

# **Statistics of liquidations and insolvencies (preliminary) January 2006**

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**These figures are issued as preliminary**

**Table A - Key figures as at the end of January 2006 regarding liquidations**

Actual estimates	Number of liquidations January 2006	% change between January 2005 and January 2006	% change between August 2005 to October 2005 and November 2005 to January 2006
	171	-47,9	-25,2

**Key findings as at the end of January 2006 regarding liquidations**

**Total number of liquidations decreases**

*The total number of liquidations recorded for the three months ended January 2006 decreased by 25,2 % (from 804 to 601) compared with the previous three months. The total number of liquidations recorded for January 2006 decreased by 47,9% (from 328 to 171) compared with January 2005 ( see table A).*

The decrease of 25,2% in the total number of liquidations for the three months ended January 2006 compared with the previous three months was due to a decrease of 25,3% (from 668 to 499) in voluntary liquidations and 25,0% (from 136 to 102) in compulsory liquidations.

The decrease of 47,9% in the total number of liquidations for January 2006 compared with January 2005 was due to a decrease of 55,0% (from 298 to 134) in voluntary liquidations.

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

Actual estimates	Number of insolvencies 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
	100	-12,3	-9,1	-30,5

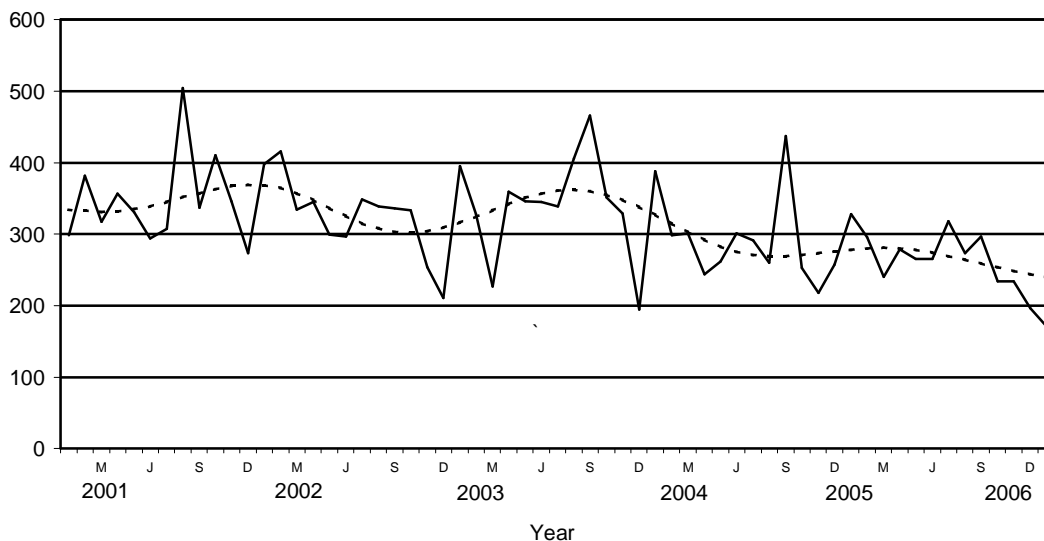
**Key findings as at the end of December 2005 regarding insolvencies**

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

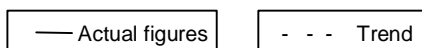
The total number of insolvencies recorded for the year 2005 decreased by 30,5% (from 1 903 to 1 322) compared with the year 2004. Furthermore, the total number of insolvencies recorded for the fourth quarter of 2005 decreased by 9,1 % (from 339 to 308) compared with the third quarter of 2005. The total number of insolvencies recorded for December 2005 decreased by 12,3% (from 114 to 100) compared with December 2004 ( see table B).

Figures 1 and 2 below outline the total number of liquidations and insolvencies from 2001 to 2006. 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.

