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# Statistical release

**P0043**

## Statistics of liquidations and insolvencies (Preliminary)

**January 2009**

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

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User Information Services

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### **Forthcoming issue | Expected release date**

February 2009

23 March 2009

Statistics South Africa • Mbalo-mbalo ya Afrika Tshipembe • Vuhlayisatinhlayo bya Afrika-Dzonga • Dipalopalo tsa Aforika Borwa • Ezezibalo zaseNingizimu Afrika  
Dipalopalo tša Afrika Borwa • Dipalopalo tsa Afrika Borwa • Ubalo lwaseMzantsi Afrika • Telubalo eNingizimu Afrika • iNanimbalo leSewula Afrika • Statistiek Suid-Afrika

<b>Contents</b>	<b>Page</b>
<b>SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES .....</b>	<b>2</b>
<b>Detailed results: Tables .....</b>	<b>5</b>
Table 1 – Total number of liquidations according to industry.....	5
Table 2 – Number of liquidations of companies according to industry .....	5
Table 3 – Number of liquidations of close corporations according to industry .....	5
Table 4 – Total number of liquidations: 2003 to 2009.....	6
Table 5 – Total number of compulsory liquidations: 2003 to 2009.....	6
Table 6 – Total number of voluntary liquidations: 2003 to 2009 .....	6
Table 7 – Number of liquidations of companies: 2003 to 2009 .....	7
Table 8 – Number of compulsory liquidations of companies: 2003 to 2009 .....	7
Table 9 – Number of voluntary liquidations of companies: 2003 to 2009.....	7
Table 10 – Number of liquidations of close corporations: 2003 to 2009 .....	8
Table 11 – Number of compulsory liquidations of close corporations: 2003 to 2009 .....	8
Table 12 – Number of voluntary liquidations of close corporations: 2003 to 2009 .....	8
Table 13 – Total number of insolvencies of individuals and partnerships: 2002 to 2008 .....	9
Table 14 – Percentage change between January 2008 and January 2009 regarding the number of liquidations.....	9
Table 15 – Percentage change between the three months ended January 2008 and the three months ended January 2009 regarding the number of liquidations .....	9
Table 16 – Percentage change between December 2007 and December 2008 regarding the number of insolvencies.....	9
Table 17 – Percentage change between 2007 and 2008 regarding the number of insolvencies .....	9
<b>Explanatory notes .....</b>	<b>10</b>
<b>Glossary.....</b>	<b>10</b>
<b>General information .....</b>	<b>11</b>

## SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES

### Key findings regarding liquidations for January 2009

#### Total number of liquidations increases

The total number of liquidations recorded for the three months ended January 2009 increased by 53,0% (from 560 to 857) compared with the three months ended January 2008. The total number of liquidations recorded for January 2009 increased by 68,8% (from 160 to 270) compared with January 2008 (see Table A and Tables 14 and 15).

The 53,0% increase in the total number of liquidations for the three months ended January 2009 was largely due to an increase of 54,4% in voluntary liquidations (from 509 to 786) and 39,2% in compulsory liquidations (from 51 to 71). When comparing January 2008 and January 2009, there were increases of 113,7% in close corporations liquidations and 31,0% in company liquidations.

