

**P0043**

# **Statistics of liquidations and insolvencies**

July 2001

**Embargo: 11:00**

**Date: 30 August 2001**

### Key figures as at the end of July 2001 regarding the number of liquidations

Actual estimates	July 2001	May 2001 to July 2001	% change between July 2000 and July 2001	% change between February 2001 to April 2001 and May 2001 to July 2001	% change between January 2000 to July 2000 and January 2001 to July 2001
Number of liquidations	307	932	-2,2	-11,7	+15,7

### Key findings as at the end of July 2001 regarding the number of liquidations

#### Total number of liquidations increases

*The total number of liquidations recorded for the first seven months of 2001 increased by 15,7% (from 1 976 to 2 286) compared with the corresponding period of 2000. However, the total number of liquidations recorded for July 2001 decreased by 2,2% (from 314 to 307) compared with July 2000. Furthermore, the total number of liquidations recorded for the three months ended July 2001 decreased by 11,7% (from 1 056 to 932) compared with the previous three months.*

The increase of 15,7% in the total number of liquidations during the first seven months of 2001 compared with the first seven months of 2000 was due to an increase of 39,1% (from 1 192 to 1 658) in voluntary liquidations. Voluntary liquidations of close corporations and of companies increased by 52,2% (from 646 to 983) and by 23,6% (from 546 to 675) respectively during the above-mentioned period. These increases were partially counteracted by a decrease of 19,9% (from 784 to 628) in compulsory liquidations.

The decrease of 2,2% in the total number of liquidations during July 2001 compared with July 2000 was due to a decrease of 4,6% (from 237 to 226) in voluntary liquidations.

### Key figures as at the end of June 2001 regarding the number of insolvencies

Actual estimates	June 2001	April 2001 to June 2001	% change between June 2000 and June 2001	% change between January 2001 to March 2001 and April 2001 to June 2001	% change between January 2000 to June 2000 and January 2001 to June 2001
Number of insolvencies	206	678	-48,2	-11,9	-37,4

### Key findings as at the end of June 2001 regarding the number of insolvencies

#### Total number of insolvencies decreases

*The total number of insolvencies recorded for the first six months of 2001 decreased by 37,4% (from 2 312 to 1 448) compared with the first six months of 2000. The total number of insolvencies for June 2001 decreased by 48,2% (from 398 to 206) compared with June 2000. Furthermore, the total number of insolvencies recorded for the three months ended June 2001 decreased by 11,9% (from 770 to 678) compared with the previous three months.*

# Contents

Notes .....	4
<b>Tables</b>	<b>Page</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 .....	6
Table 4 Total number of liquidations: 1989 to 2001.....	6
Table 5 Total number of compulsory liquidations: 1989 to 2001 .....	7
Table 6 Number of voluntary liquidations: 1989 to 2001 .....	7
Table 7 Number of liquidations of companies: 1989 to 2001.....	7
Table 8 Number of compulsory liquidations of companies: 1989 to 2001 .....	
Table 9 Number of voluntary liquidations of companies: 1989 to 2001 .....	
Table 10 Number of liquidations of close corporations: 1989 to 2001 .....	
Table 11 Number of voluntary liquidations of close corporations:1989to 2001.....	
Table 12 Number of compulsory liquidations of close corporations: 1989 to 2001 .....	
Table 13 Total number of insolvencies: 1989 to 2001 .....	
<b>Additional information</b>	
Explanatory notes .....	8
Glossary .....	9
<b>For more information</b> .....	10

# Notes

## **Forthcoming issues**

### **Issue**

### **Expected release date**

August 2001	4 October 2001
September 2001	1 November 2001
October 2001	29 November 2001
November 2001	20 December 2001
December 2001	31 January 2002

## **Purpose of the survey**

The Survey of Liquidations and Insolvencies is a monthly survey covering all liquidations and insolvencies in South Africa (SA). 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 appears in the Government Gazette. The results of this survey 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.

