	2	2	0	5	5
5.Construction	5	30	35	1	6	7	2	12	14	3	18	21
6.Wholesale and retail trade, catering and accommodation	38	170	208	7	63	70	22	69	91	16	101	117
7.Transport, storage, communication	4	9	13	0	8	8	3	6	9	1	3	4
8.Financing, insurance, real estate, business services	25	242	267	6	101	107	19	94	113	6	148	154
9.Community, social, personal services	2	81	83	0	22	22	2	13	15	0	68	68
Total number of liquidations	80	581	661	15	215	230	54	216	270	26	365	391

Table 2 – Number of liquidations of companies according to industry

Industry	January - February 2009			February 2008			January 2009			February 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	1	4	5	0	0	0	1	1	2	0	3	3
2.Mining and quarrying	0	1	1	0	1	1	0	0	0	0	1	1
3.Manufacturing	1	9	10	1	5	6	1	4	5	0	5	5
5.Construction	0	8	8	1	1	2	0	2	2	0	6	6
6.Wholesale and retail trade, catering and accommodation	19	79	98	7	22	29	8	28	36	11	51	62
7.Transport, storage, communication	0	5	5	0	2	2	0	2	2	0	3	3
8.Financing, insurance, real estate, business services	8	138	146	6	58	64	8	52	60	0	86	86
9.Community, social, personal services	0	70	70	0	13	13	0	7	7	0	63	63
Total number of liquidations	29	314	343	15	102	117	18	96	114	11	218	229

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

Industry	January - February 2009			February 2008			January 2009			February 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	1	1	0	3	3	0	1	1	0	0	0
2.Mining and quarrying	0	2	2	0	0	0	0	0	0	0	2	2
3.Manufacturing	4	25	29	0	5	5	4	14	18	0	11	11
4.Electricity, gas and water	0	7	7	0	1	1	0	2	2	0	5	5
5.Construction	5	22	27	0	5	5	2	10	12	3	12	15
6.Wholesale and retail trade, catering and accommodation	19	91	110	0	41	41	14	41	55	5	50	55
7.Transport, storage, communication	4	4	8	0	6	6	3	4	7	1	0	1
8.Financing, insurance, real estate, business services	17	104	121	0	43	43	11	42	53	6	62	68
9.Community, social, personal services	2	11	13	0	9	9	2	6	8	0	5	5
Total number of liquidations	51	267	318	0	113	113	36	120	156	15	147	162

C = Compulsory.

V= Voluntary.

Table 4 – Total number of liquidations: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	395	388	328	171	176	160	270
February	328	298	296	213	192	230	391
March	227	301	240	241	241	297	
April	359	244	279	198	236	247	
May	346	262	265	311	273	265	
June	345	301	265	262	181	233	
July	339	291	318	261	272	320	
August	406	260	273	333	387	285	
September	466	437	297	238	507	328	
October	351	253	234	219	286	348	
November	329	218	234	313	194	240	
December	195	257	196	266	206	347	
Year	4 086	3 510	3 225	3 026	3 151	3 300	661

Table 5 – Total number of compulsory liquidations: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	76	42	30	37	12	29	54
February	65	38	70	15	15	15	26
March	46	57	35	31	12	41	
April	63	32	18	9	32	22	
May	52	37	61	20	13	26	
June	74	63	25	50	9	17	
July	85	68	84	16	14	13	
August	120	39	69	46	111	26	
September	109	83	27	22	47	22	
October	70	43	40	20	39	48	
November	60	23	47	56	13	15	
December	37	39	18	53	9	2	
Year	857	564	524	375	326	276	80

Table 6 – Total number of voluntary liquidations: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	319	346	298	134	164	131	216
February	263	260	226	198	177	215	365
March	181	244	205	210	229	256	
April	296	212	261	189	204	225	
May	294	225	204	291	260	239	
June	271	238	240	212	172	216	
July	254	223	234	245	258	307	
August	286	221	204	287	276	259	
September	357	354	270	216	460	306	
October	281	210	194	199	247	300	
November	269	195	187	257	181	225	
December	158	218	178	213	197	345	
Year	3 229	2 946	2 701	2 651	2 825	3 024	581

Table 7 – Number of liquidations of companies: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	200	191	130	85	99	87	114
February	188	132	154	107	96	117	229
March	127	148	123	127	114	108	
April	151	119	176	100	143	104	
May	162	128	122	131	157	108	
June	178	136	132	140	104	100	
July	141	132	177	145	129	170	
August	202	114	124	143	243	98	
September	260	141	143	122	416	177	
October	235	126	115	132	175	165	
November	136	90	95	183	94	111	
December	130	75	113	167	127	228	
Year	2 110	1 532	1 604	1 582	1 897	1 573	343