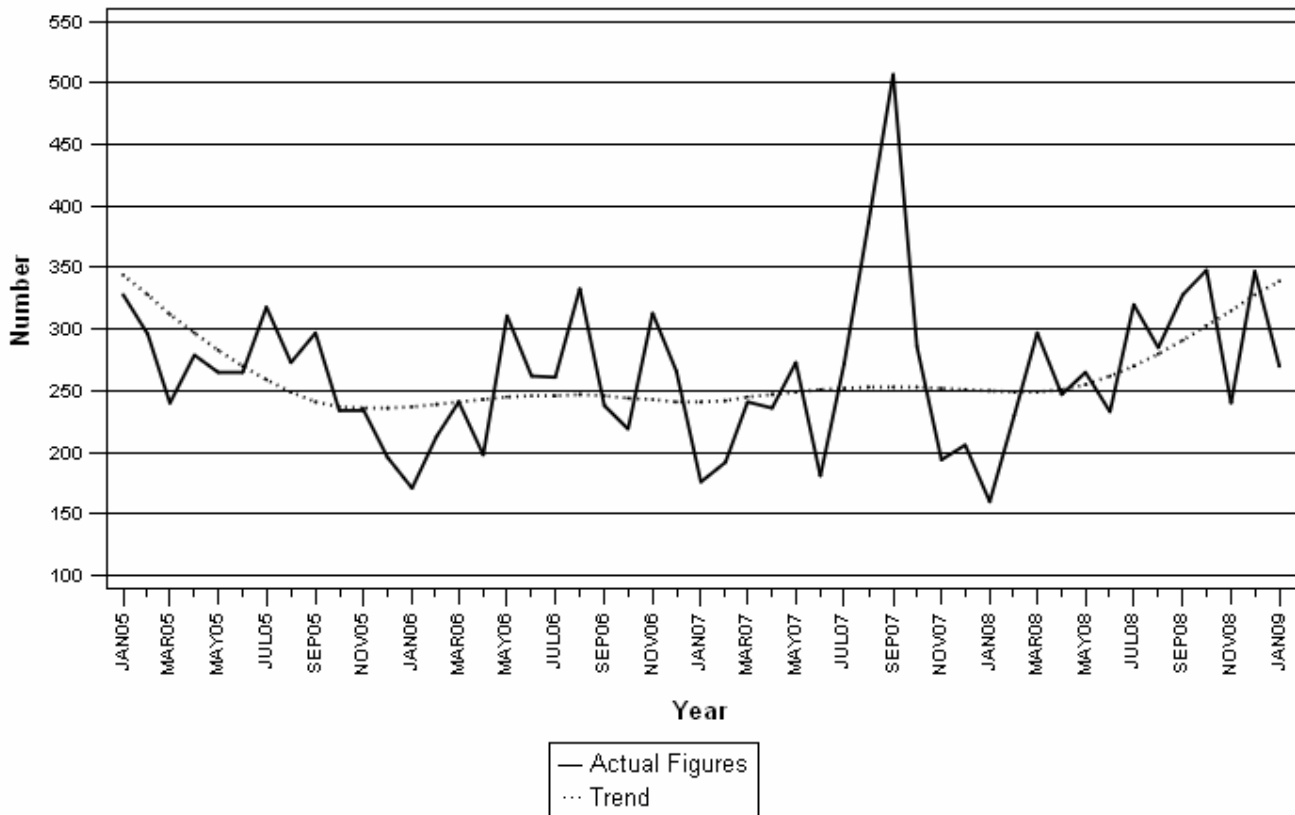
**Table A – Selected key figures regarding liquidations for January 2009**

#### Actual estimates

Number of liquidations January 2009	% change between January 2008 and January 2009	% change between November 2007 to January 2008 and November 2008 to January 2009
270	68,8	53,0

Figure 1 outlines the trend in the total number of liquidations from January 2005 to January 2009.

**Figure 1 – Total number of liquidations**



## Key findings regarding insolvencies for December 2008

### Total number of insolvencies continues to increase

The total number of insolvencies recorded in 2008 increased by 58,3% (from 2 211 to 3 501) compared with 2007. The total number of insolvencies recorded for December 2008 increased by 15,2% (from 217 to 250) compared with December 2007 (see Table B and Tables 16 and 17).

**Table B – Selected key figures regarding insolvencies for December 2008**

#### Actual estimates

Number of insolvencies December 2008	% change between December 2007 and December 2008	% change between January to December 2007 and January to December 2008
250	15,2	58,3

Figure 2 below shows the annual percentage change in the number of insolvencies for each year and covers the period 2002 – 2008. The number of insolvencies increased by 58,3% in 2008, which was the third consecutive increase recorded for this period since 2002.