## Additional information

### 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 appear 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 July 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>  |    |              |          |                         |
| <b>Unpublished statistics</b>    | <b>5</b>                | In some cases Stats SA can also make available statistics which are not published. 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.  |    |              |          |                         |
| <b>Symbols and abbreviations</b> | <b>6</b>                | <table border="0"> <tr> <td>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            |  |    |              |          |                         |
| 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 voluntarily 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.

## For more information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data; and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

### Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division  
 National Library of South Africa, Cape Town Division  
 Natal Society Library, Pietermaritzburg  
 Library of Parliament, Cape Town  
 Bloemfontein Public Library  
 Johannesburg Public Library  
 Eastern Cape Library Services, King William's Town  
 Central Regional Library, Pietersburg  
 Central Reference Library, Nelspruit  
 Central Reference Collection, Kimberley  
 Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

### Electronic services

A large range of data are available via on-line services, diskette, CD and computer printouts. For more details about our electronic data services, contact (012) 310 8600/8095/8390/8351.

You can visit us on the Internet at: <http://www.statssa.gov.za>

### Enquiries

Telephone number: (012) 310 8600/8095/8390/8351 (user enquiries)  
 (012) 310 8220 (technical enquiries)  
 (012) 310 8161 (publications)  
 (012) 310-8490 (library)

Fax number: (012) 310 8332

e-mail: Dawnvdw@statssa.pwv.gov.za  
 AnnieG@statssa.pwv.gov.za

Postal address: Private Bag X44, Pretoria, 0001

Table 1- Total number of liquidations according to industry

Industry	2000 Total			July 2000			June 2001			July 2001		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
1.Agriculture, Hunting, Forestry & Fishing	31	33	64	0	2	2	0	2	2	0	6	6
2.Mining & Quarrying	65	29	94	3	2	5	3	5	8	3	4	7
3.Manufacturing	228	218	446	17	19	36	24	11	35	8	17	25
4.Electricity,Gas & Water	0	0	0	0	0	0	0	1	1	0	0	0
5.Construction	205	327	532	21	25	46	15	54	69	9	19	28
6.Wholesale and Retail Trade, Catering & Accommodation	445	733	1178	17	107	124	21	47	68	25	80	105
7.Transport, Storage, Communication	95	104	199	1	19	20	3	21	24	3	12	15
8.Financing,Insurance, Real estate, Business Services	394	760	1154	11	59	70	22	65	87	30	76	106
9.Community, Social, Personal Services	52	86	138	7	4	11	0	0	0	3	12	15
Total number of liquidations	1515	2290	3805	77	237	314	88	206	294	81	226	307

Table 2 - Number of liquidations of companies according to industry

Industry	2000 Total			July 2000			June 2001			July 2001		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
1.Agriculture, Hunting, Forestry & Fishing	10	8	18	0	0	0	0	1	1	0	4	4
2.Mining & Quarrying	3	14	17	1	1	2	0	0	0	0	0	0
3.Manufacturing	102	87	189	7	1	8	10	6	16	3	9	12
4.Electricity,Gas & Water	0	0	0	0	0	0	0	1	1	0	0	0
5.Construction	37	54	91	1	3	4	4	11	15	3	7	10
6.Wholesale and Retail Trade, Catering & Accommodation	285	320	605	16	23	39	19	24	43	16	31	47
7.Transport, Storage, Communication	9	27	36	0	2	2	0	4	4	0	3	3
8.Financing,Insurance, Real estate, Business Services	197	442	639	7	27	34	20	29	49	17	45	62
9.Community, Social, Personal Services	16	15	31	0	0	0	0	0	0	2	4	6
Total number of liquidations of companies	659	967	1626	32	57	89	53	76	129	41	103	144



