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# Statistical release

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## **Statistics of liquidations and insolvencies (Preliminary)**

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### **Enquiries**

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## SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES (JANUARY 2008)

### Key findings regarding liquidations for January 2008

#### Total number of liquidations decreases

The total number of liquidations recorded for the three months ended January 2008 decreased by 25,8% (from 755 to 560) when compared with the three months ended January 2007. Furthermore, the total number of liquidations recorded for January 2008 decreased by 9,1% (from 176 to 160) compared with January 2007 (see Tables A, 14 and 15).

The decrease of 25,8% in the total number of liquidations was due to a decrease of 57,9% in compulsory liquidations (from 121 to 51) and a decrease of 19,7% in voluntary liquidations (from 634 to 509).

### Key figures regarding liquidations for January 2008

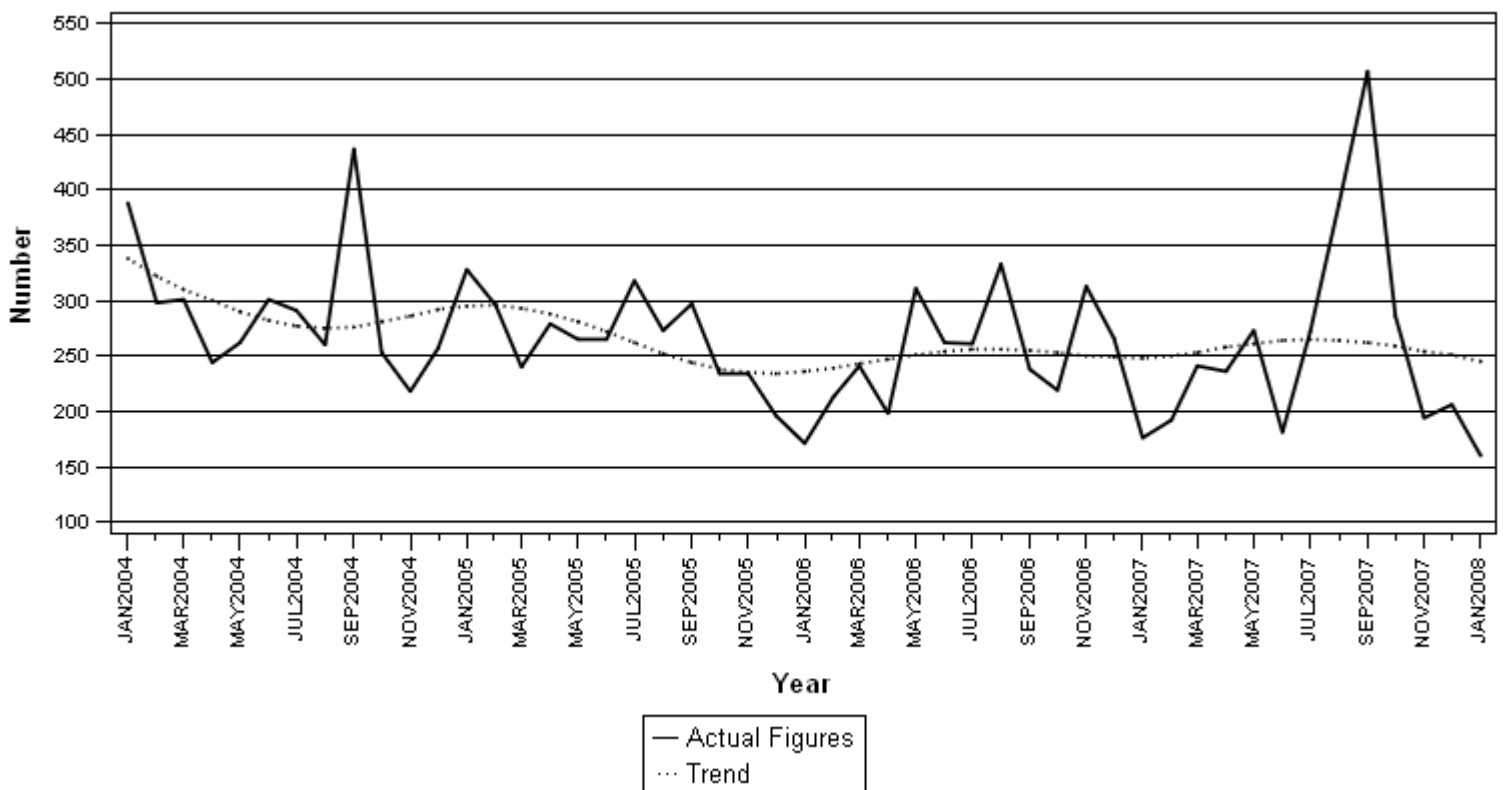
Table A – Selected key figures regarding liquidations for January 2008

