

Statistics of liquidations and insolvencies (preliminary) July 2006

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Table A - Key figures for July 2006 regarding liquidations

Actual estimates	Number of liquidations July 2006	% change between July 2005 and July 2006	% change between January 2005 to July 2005 and January 2006 to July 2006
	261	-17,9	-16,8

Key findings for July 2006 regarding liquidations

Total number of liquidations decreases

The total number of liquidations recorded for the first seven months of 2006 decreased by 16,8% (from 1 991 to 1 657) compared with the first seven months of 2005. Furthermore, the total number of liquidations recorded for July 2006 reflected a 17,9% decrease (from 318 to 261) compared with July 2005 (see Table A).

The decrease of 16,8% in the total number of liquidations for the first seven months of 2006 compared with the first seven months of 2005 was due to a decrease of 44,9% (from 323 to 178) in compulsory liquidations and 11,3% (from 1 668 to 1 479) in voluntary liquidations.

The decrease of 17,9% in the total number of liquidations for July 2006 compared with July 2005 was due to a decrease of 81,0% (from 84 to 16) in compulsory liquidations (see Table 5).

Figure 1 –Percentage change for the seven months (January – July) of the number of liquidations from 2001 to 2006

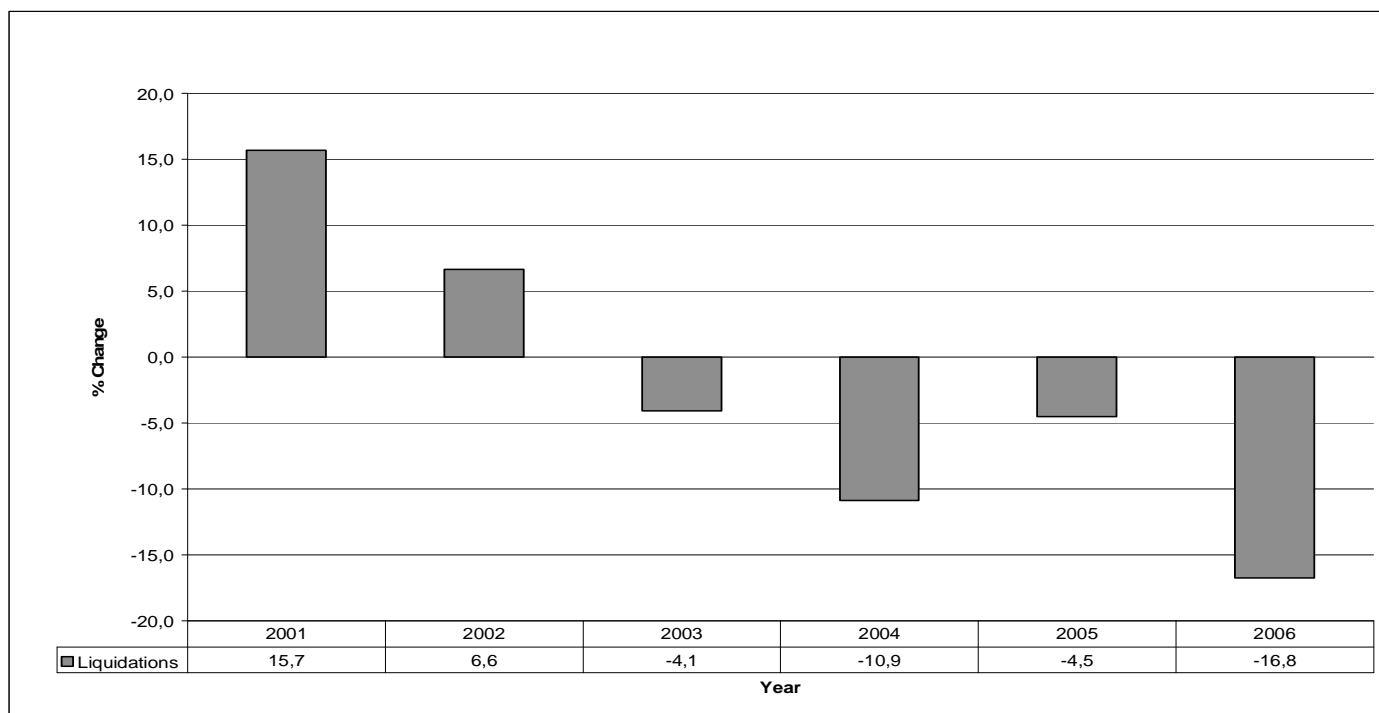


Figure 1 above shows the percentage change in the number of liquidations for the month January to July and covers the period from 2001 until 2006. The number of liquidations for the first seven months of the year decreased by 16,8%.

Table B - Key figures regarding insolvencies for June 2006

Actual estimates	Number of insolvencies June 2006	% change between June 2005 and June 2006	% change between January 2005 to June 2005 and January 2006 to June 2006
	99	-26,1	-14,1

Key findings for June 2006 regarding insolvencies

Total number of insolvencies decreases

The total number of insolvencies recorded for the first six months of 2006 decreased by 14,1 % (from 743 to 638) compared with the first six months of 2005. The total number of insolvencies recorded for June 2006 decreased by 26,1% (from 134 to 99) compared with June 2005 (see Table B).

Figure 2 – Percentage change for the six months (January – June) of the number of insolvencies from 2001 to 2006