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

Industry	2000 Total			July 2000			June 2001			July 2001		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
1.Agriculture, Hunting, Forestry & Fishing	21	25	46	0	2	2	0	1	1	0	2	2
2.Mining & Quarrying	62	15	77	2	1	3	3	5	8	3	4	7
3.Manufacturing	126	131	257	10	18	28	14	5	19	5	8	13
4.Electricity,Gas & Water	0	0	0	0	0	0	0	0	0	0	0	0
5.Construction	168	273	441	20	22	42	11	43	54	6	12	18
6.Wholesale and Retail trade,Catering and Accommodation	160	413	573	1	84	85	2	23	25	9	49	58
7.Transport, Storage, Communication	86	77	163	1	17	18	3	17	20	3	9	12
8.Financing,Insurance, Real estate, Business Services	197	318	515	4	32	36	2	36	38	13	31	44
9.Community, Social, Personal Services	36	71	107	7	4	11	0	0	0	1	8	9
Total number of liquidations of close corporations	856	1323	2179	45	180	225	35	130	165	40	123	163

Table 4 - Total number of liquidations: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	99	81	129	115	118	129	182	160	178	138	121	123	1 573	131
1990	134	128	172	170	117	195	77	130	112	129	121	105	1 590	133
1991	137	147	115	150	182	150	146	217	178	153	118	195	1 888	157
1992	169	197	290	224	157	176	174	205	195	220	199	202	2 408	201
1993	218	207	258	184	236	266	187	223	223	237	263	218	2 720	227
1994	159	314	264	224	308	261	240	267	339	318	303	276	3 273	273
1995	261	289	334	265	307	225	299	305	259	285	297	143	3 269	272
1996	265	223	261	241	215	234	231	292	286	261	284	116	2 909	242
1997	275	262	314	268	286	296	302	293	253	264	298	240	3 351	279
1998	162	234	253	320	291	423	348	347	307	334	476	271	3 766	314
1999	367	367	332	370	379	297	333	326	421	277	341	202	4 012	334
2000	193	229	326	273	258	383	314	511	490	269	348	211	3 805	317
2001	298	382	317	357	331	294	307							327

Table 5 - Total number of compulsory liquidations: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	60	46	65	64	68	90	95	98	136	113	84	85	1 004	84
1990	89	63	90	131	91	176	60	107	89	108	98	95	1 197	100
1991	121	131	96	132	163	135	136	199	153	136	102	182	1 686	141
1992	154	171	274	209	145	154	147	185	175	204	180	181	2 179	182
1993	191	183	214	166	207	234	150	177	183	194	179	150	2 228	186
1994	79	194	140	130	158	161	123	142	166	128	87	112	1 620	135
1995	119	116	135	114	149	113	150	167	155	199	218	82	1 717	143
1996	200	137	205	169	155	165	175	228	213	164	213	79	2 103	175
1997	171	178	231	201	200	205	214	196	147	154	178	146	2 221	185
1998	88	130	122	150	189	240	221	218	192	226	275	150	2 201	183
1999	244	177	132	177	186	131	140	132	169	102	159	95	1 844	154
2000	85	78	172	125	57	190	77	247	241	44	128	71	1 515	126
2001	71	114	68	125	81	88	81							90

Table 6 - Total number of voluntary liquidations: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	39	35	64	51	50	39	87	62	42	25	37	38	569	47
1990	45	65	82	39	26	19	17	23	23	21	23	10	393	33
1991	16	16	19	18	19	15	10	18	25	17	16	13	202	17
1992	15	26	16	15	12	22	27	20	20	16	19	21	229	19
1993	27	24	44	18	29	32	37	46	40	43	84	68	492	41
1994	80	120	124	94	150	100	117	125	173	190	216	164	1 653	138
1995	142	173	199	151	158	112	149	138	104	86	79	61	1 552	129
1996	65	86	56	72	60	69	56	64	73	97	71	37	806	67
1997	104	84	83	67	86	91	88	97	106	110	120	94	1 130	94
1998	74	104	131	170	102	183	127	129	115	108	201	121	1 565	130
1999	123	190	200	193	193	166	193	194	252	175	182	107	2 168	181
2000	108	151	154	148	201	193	237	264	249	225	220	140	2 290	191
2001	227	268	249	232	250	206	226							237