#### Actual estimates

Number of liquidations January 2008	% change between January 2007 and January 2008	% change between November 2006 to January 2007 and November 2007 to January 2008
160	-9,1	-25,8

Figure 1 shows that the trend for the total number of liquidations decreased in general during 2004 and 2005 and showed little direction during 2006 and 2007.

Figure 1 – Total number of liquidations



## Key findings regarding insolvencies for 2007

### Total number of insolvencies stabilises between 2006 and 2007

The total number of insolvencies recorded for 2007 increased slightly by 0,3% (from 1 618 to 1 623) compared with 2006. Furthermore, the total number of insolvencies recorded for December 2007 increased by 13,2% (from 106 to 120) when compared with December 2006 (see Tables B, 16 and 17).

### Key figures regarding insolvencies for December 2007

**Table B – Selected key figures regarding insolvencies for December 2007**

**Actual estimates**

Number of insolvencies December 2007	% change between December 2006 and December 2007	% change between January 2006 to December 2006 and January 2007 to December 2007
120	13,2	0,3

Figure 2 below shows the annual percentage change in the number of insolvencies for each year and covers the period from 2002 to 2007. The number of insolvencies increased by 0,3% in 2007, the first annual percentage increase during this period.

**Figure 2 – Annual percentage change in the number of insolvencies from 2002 to 2007**

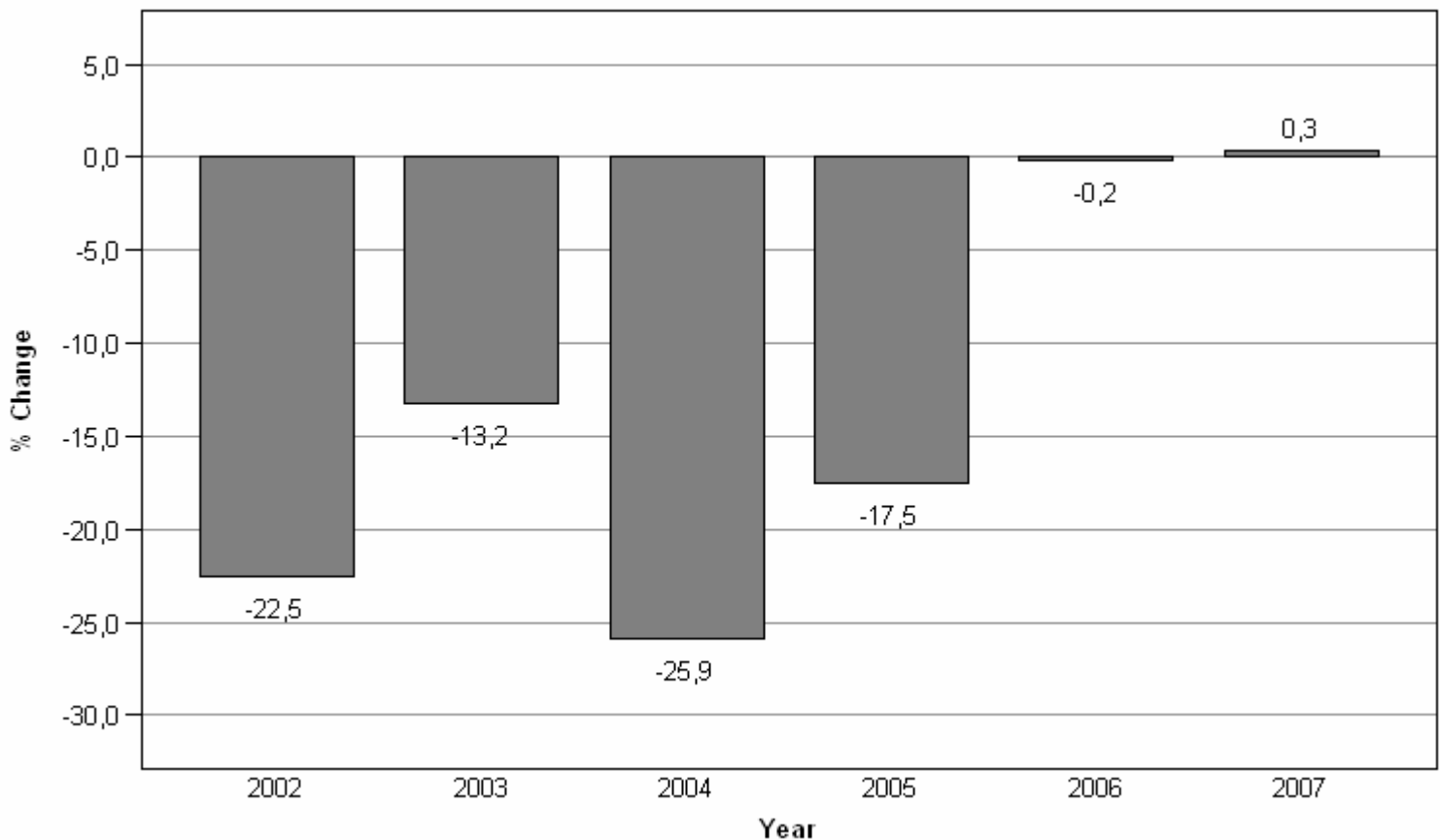
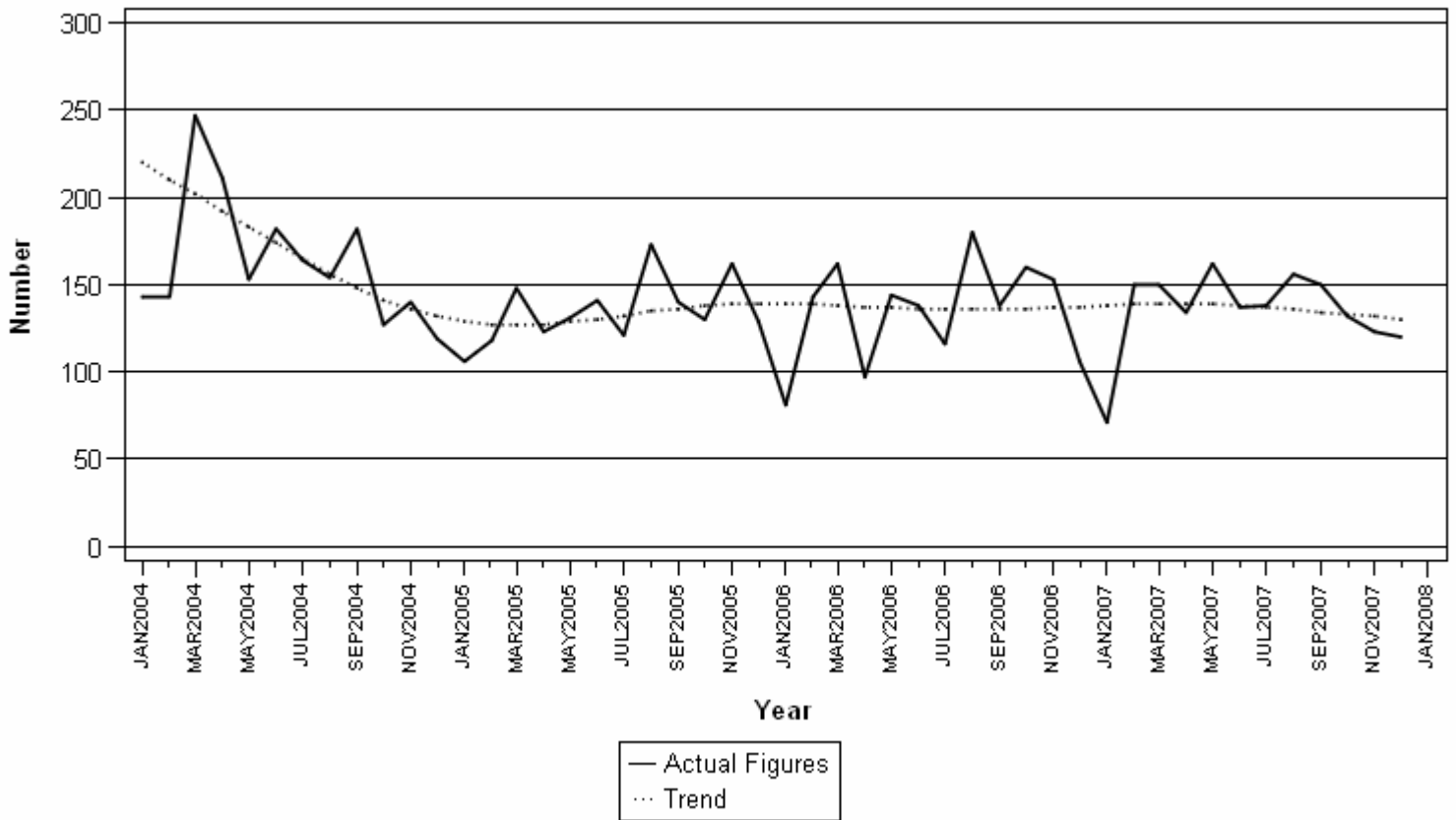