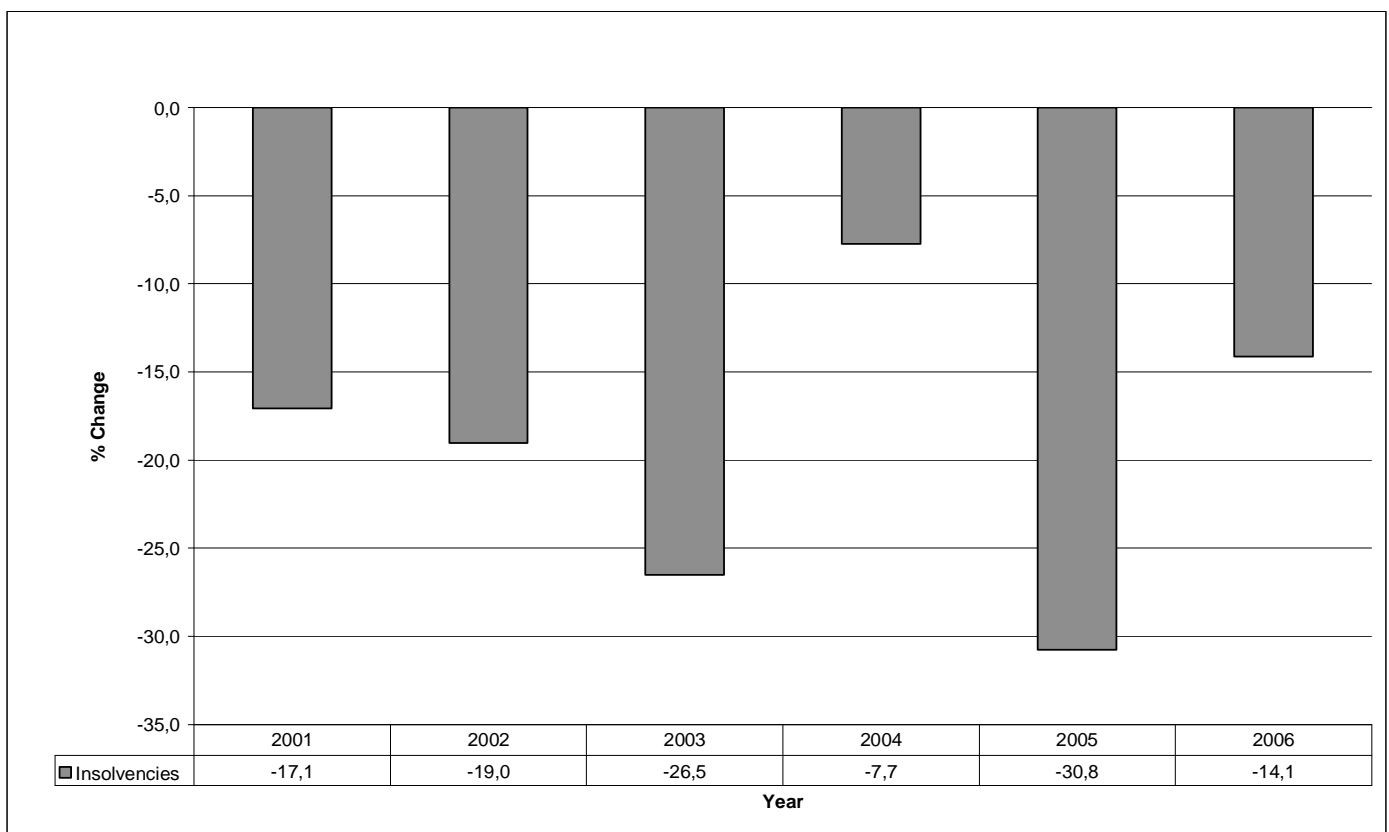


Figure 2 above shows the percentage change in the number of insolvencies for the month January to June and covers the period from 2001 until 2006. The growth in the number of insolvencies decreased by 14,1% for the first six months of the year. The growth has been in the negative for the entire time series (2001-2006).

Figures 3 and 4 below outline the total number of liquidations and insolvencies from 2002 to 2006. Figure 1 shows that the trend estimates for the total number of liquidations has been decreasing from the beginning of 2002 until October of the same year. It then followed an upward trend that peaked in August 2003, but started to decrease thereafter until August 2004 and moved upwards to April 2005. There was a decline from May 2005 until January 2006. Since February 2006 the trend levelled off.