Table 7 - Number of liquidations of companies: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	69	57	84	78	82	90	133	106	114	85	79	74	1 051	88
1990	92	99	138	98	85	118	48	92	86	77	66	58	1 057	88
1991	79	117	63	89	133	103	76	115	98	81	71	125	1 150	96
1992	85	99	125	143	79	85	79	105	87	98	94	112	1 191	99
1993	112	95	118	80	109	120	105	99	120	108	156	122	1 344	112
1994	115	177	186	144	189	157	148	139	195	196	225	187	2 058	172
1995	143	171	178	130	170	121	149	150	145	111	146	105	1 719	143
1996	146	121	138	126	98	92	82	118	135	104	115	58	1 333	111
1997	128	108	114	134	119	117	114	110	122	127	119	86	1 398	117
1998	86	99	108	171	125	202	133	151	116	106	170	166	1 633	136
1999	134	198	165	166	142	114	114	169	157	145	136	98	1 738	145
2000	91	151	241	166	130	173	89	152	93	106	112	122	1 626	136
2001	107	119	132	129	156	129	144							131

Table 8 - Number of compulsory liquidations of companies: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	32	23	26	33	39	55	50	48	75	61	45	40	527	44
1990	49	38	59	59	62	99	31	70	65	59	46	50	687	57
1991	65	102	45	73	117	88	69	100	74	69	60	112	974	81
1992	72	85	115	134	74	69	64	90	72	89	77	96	1 037	86
1993	95	73	87	66	87	101	82	66	92	83	106	64	1 002	84
1994	55	100	89	73	69	82	63	45	77	69	51	69	842	70
1995	46	65	40	52	86	68	52	62	71	52	106	64	764	64
1996	102	84	95	81	72	48	50	85	94	54	84	35	884	74
1997	78	71	64	97	72	63	81	77	54	60	66	39	822	69
1998	51	53	49	43	73	86	70	103	59	66	54	82	789	66
1999	69	96	70	87	73	46	43	77	61	65	76	47	810	68
2000	32	57	147	87	40	100	32	48	31	21	25	39	659	55
2001	34	17	28	27	41	53	41							34

Table 9 - Number of voluntary liquidations of companies: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	37	34	58	45	43	35	83	58	39	24	34	34	524	44
1990	43	61	79	39	23	19	17	22	21	18	20	8	370	31
1991	14	15	18	16	16	15	7	15	24	12	11	13	176	15
1992	13	14	10	9	5	16	15	15	15	9	17	16	154	13
1993	17	22	31	14	22	19	23	33	28	25	50	58	342	29
1994	60	77	97	71	120	75	85	94	118	127	174	118	1 216	101
1995	97	106	138	78	84	53	97	88	74	59	40	41	955	80
1996	44	37	43	45	26	44	32	33	41	50	31	23	449	37
1997	50	37	50	37	47	54	33	33	68	67	53	47	576	48
1998	35	46	59	128	52	116	63	48	57	40	116	84	844	70
1999	65	102	95	79	69	68	71	92	96	80	60	51	928	77
2000	59	94	94	79	90	73	57	104	62	85	87	83	967	81
2001	73	102	104	102	115	76	103							96