**Figure 2 – Annual percentage change for the number of insolvencies from 2002 to 2008**

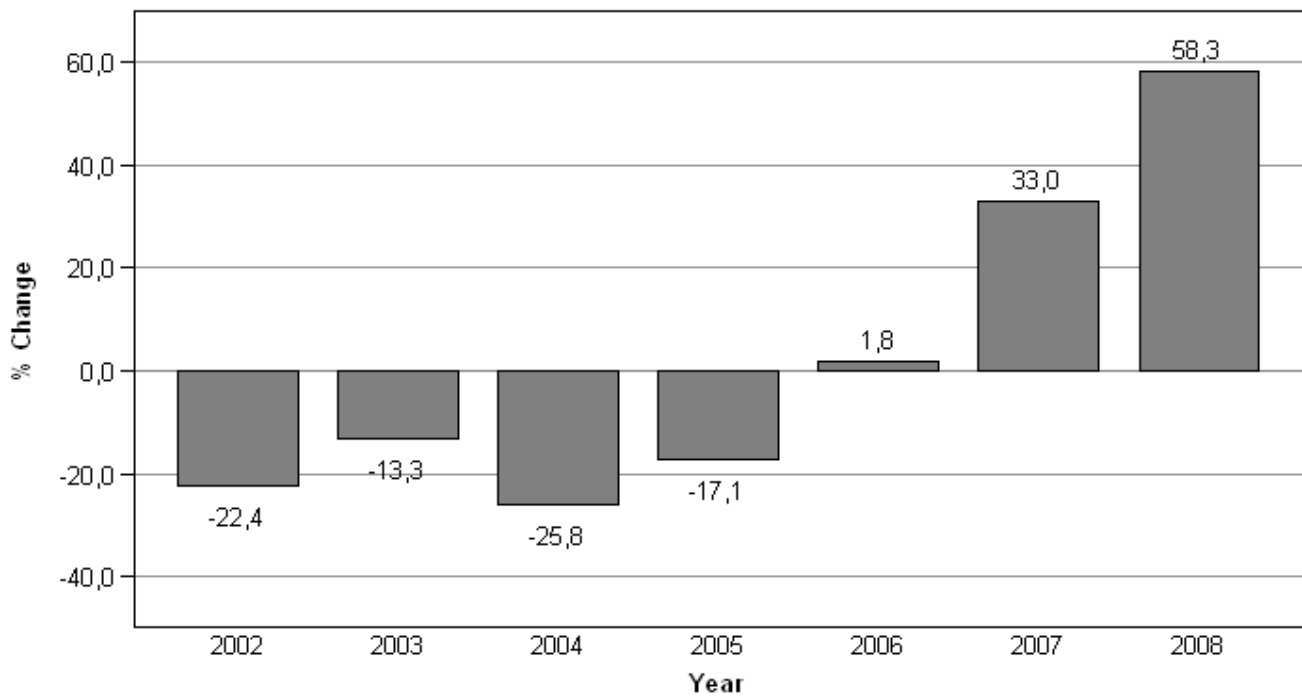
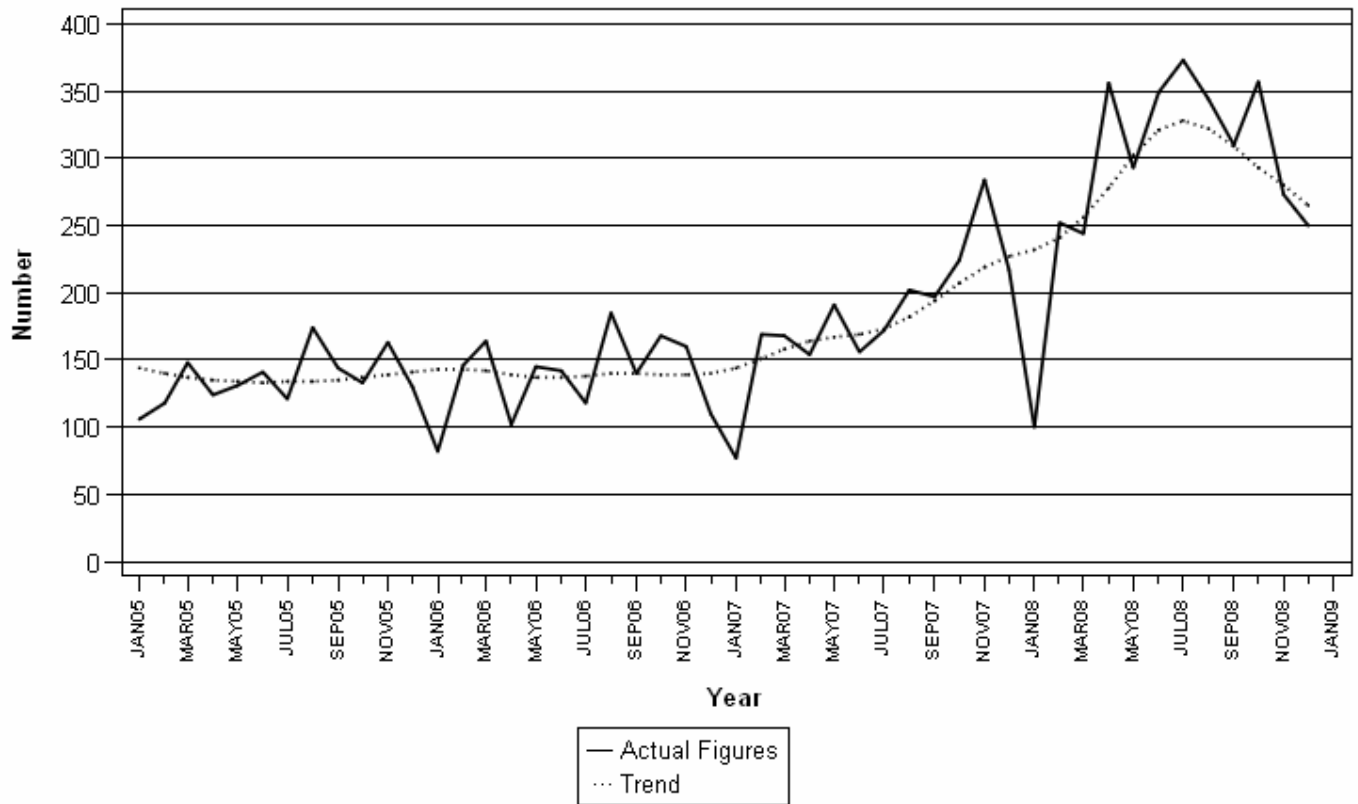