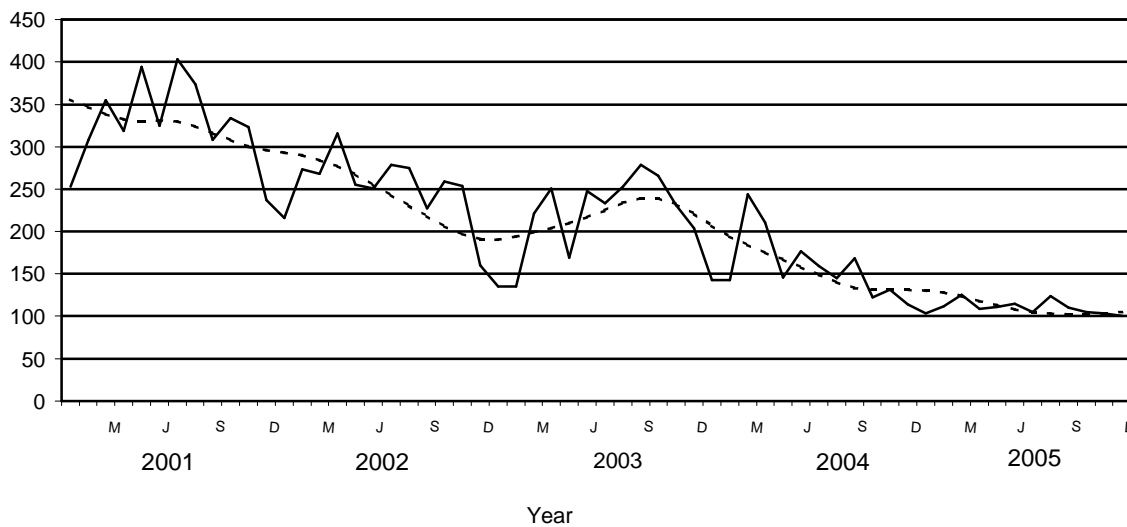
**Figure 1 – Total number of liquidations**



Source : Stats SA



**Figure 2 - Total number of insolvencies**



Source : Stats SA



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

February 2006                                      30 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	2006 Total			Jan 2005			Dec 2005			Jan 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	0	2	2	0	4	4	0	1	1	0	2	2
Mining and quarrying	0	0	0	0	2	2	0	3	3	0	0	0
Manufacturing	7	8	15	2	18	20	1	13	14	7	8	15
Electricity, gas and water	0	0	0	0	0	0	0	1	1	0	0	0
Construction	2	9	11	0	34	34	1	6	7	2	9	11
Wholesale and retail trade, catering and accommodation	13	34	47	14	102	116	8	46	54	13	34	47
Transport, storage and communication	1	6	7	4	10	14	0	1	1	1	6	7
Financing, insurance, real estate and business services	7	61	68	10	100	110	7	81	88	7	61	68
Community, social and personal services	7	14	21	0	28	28	1	26	27	7	14	21
Total number of liquidations	37	134	171	30	298	328	18	178	196	37	134	171

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

Industry	2006 Total			Jan 2005			Dec 2005			Jan 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	0	0	0	0	2	2	0	1	1	0	0	0
Mining and quarrying	0	0	0	0	2	2	0	3	3	0	0	0
Manufacturing	4	3	7	2	4	6	0	6	6	4	3	7
Electricity, gas and water	0	0	0	0	0	0	0	0	0	0	0	0
Construction	0	4	4	0	16	16	0	1	1	0	4	4
Wholesale and retail trade, catering and accommodation	3	19	22	2	34	36	5	30	35	3	19	22
Transport, storage and communication	1	1	2	0	2	2	0	0	0	1	1	2
Financing, insurance, real estate and business services	3	26	29	2	44	46	7	36	43	3	26	29
Community, social and personal services	7	14	21	0	20	20	1	23	24	7	14	21
Total number of liquidations	18	67	85	6	124	130	13	100	113	18	67	85

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

Industry	2006 Total			Jan 2005			Dec 2005			Jan 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	0	2	2	0	2	2	0	0	0	0	2	2
Mining and quarrying	0	0	0	0	0	0	0	0	0	0	0	0
Manufacturing	3	5	8	0	14	14	1	7	8	3	5	8
Electricity, gas and water	0	0	0	0	0	0	0	1	1	0	0	0
Construction	2	5	7	0	18	18	1	5	6	2	5	7
Wholesale and retail trade, catering and accommodation	10	15	25	12	68	80	3	16	19	10	15	25
Transport, storage and communication	0	5	5	4	8	12	0	1	1	0	5	5
Financing, insurance, real estate and business services	4	35	39	8	56	64	0	45	45	4	35	39
Community, social and personal services	0	0	0	0	8	8	0	3	3	0	0	0
Total number of liquidations	19	67	86	24	174	198	5	78	83	19	67	86