Figure 3 – Total number of liquidations

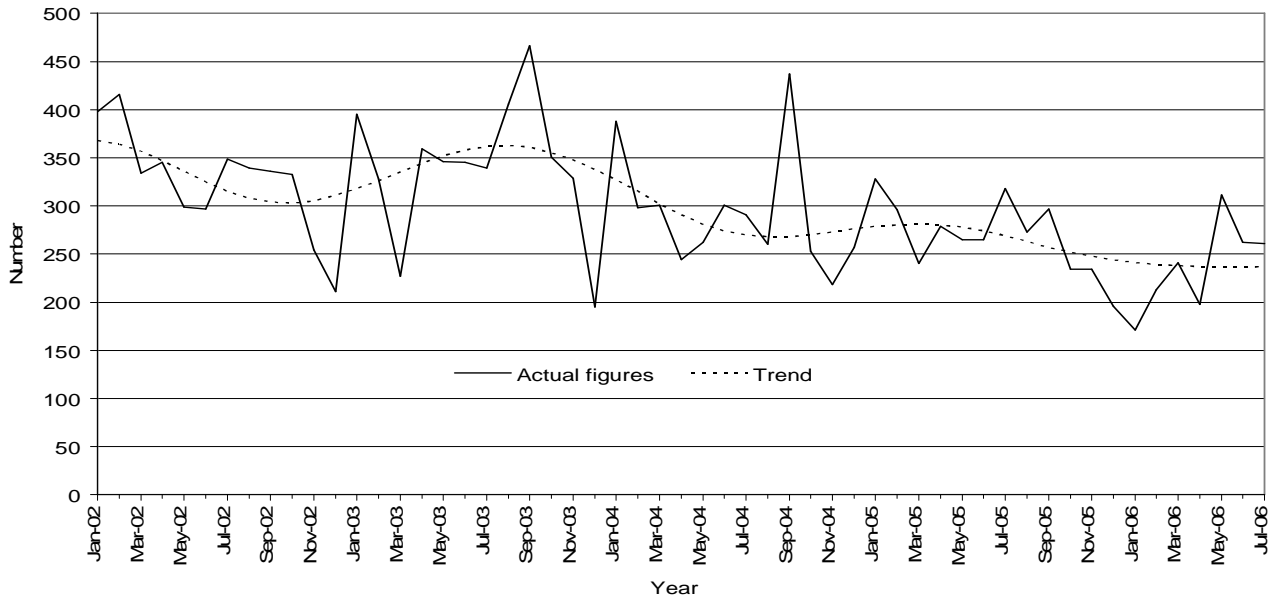
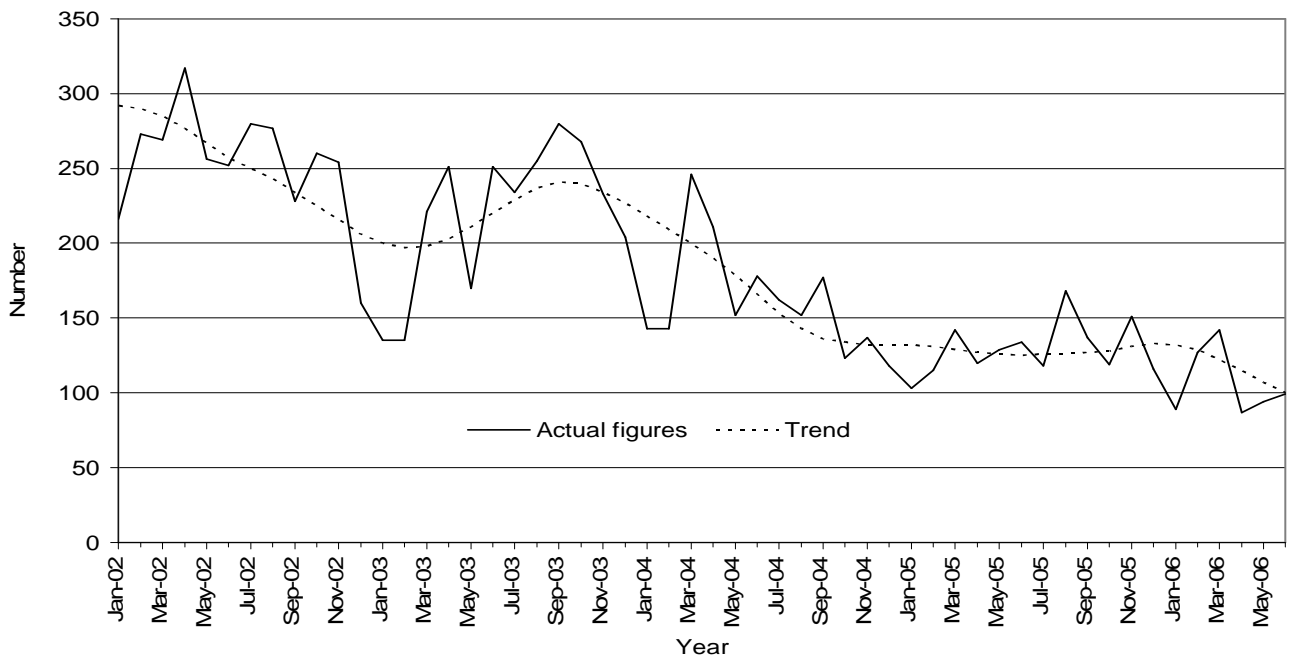


Figure 4 shows that the trend estimates for the total number of insolvencies from the beginning of 2002 shows a decreasing trend until February 2003 then started an upward trend with a peak in October 2003. Thereafter the trend shows a continual decrease up to date.

Figure 4 - Total number of insolvencies



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

August 2006 28 September 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. Due to insolvencies figures being available late, the data on insolvencies are published a month later than liquidations.