Table 10 - Number of liquidations of close corporations: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	30	24	45	37	36	39	49	54	64	53	42	49	522	44
1990	42	29	34	72	32	77	29	38	26	52	55	47	533	44
1991	58	30	52	61	49	47	70	102	80	72	47	70	738	62
1992	84	98	165	81	78	91	95	100	108	122	105	90	1 217	101
1993	106	112	140	104	127	146	82	124	103	129	107	96	1 376	115
1994	44	137	78	80	119	104	92	128	144	122	78	89	1 215	101
1995	118	118	156	135	137	104	150	155	114	174	151	38	1 550	129
1996	119	102	123	115	117	142	149	174	151	157	169	58	1 576	131
1997	147	154	200	134	167	179	188	183	131	137	179	154	1 953	163
1998	76	135	145	149	166	221	215	196	191	228	306	105	2 133	178
1999	233	169	167	204	237	183	219	157	264	132	205	104	2 274	190
2000	102	78	85	107	128	210	225	359	397	163	236	89	2 179	182
2001	191	263	185	228	175	165	163							196

Table 11 - Number of compulsory liquidations of close corporations: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	28	23	39	31	29	35	45	50	61	52	39	45	477	40
1990	40	25	31	72	29	77	29	37	24	49	52	45	510	43
1991	56	29	51	59	46	47	67	99	79	67	42	70	712	59
1992	82	86	159	75	71	85	83	95	103	115	103	85	1 142	95
1993	96	110	127	100	120	133	68	111	91	111	73	86	1 226	102
1994	24	94	51	57	89	79	60	97	89	59	36	43	778	65
1995	73	51	95	62	63	45	98	105	84	147	112	18	953	79
1996	98	53	110	88	83	117	125	143	119	110	129	44	1 219	102
1997	93	107	167	104	128	142	133	119	93	94	112	107	1 399	117
1998	37	77	73	107	116	154	151	115	133	160	221	68	1 412	118
1999	175	81	62	90	113	85	97	55	108	37	83	48	1 034	86
2000	53	21	25	38	17	90	45	199	210	23	103	32	856	71
2001	37	97	40	98	40	35	40							55

Table 12 - Number of voluntary liquidations of close corporations: 1989 to 2001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	2	1	6	6	7	4	4	4	3	1	3	4	45	4
1990	2	4	3	0	3	0	0	1	2	3	3	2	23	2
1991	2	1	1	2	3	0	3	3	1	5	5	0	26	2
1992	2	12	6	6	7	6	12	5	5	7	2	5	75	6
1993	10	2	13	4	7	13	14	13	12	18	34	10	150	13
1994	20	43	27	23	30	25	32	31	55	63	42	46	437	36
1995	45	67	61	73	74	59	52	50	30	27	39	20	597	50
1996	21	49	13	27	34	25	24	31	32	47	40	14	357	30
1997	54	47	33	30	39	37	55	64	38	43	67	47	554	46
1998	39	58	72	42	50	67	64	81	58	68	85	37	721	60
1999	58	88	105	114	124	98	122	102	156	95	122	56	1 240	103
2000	49	57	60	69	111	120	180	160	187	140	133	57	1 323	110
2001	154	166	145	130	135	130	123							140

Table 13 - Total number of insolvencies: 1989 to 2000

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	176	198	187	236	225	206	221	267	243	240	244	215	2 658	222
1990	179	216	268	206	267	302	254	309	343	279	257	224	3 104	259
1991	271	257	325	320	315	306	369	432	411	448	349	254	4 057	338
1992	369	349	485	435	370	447	414	460	548	480	512	385	5 254	438
1993	379	408	553	386	376	390	377	419	385	379	472	319	4 843	404
1994	336	298	399	237	243	283	323	381	275	256	251	191	3 473	289
1995	246	238	250	210	210	212	194	316	231	240	259	164	2 770	231
1996	224	240	240	217	209	230	268	241	236	253	216	229	2 803	234
1997	193	257	218	272	247	300	323	300	330	310	312	220	3 282	274
1998	203	259	417	345	278	339	326	377	367	416	507	453	4 287	357
1999	354	370	643	474	547	701*	469*	600	479	522	565	286	6 010	501
2000	282*	437	392	393	410*	398*	371*	474	295*	351*	380*	285*	4 468	372
2001	218*	264*	288*	245*	227*	206^								241

^ Preliminary

\* Revised