Figure 3 shows that the trend for the total number of insolvencies decreased during 2004 and early 2005. During 2006 and 2007 the trend was relatively stable.

**Figure 3 – Total number of insolvencies**



**P J Lehohla**  
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**Detailed results: Tables**

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

Industry	Total 2008			January 2007			December 2007			January 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry & fishing	0	0	0	0	1	1	0	2	2	0	0	0
2.Mining & quarrying	0	0	0	0	0	0	0	4	4	0	0	0
3.Manufacturing	5	17	22	1	4	5	1	12	13	5	17	22
4.Electricity, gas & water	0	2	2	0	0	0	0	1	1	0	2	2
5.Construction	2	3	5	1	14	15	0	7	7	2	3	5
6.Wholesale and retail trade, catering & accommodation	10	42	52	5	56	61	1	73	74	10	42	52
7.Transport, storage, communication	2	2	4	2	0	2	0	4	4	2	2	4
8.Financing, insurance, real estate, business services	10	52	62	2	65	67	5	80	85	10	52	62
9.Community, social, personal services	0	13	13	1	24	25	2	14	16	0	13	13
<b>Total number of liquidations</b>	<b>29</b>	<b>131</b>	<b>160</b>	<b>12</b>	<b>164</b>	<b>176</b>	<b>9</b>	<b>197</b>	<b>206</b>	<b>29</b>	<b>131</b>	<b>160</b>

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

Industry	Total 2008			January 2007			December 2007			January 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry & fishing	0	0	0	0	0	0	0	2	2	0	0	0
2.Mining & quarrying	0	0	0	0	0	0	0	4	4	0	0	0
3.Manufacturing	1	10	11	0	1	1	1	9	10	1	10	11
4.Electricity, gas & water	0	1	1	0	0	0	0	1	1	0	1	1
5.Construction	1	2	3	0	8	8	0	2	2	1	2	3
6.Wholesale and retail trade, catering & accommodation	3	26	29	1	25	26	1	39	40	3	26	29
7.Transport, storage, communication	0	1	1	2	0	2	0	3	3	0	1	1
8.Financing, insurance, real estate, business services	3	29	32	0	41	41	5	47	52	3	29	32
9.Community, social, personal services	0	10	10	1	20	21	1	12	13	0	10	10
<b>Total number of liquidations</b>	<b>8</b>	<b>79</b>	<b>87</b>	<b>4</b>	<b>95</b>	<b>99</b>	<b>8</b>	<b>119</b>	<b>127</b>	<b>8</b>	<b>79</b>	<b>87</b>