Table 8 – Number of compulsory liquidations of companies: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	37	16	6	18	4	8	18
February	28	15	43	4	4	15	11
March	17	32	23	23	5	10	
April	17	6	13	5	19	8	
May	28	20	30	5	3	17	
June	31	16	7	35	2	6	
July	29	31	62	6	4	4	
August	69	11	21	11	89	6	
September	60	33	17	18	34	3	
October	42	22	22	13	26	34	
November	38	12	18	43	7	10	
December	27	9	13	37	8	1	
Year	423	223	275	218	205	122	29

Table 9 – Number of voluntary liquidations of companies: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	163	175	124	67	95	79	96
February	160	117	111	103	92	102	218
March	110	116	100	104	109	98	
April	134	113	163	95	124	96	
May	134	108	92	126	154	91	
June	147	120	125	105	102	94	
July	112	101	115	139	125	166	
August	133	103	103	132	154	92	
September	200	108	126	104	382	174	
October	193	104	93	119	149	131	
November	98	78	77	140	87	101	
December	103	66	100	130	119	227	
Year	1 687	1 309	1 329	1 364	1 692	1 451	314

Table 10 – Number of liquidations of close corporations: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	195	197	198	86	77	73	156
February	140	166	142	106	96	113	162
March	100	153	117	114	127	189	
April	208	125	103	98	93	143	
May	184	134	143	180	116	157	
June	167	165	133	122	77	133	
July	198	159	141	116	143	150	
August	204	146	149	190	144	187	
September	206	296	154	116	91	151	
October	116	127	119	87	111	183	
November	193	128	139	130	100	129	
December	65	182	83	99	79	119	
Year	1 976	1 978	1 621	1 444	1 254	1 727	318

Table 11 – Number of compulsory liquidations of close corporations: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	39	26	24	19	8	21	36
February	37	23	27	11	11	0	15
March	29	25	12	8	7	31	
April	46	26	5	4	13	14	
May	24	17	31	15	10	9	
June	43	47	18	15	7	11	
July	56	37	22	10	10	9	
August	51	28	48	35	22	20	
September	49	50	10	4	13	19	
October	28	21	18	7	13	14	
November	22	11	29	13	6	5	
December	10	30	5	16	1	1	
Year	434	341	249	157	121	154	51

Table 12 – Number of voluntary liquidations of close corporations: 2003 to 2009

Month	2003	2004	2005	2006	2007	2008	2009
January	156	171	174	67	69	52	120
February	103	143	115	95	85	113	147
March	71	128	105	106	120	158	
April	162	99	98	94	80	129	
May	160	117	112	165	106	148	
June	124	118	115	107	70	122	
July	142	122	119	106	133	141	
August	153	118	101	155	122	167	
September	157	246	144	112	78	132	
October	88	106	101	80	98	169	
November	171	117	110	117	94	124	
December	55	152	78	83	78	118	
Year	1 542	1 637	1 372	1 287	1 133	1 573	267

Table 13 – Total number of insolvencies of individuals and partnerships: 2003 to 2009

Month	2003	2004	2005	2006	2007	*2008	1/ 2009
January	135	144	106	82	77	103	143
February	135	143	118	146	*170	255	
March	221	247	148	164	168	248	
April	253	211	124	102	154	361	
May	170	153	131	145	191	296	
June	254	185	141	*143	156	357	
July	234	164	121	118	172	395	
August	255	154	174	185	*203	363	
September	286	182	144	140	197	338	
October	269	127	133	168	*225	399	
November	236	140	163	160	*286	273	
December	204	119	130	110	*220	250	
Year	2 652	1 969	1 633	1 663	2 219	3 638	143

1/ Preliminary.

* Revised.

Table 14 – Percentage change between February 2008 and February 2009 regarding the number of liquidations

Number of liquidations February 2008	Number of liquidations February 2009	% change between February 2008 and February 2009	Difference between February 2008 and February 2009
230	391	70,0	161

Table 15 – Percentage change between the first two months of 2008 and the first two months of 2009 regarding the number of liquidations

Number of liquidations January to February 2008	Number of liquidations January to February 2009	% change between January to February 2008 and January to February 2009	Difference between January to February 2008 and January to February 2009
390	661	69,5	271

Table 16 – Percentage change between January 2008 and January 2009 regarding the number of insolvencies

Number of insolvencies January 2008	Number of insolvencies January 2009	% change between January 2008 and January 2009	Difference between January 2008 and January 2009
103	143	38,8	40

Table 17 – Percentage change between the three months ended January 2008 and the three months ended January 2009 regarding the number of insolvencies

Number of insolvencies November 2007 to January 2008	Number of insolvencies November 2008 to January 2009	% change between November 2007 to January 2008 and November 2008 to January 2009	Difference between November 2007 to January 2008 and November 2008 to January 2009
609	666	9,4	57

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	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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