Table 1- Total number of liquidations according to industry

Industry	Jan – July 2006			July 2005			June 2006			July 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	2	14	16	1	0	1	0	0	0	0	1	1
Mining and quarrying	0	16	16	0	6	6	0	3	3	0	1	1
Manufacturing	15	93	108	5	17	22	2	19	21	2	11	13
Electricity, gas and water	1	5	6	1	1	2	0	2	2	0	1	1
Construction	20	113	133	2	19	21	8	16	24	1	21	22
Wholesale and retail trade, catering and accommodation	63	448	511	29	77	106	14	60	74	6	76	82
Transport, storage and communication	5	71	76	4	10	14	1	5	6	1	12	13
Financing, insurance, real estate and business services	46	593	639	22	87	109	16	89	105	2	103	105
Community, social and personal services	26	126	152	20	17	37	9	18	27	4	19	23
Total number of liquidations	178	1479	1657	84	234	318	50	212	262	16	245	261

Table 2 – Number of liquidations of companies according to industry

Industry	Jan – July 2006			July 2005			June 2006			July 2006		
	Compul-sory	Volun-tary	Total	Compul-sory	Compul-sory	Volun-tary	Total	Compul-sory	Compul-sory	Volun-tary	Total	Compul-sory
Agriculture, hunting, forestry and fishing	0	5	5	0	0	0	0	0	0	0	0	0
Mining and quarrying	0	10	10	0	6	6	0	2	2	0	1	1
Manufacturing	6	53	59	4	10	14	1	11	12	0	5	5
Electricity, gas and water	0	3	3	0	0	0	0	0	0	0	1	1
Construction	9	31	40	1	3	4	7	6	13	1	6	7
Wholesale and retail trade, catering and accommodation	27	199	226	18	32	50	7	22	29	1	36	37
Transport, storage and communication	3	16	19	3	4	7	1	4	5	0	0	0
Financing, insurance, real estate and business services	26	319	345	18	46	64	11	45	56	0	76	76
Community, social and personal services	25	103	128	18	14	32	8	15	23	4	14	18
Total number of liquidations	96	739	835	62	115	177	35	105	140	6	139	145

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

Industry	Jan – July 2006			July 2005			June 2006			July 2006		
	Compul-sory	Volun-tary	Total	Compul-sory	Compul-sory	Volun-tary	Total	Compul-sory	Compul-sory	Volun-tary	Total	Compul-sory
Agriculture, hunting, forestry and fishing	2	9	11	1	0	1	0	0	0	0	1	1
Mining and quarrying	0	6	6	0	0	0	0	1	1	0	0	0
Manufacturing	9	40	49	1	7	8	1	8	9	2	6	8
Electricity, gas and water	1	2	3	1	1	2	0	2	2	0	0	0
Construction	11	82	93	1	16	17	1	10	11	0	15	15
Wholesale and retail trade, catering and accommodation	36	249	285	11	45	56	7	38	45	5	40	45
Transport, storage and communication	2	55	57	1	6	7	0	1	1	1	12	13
Financing, insurance, real estate and business services	20	274	294	4	41	45	5	44	49	2	27	29
Community, social and personal services	1	23	24	2	3	5	1	3	4	0	5	5
Total number of liquidations	82	740	822	22	119	141	15	107	122	10	106	116

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	213
March	326	317	334	227	301	240	241
April	273	357	345	359	244	279	198
May	258	331	299	346	262	265	311
June	383	294	297	345	301	265	262
July	314	307	349	339	291	318	261
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	
Year	3 805	4 156	3 911	4 086	3 510	3 225	

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	15
March	172	68	68	46	57	35	31
April	125	125	87	63	32	18	9
May	57	81	60	52	37	61	20
June	190	88	69	74	63	25	50
July	77	81	69	85	68	84	16
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	
Year	1 515	1 284	825	857	564	524	

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	198
March	154	249	266	181	244	205	210
April	148	232	258	296	212	261	189
May	201	250	239	294	225	204	291
June	193	206	228	271	238	240	212
July	237	226	280	254	223	234	245
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	
Year	2 290	2 872	3 086	3 229	2 946	2 701	