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

Industry	Total 2008			January 2007			December 2007			January 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry & fishing	0	0	0	0	1	1	0	0	0	0	0	0
3.Manufacturing	4	7	11	1	3	4	0	3	3	4	7	11
4.Electricity, gas & water	0	1	1	0	0	0	0	0	0	0	1	1
5.Construction	1	1	2	1	6	7	0	5	5	1	1	2
6.Wholesale and retail trade, catering & accommodation	7	16	23	4	31	35	0	34	34	7	16	23
7.Transport, storage, communication	2	1	3	0	0	0	0	1	1	2	1	3
8.Financing, insurance, real estate, business services	7	23	30	2	24	26	0	33	33	7	23	30
9.Community, social, personal services	0	3	3	0	4	4	1	2	3	0	3	3
<b>Total number of liquidations</b>	<b>21</b>	<b>52</b>	<b>73</b>	<b>8</b>	<b>69</b>	<b>77</b>	<b>1</b>	<b>78</b>	<b>79</b>	<b>21</b>	<b>52</b>	<b>73</b>

C = Compulsory.

V= Voluntary.

**Table 4 – Total number of liquidations: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	398	395	388	328	171	176	160
February	416	328	298	296	213	192	
March	334	227	301	240	241	241	
April	345	359	244	279	198	236	
May	299	346	262	265	311	273	
June	297	345	301	265	262	181	
July	349	339	291	318	261	272	
August	339	406	260	273	333	387	
September	336	466	437	297	238	507	
October	333	351	253	234	219	286	
November	254	329	218	234	313	194	
December	211	195	257	196	266	206	
<b>Year</b>	<b>3 911</b>	<b>4 086</b>	<b>3 510</b>	<b>3 225</b>	<b>3 026</b>	<b>3 151</b>	<b>160</b>

**Table 5 – Total number of compulsory liquidations: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	78	76	42	30	37	12	29
February	87	65	38	70	15	15	
March	68	46	57	35	31	12	
April	87	63	32	18	9	32	
May	60	52	37	61	20	13	
June	69	74	63	25	50	9	
July	69	85	68	84	16	14	
August	74	120	39	69	46	111	
September	70	109	83	27	22	47	
October	54	70	43	40	20	39	
November	64	60	23	47	56	13	
December	45	37	39	18	53	9	
<b>Year</b>	<b>825</b>	<b>857</b>	<b>564</b>	<b>524</b>	<b>375</b>	<b>326</b>	<b>29</b>

**Table 6 – Total number of voluntary liquidations: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	320	319	346	298	134	164	131
February	329	263	260	226	198	177	
March	266	181	244	205	210	229	
April	258	296	212	261	189	204	
May	239	294	225	204	291	260	
June	228	271	238	240	212	172	
July	280	254	223	234	245	258	
August	265	286	221	204	287	276	
September	266	357	354	270	216	460	
October	279	281	210	194	199	247	
November	190	269	195	187	257	181	
December	166	158	218	178	213	197	
<b>Year</b>	<b>3 086</b>	<b>3 229</b>	<b>2 946</b>	<b>2 701</b>	<b>2 651</b>	<b>2 825</b>	<b>131</b>

**Table 7 – Number of liquidations of companies: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	130	200	191	130	85	99	87
February	212	188	132	154	107	96	
March	183	127	148	123	127	114	
April	161	151	119	176	100	143	
May	117	162	128	122	131	157	
June	145	178	136	132	140	104	
July	183	141	132	177	145	129	
August	173	202	114	124	143	243	
September	164	260	141	143	122	416	
October	118	235	126	115	132	175	
November	106	136	90	95	183	94	
December	166	130	75	113	167	127	
Year	1 858	2 110	1 532	1 604	1 582	1 897	87

**Table 8 – Number of compulsory liquidations of companies: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	19	37	16	6	18	4	8
February	46	28	15	43	4	4	
March	32	17	32	23	23	5	
April	53	17	6	13	5	19	
May	12	28	20	30	5	3	
June	29	31	16	7	35	2	
July	33	29	31	62	6	4	
August	17	69	11	21	11	89	
September	22	60	33	17	18	34	
October	22	42	22	22	13	26	
November	25	38	12	18	43	7	
December	29	27	9	13	37	8	
Year	339	423	223	275	218	205	8

**Table 9 – Number of voluntary liquidations of companies: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	111	163	175	124	67	95	79
February	166	160	117	111	103	92	
March	151	110	116	100	104	109	
April	108	134	113	163	95	124	
May	105	134	108	92	126	154	
June	116	147	120	125	105	102	
July	150	112	101	115	139	125	
August	156	133	103	103	132	154	
September	142	200	108	126	104	382	
October	96	193	104	93	119	149	
November	81	98	78	77	140	87	
December	137	103	66	100	130	119	
Year	1 519	1 687	1 309	1 329	1 364	1 692	79