Figure 3 outlines the trend in the total number of insolvencies from January 2005 to December 2008.

**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	Total 2008			January 2008			December 2008			January 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	6	32	38	0	0	0	0	1	1	1	2	3
2.Mining and quarrying	4	66	70	0	0	0	0	1	1	0	0	0
3.Manufacturing	26	176	202	5	17	22	0	13	13	5	18	23
4.Electricity, gas and water	2	12	14	0	2	2	0	2	2	0	2	2
5.Construction	19	152	171	2	3	5	0	12	12	2	12	14
6.Wholesale and retail trade, catering and accommodation	96	892	988	10	42	52	0	65	65	22	69	91
7.Transport, storage, communication	9	117	126	2	2	4	0	4	4	3	6	9
8.Financing, insurance, real estate, business services	87	1 341	1 428	10	52	62	2	220	222	19	94	113
9.Community, social, personal services	27	236	263	0	13	13	0	27	27	2	13	15
<b>Total number of liquidations</b>	<b>276</b>	<b>3 024</b>	<b>3 300</b>	<b>29</b>	<b>131</b>	<b>160</b>	<b>2</b>	<b>345</b>	<b>347</b>	<b>54</b>	<b>216</b>	<b>270</b>

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

Industry	Total 2008			January 2008			December 2008			January 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	4	12	16	0	0	0	0	1	1	1	1	2
2.Mining and quarrying	4	66	70	0	0	0	0	1	1	0	0	0
3.Manufacturing	13	78	91	1	10	11	0	5	5	1	4	5
4.Electricity, gas and water	0	3	3	0	1	1	0	0	0	0	0	0
5.Construction	8	23	31	1	2	3	0	2	2	0	2	2
6.Wholesale and retail trade, catering and accommodation	32	325	357	3	26	29	0	12	12	8	28	36
7.Transport, storage, communication	2	34	36	0	1	1	0	1	1	0	2	2
8.Financing, insurance, real estate, business services	38	761	799	3	29	32	1	184	185	8	52	60
9.Community, social, personal services	21	149	170	0	10	10	0	21	21	0	7	7
<b>Total number of liquidations</b>	<b>122</b>	<b>1 451</b>	<b>1 573</b>	<b>8</b>	<b>79</b>	<b>87</b>	<b>1</b>	<b>227</b>	<b>228</b>	<b>18</b>	<b>96</b>	<b>114</b>