**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	
March	326	317	334	227	301	240	
April	273	357	345	359	244	279	
May	258	331	299	346	262	265	
June	383	294	297	345	301	265	
July	314	307	349	339	291	318	
August	511	504	339	406	260	273	
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	
<b>Year</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: 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	
March	172	68	68	46	57	35	
April	125	125	87	63	32	18	
May	57	81	60	52	37	61	
June	190	88	69	74	63	25	
July	77	81	69	85	68	84	
August	247	256	74	120	39	69	
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	
<b>Year</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: 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	
March	154	249	266	181	244	205	
April	148	232	258	296	212	261	
May	201	250	239	294	225	204	
June	193	206	228	271	238	240	
July	237	226	280	254	223	234	
August	264	248	265	286	221	204	
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	
<b>Year</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: 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	
March	241	132	183	127	148	123	
April	166	129	161	151	119	176	
May	130	156	117	162	128	122	
June	173	129	145	178	136	132	
July	89	144	183	141	132	177	
August	152	149	173	202	114	124	
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	
<b>Year</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: 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	
March	147	28	32	17	32	23	
April	87	27	53	17	6	13	
May	40	41	12	28	20	30	
June	100	53	29	31	16	7	
July	32	41	33	29	31	62	
August	48	38	17	69	11	21	
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	
<b>Year</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: 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	
March	94	104	151	110	116	100	
April	79	102	108	134	113	163	
May	90	115	105	134	108	92	
June	73	76	116	147	120	125	
July	57	103	150	112	101	115	
August	104	111	156	133	103	103	
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	
<b>Year</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: 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	
March	85	185	151	100	153	117	
April	107	228	184	208	125	103	
May	128	175	182	184	134	143	
June	210	165	152	167	165	133	
July	225	163	166	198	159	141	
August	359	355	166	204	146	149	
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	
<b>Year</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: 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	
March	25	40	36	29	25	12	
April	38	98	34	46	26	5	
May	17	40	48	24	17	31	
June	90	35	40	43	47	18	
July	45	40	36	56	37	22	
August	199	218	57	51	28	48	
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	
<b>Year</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: 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	
March	60	145	115	71	128	105	
April	69	130	150	162	99	98	
May	111	135	134	160	117	112	
June	120	130	112	124	118	115	
July	180	123	130	142	122	119	
August	160	137	109	153	118	101	
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	
<b>Year</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	269	221	244	125
April	475	403	319	317	251	211	109
May	547	413	394	255	169	146	111
June	703	412	325	251	248	177	115
July	471	384	403	279	233	159	105
August	604	499	374	275	253	145	124
September	480	317	308	227	280	168	110
October	525	388	334	259	267	122	105
November	567	420	323	254	231	131	103
December	272	326	238	160	204	114	100
<b>Year</b>	<b>6 015</b>	<b>4 689</b>	<b>3 934</b>	<b>3 035</b>	<b>2 627</b>	<b>1 903</b>	<b>1 322</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 January 2005	Number of liquidations January 2006	% change between January 2005 and January 2006	Difference between January 2005 and January 2006
	328	171	-47,9	-157

**Table 15 – Percentage change between the three months ended January 2006 and the previous three months regarding the number of liquidations**

Actual estimates	Number of liquidations August 2005 to October 2005	Number of liquidations November 2005 to January 2006	% change between August 2005 to October 2005 and November 2005 to January 2006	Difference between August 2005 to October 2005 and November 2005 to January 2006
	804	601	-25,2	-203

**Table 16 – Percentage change between December 2005 and the corresponding month of the previous year regarding the number of insolvencies**

Actual estimates	Number of insolvencies December 2004	Number of insolvencies December 2005	% change between December 2004 and December 2005	Difference between December 2004 and December 2005
	114	100	-12,3	-14

**Table 17 - Percentage change between the fourth quarter of 2005 and the third quarter of 2005 regarding the number of insolvencies**

Actual estimates	Number of insolvencies July 2005 to September 2005	Number of insolvencies 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
	339	308	-9,1	-31

**Table 18 – Percentage change between 2004 and 2005 regarding the number of insolvencies**

Actual estimates	Number of insolvencies January 2004 to December 2004	Number of insolvencies 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
	1 903	1 322	-30,5	-581

## 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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