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	107
March	241	132	183	127	148	123	127
April	166	129	161	151	119	176	100
May	130	156	117	162	128	122	131
June	173	129	145	178	136	132	140
July	89	144	183	141	132	177	145
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	
Year	1 626	1 671	1 858	2 110	1 532	1 604	

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	4
March	147	28	32	17	32	23	23
April	87	27	53	17	6	13	5
May	40	41	12	28	20	30	5
June	100	53	29	31	16	7	35
July	32	41	33	29	31	62	6
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	
Year	659	443	339	423	223	275	

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	103
March	94	104	151	110	116	100	104
April	79	102	108	134	113	163	95
May	90	115	105	134	108	92	126
June	73	76	116	147	120	125	105
July	57	103	150	112	101	115	139
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	
Year	967	1 228	1 519	1 687	1 309	1 329	

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	106
March	85	185	151	100	153	117	114
April	107	228	184	208	125	103	98
May	128	175	182	184	134	143	180
June	210	165	152	167	165	133	122
July	225	163	166	198	159	141	116
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	
Year	2 179	2 485	2 053	1 976	1 978	1 621	

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	11
March	25	40	36	29	25	12	8
April	38	98	34	46	26	5	4
May	17	40	48	24	17	31	15
June	90	35	40	43	47	18	15
July	45	40	36	56	37	22	10
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	
Year	856	841	486	434	341	249	

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	95
March	60	145	115	71	128	105	106
April	69	130	150	162	99	98	94
May	111	135	134	160	117	112	165
June	120	130	112	124	118	115	107
July	180	123	130	142	122	119	106
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	
Year	1 323	1 644	1 567	1 542	1 637	1 372	

Table 13 - Total number of insolvencies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005*	2006 1/
January	285	253	216	135	143	103	*89
February	445	308	273	135	143	115	127
March	*399	356	269	221	246	142	142
April	404	319	317	251	211	120	*87
May	413	394	256	*170	*152	129	94
June	412	325	252	*251	178	134	99
July	384	403	*280	234	162	118	
August	499	374	277	255	152	168	
September	317	308	*228	280	*177	137	
October	388	334	*260	268	123	119	
November	420	323	254	233	137	151	
December	327	238	160	204	118	116	
Year	4 693	3 935	3 042	2 637	1 942	1 552	

1/ Preliminary.

*Revised.

Table 14 – Percentage change between July 2006 and the corresponding month of the previous year regarding the number of liquidations

Actual estimates	Number of liquidations July 2005	Number of liquidations July 2006	% change between July 2005 and July 2006	Difference between July 2005 and July 2006
	318	261	-17,9	-57

Table 15 – Percentage change between the first seven months of 2006 and the first seven months of 2005 regarding the number of liquidations

Actual estimates	Number of liquidations January 2005 to July 2005	Number of liquidations January 2006 to July 2006	% change between January 2005 to July 2005 and January 2006 to July 2006	Difference between January 2005 to July 2005 and January 2006 to July 2006
	1 991	1 657	-16,8	-334

Table 16 – Percentage change between June 2006 and the corresponding month of the previous year regarding the number of insolvencies

Actual estimates	Number of insolvencies June 2005	Number of insolvencies June 2006	% change between June 2005 and June 2006	Difference between June 2005 and June 2006
	134	99	-26,1	-35

Table 17 - Percentage change between the first six months of 2006 and the first six months of 2005 regarding the number of insolvencies

Actual estimates	Number of insolvencies January 2005 to June 2005	Number of insolvencies January 2006 to June 2006	% change between January 2005 to June 2005 and January 2006 to June 2006	Difference between January 2005 to June 2005 and January 2006 to June 2006
	743	638	-14,1	-105

Glossary

Compulsory liquidation	A compulsory liquidation takes place when the affairs of a company or close corporation are wound up by order of the court.
Insolvency	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.
Liquidation	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.
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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