**Table 10 – Number of liquidations of close corporations: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	268	195	197	198	86	77	73
February	204	140	166	142	106	96	
March	151	100	153	117	114	127	
April	184	208	125	103	98	93	
May	182	184	134	143	180	116	
June	152	167	165	133	122	77	
July	166	198	159	141	116	143	
August	166	204	146	149	190	144	
September	172	206	296	154	116	91	
October	215	116	127	119	87	111	
November	148	193	128	139	130	100	
December	45	65	182	83	99	79	
Year	2 053	1 976	1 978	1 621	1 444	1 254	73

**Table 11 – Number of compulsory liquidations of close corporations: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	59	39	26	24	19	8	21
February	41	37	23	27	11	11	
March	36	29	25	12	8	7	
April	34	46	26	5	4	13	
May	48	24	17	31	15	10	
June	40	43	47	18	15	7	
July	36	56	37	22	10	10	
August	57	51	28	48	35	22	
September	48	49	50	10	4	13	
October	32	28	21	18	7	13	
November	39	22	11	29	13	6	
December	16	10	30	5	16	1	
Year	486	434	341	249	157	121	21

**Table 12 – Number of voluntary liquidations of close corporations: 2002 to 2008**

Month	2002	2003	2004	2005	2006	2007	2008
January	209	156	171	174	67	69	52
February	163	103	143	115	95	85	
March	115	71	128	105	106	120	
April	150	162	99	98	94	80	
May	134	160	117	112	165	106	
June	112	124	118	115	107	70	
July	130	142	122	119	106	133	
August	109	153	118	101	155	122	
September	124	157	246	144	112	78	
October	183	88	106	101	80	98	
November	109	171	117	110	117	94	
December	29	55	152	78	83	78	
Year	1 567	1 542	1 637	1 372	1 287	1 133	52

**Table 13 – Total number of insolvencies of individuals and partnerships: 2001 to 2007**

Month	2001	2002	2003	2004	2005	2006	1/ 2007
January	254	216	135	143	106	81	71
February	308	277	135	143	118	143	150
March	356	269	221	247	148	162	150
April	319	318	253	211	123	97	134
May	394	256	170	153	131	144	162
June	325	252	254	182	141	138	137
July	404	282	234	164	121	116	138
August	374	277	255	154	173	180	156
September	308	229	286	182	140	138	150
October	334	261	268	127	130	160	132
November	323	255	236	140	162	* 153	123
December	238	161	204	119	129	106	120
Year	3 937	3 053	2 651	1 965	1 622	1 618	1 623

1/ Preliminary.

\* Revised.

**Table 14 – Percentage change between January 2008 and the corresponding month of the previous year regarding the number of liquidations**

Number of liquidations January 2007	Number of liquidations January 2008	% change between January 2007 and January 2008	Difference between January 2007 and January 2008
176	160	-9,1	-16

**Table 15 – Percentage change between the three months ended January 2008 and the three months ended January 2007 regarding the number of liquidations**

Number of liquidations November 2006 to January 2007	Number of liquidations November 2007 to January 2008	% change between November 2006 to January 2007 and November 2007 to January 2008	Difference between November 2006 to January 2007 and November 2007 to January 2008
755	560	-25,8	-195

**Table 16 – Percentage change between December 2007 and the corresponding month of the previous year regarding the number of insolvencies**

Number of insolvencies December 2006	Number of insolvencies December 2007	% change between December 2006 and December 2007	Difference between December 2006 and December 2007
106	120	13,2	14

**Table 17 – Percentage change between 2006 and 2007 regarding the number of insolvencies**

Number of insolvencies January 2006 to December 2006	Number of insolvencies January 2007 to December 2007	% change between January 2006 to December 2006 and January 2007 to December 2007	Difference between January 2006 to December 2006 and January 2007 to December 2007
1 618	1 623	0,3	5

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## 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
- 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 -
- *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      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 wind-up by order of the court.
<b>Insolvency</b>	Insolvencies refer 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>	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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