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

Industry	Total 2008			January 2008			December 2008			January 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	2	20	22	0	0	0	0	0	0	0	1	1
2.Mining and quarrying	0	0	0	0	0	0	0	0	0	0	0	0
3.Manufacturing	13	98	111	4	7	11	0	8	8	4	14	18
4.Electricity, gas and water	2	9	11	0	1	1	0	2	2	0	2	2
5.Construction	11	129	140	1	1	2	0	10	10	2	10	12
6.Wholesale and retail trade, catering and accommodation	64	567	631	7	16	23	0	53	53	14	41	55
7.Transport, storage, communication	7	83	90	2	1	3	0	3	3	3	4	7
8.Financing, insurance, real estate, business services	49	580	629	7	23	30	1	36	37	11	42	53
9.Community, social, personal services	6	87	93	0	3	3	0	6	6	2	6	8
<b>Total number of liquidations</b>	<b>154</b>	<b>1 573</b>	<b>1 727</b>	<b>21</b>	<b>52</b>	<b>73</b>	<b>1</b>	<b>118</b>	<b>119</b>	<b>36</b>	<b>120</b>	<b>156</b>

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	
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	
<b>Year</b>	<b>4 086</b>	<b>3 510</b>	<b>3 225</b>	<b>3 026</b>	<b>3 151</b>	<b>3 300</b>	<b>270</b>

**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	
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	
<b>Year</b>	<b>857</b>	<b>564</b>	<b>524</b>	<b>375</b>	<b>326</b>	<b>276</b>	<b>54</b>

**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	
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	
<b>Year</b>	<b>3 229</b>	<b>2 946</b>	<b>2 701</b>	<b>2 651</b>	<b>2 825</b>	<b>3 024</b>	<b>216</b>

**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	
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	114

**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	
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	18

**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	
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	96



**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	
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	156

**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	
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	36

**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	
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	120

**Table 13 – Total number of insolvencies of individuals and partnerships: 2002 to 2008**

Month	2002	2003	2004	2005	2006	*2007	1/ 2008
January	217	135	144	106	82	77	100
February	277	135	143	118	*146	169	252
March	269	221	247	148	164	168	244
April	318	253	211	124	102	154	356
May	256	170	153	131	145	191	293
June	253	254	*185	141	142	156	349
July	282	234	164	121	*118	172	373
August	278	255	154	174	185	202	344
September	229	286	182	144	140	197	310
October	262	269	127	133	168	224	357
November	255	236	140	163	160	284	273
December	162	204	119	130	110	217	250
Year	3 058	2 652	1 969	1 633	1 662	2 211	3 501

1/ Preliminary.

\* Revised.

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

Number of liquidations January 2008	Number of liquidations January 2009	% change between January 2008 and January 2009	Difference between January 2008 and January 2009
160	270	68,8	110

**Table 15 – Percentage change between the three months ended January 2008 and the three months ended January 2009 regarding the number of liquidations**

Number of liquidations November 2007 to January 2008	Number of liquidations 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
560	857	53,0	297

**Table 16 – Percentage change between December 2007 and December 2008 regarding the number of insolvencies**

Number of insolvencies December 2007	Number of insolvencies December 2008	% change between December 2007 and December 2008	Difference between December 2007 and December 2008
217	250	15,2	33

**Table 17 – Percentage change between 2007 and 2008 regarding the number of insolvencies**

Number of insolvencies January to December 2007	Number of insolvencies January to December 2008	% change between January to December 2007 and January to December 2008	Difference between January to December 2007 and January to December 2008
2 211	3 501	58,3	1 290

## Explanatory notes

<b>Introduction</b>	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.
<b>Purpose of the survey</b>	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.
<b>Scope of the survey</b>	5	This survey covers <ul style="list-style-type: none"> <li>• The total number of companies and close corporations which were liquidated.</li> <li>• The total number of individuals and partnerships placed under final sequestration.</li> </ul>
	6	Users may also wish to refer to the following publications which are available from Stats SA - <ul style="list-style-type: none"> <li>• Bulletin of Statistics.</li> <li>• SA Statistics.</li> </ul>
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<b>Symbols and abbreviations</b>	8	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 wind-up by order of the court.
<b>Insolvency</b>	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>	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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