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Statistical release

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Statistics of liquidations and insolvencies (Preliminary)

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SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES

Key findings regarding liquidations for July 2009

Total number of liquidations increases

The total number of liquidations recorded for the first seven months of 2009 increased by 35,8% (from 1 752 to 2 379) compared with the first seven months of 2008. The total number of liquidations recorded for July 2009 increased by 33,8% (from 320 to 428) compared with July 2008 (see Table A and Tables 6 and 7, page 9).

The 35,8% increase in the total number of liquidations for the first seven months of 2009 was due to increases of 36,2% in voluntary liquidations (from 1 589 to 2 165) and 31,3% in compulsory liquidations (from 163 to 214). When comparing the first seven months of 2009 with the first seven months of 2008, there were increases of 38,5% in company liquidations (from 794 to 1 100) and 33,5% in close corporation liquidations (from 958 to 1 279) (see Tables 3 and 4, pages 7 and 8).

Table A – Selected key figures regarding liquidations for July 2009

Actual estimates

Number of liquidations July 2009	% change between July 2008 and July 2009	% change between January to July 2008 and January to July 2009
428	33,8	35,8

Figure 1 below shows the annual percentage change in the number of liquidations for the first seven months for the years 2003 to 2009. The number of liquidations increased by 35,8% for the first seven months of 2009, following an increase of 11,5% for the same period in 2008.

Figure 1 – Percentage change for the first seven months of the year compared with the same period of the previous year for the number of liquidations from 2003 to 2009

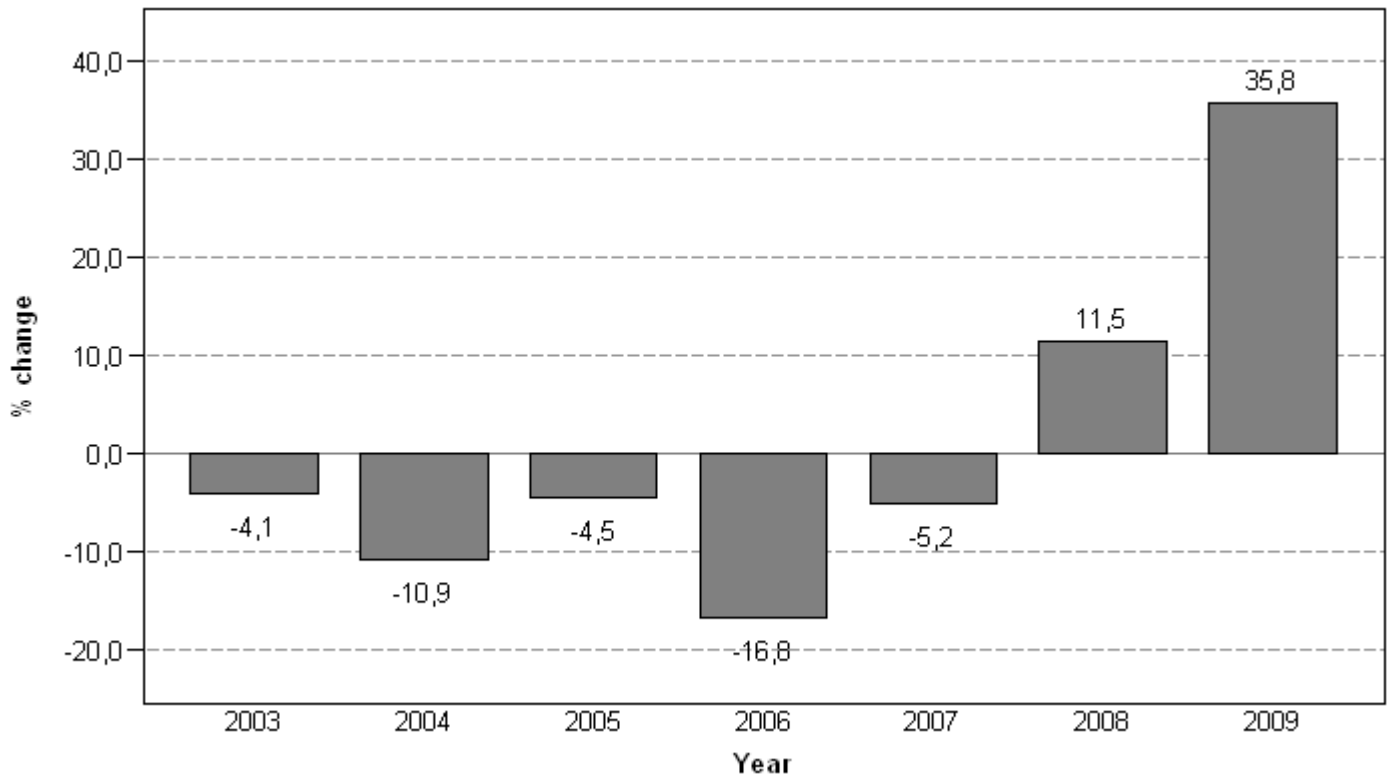
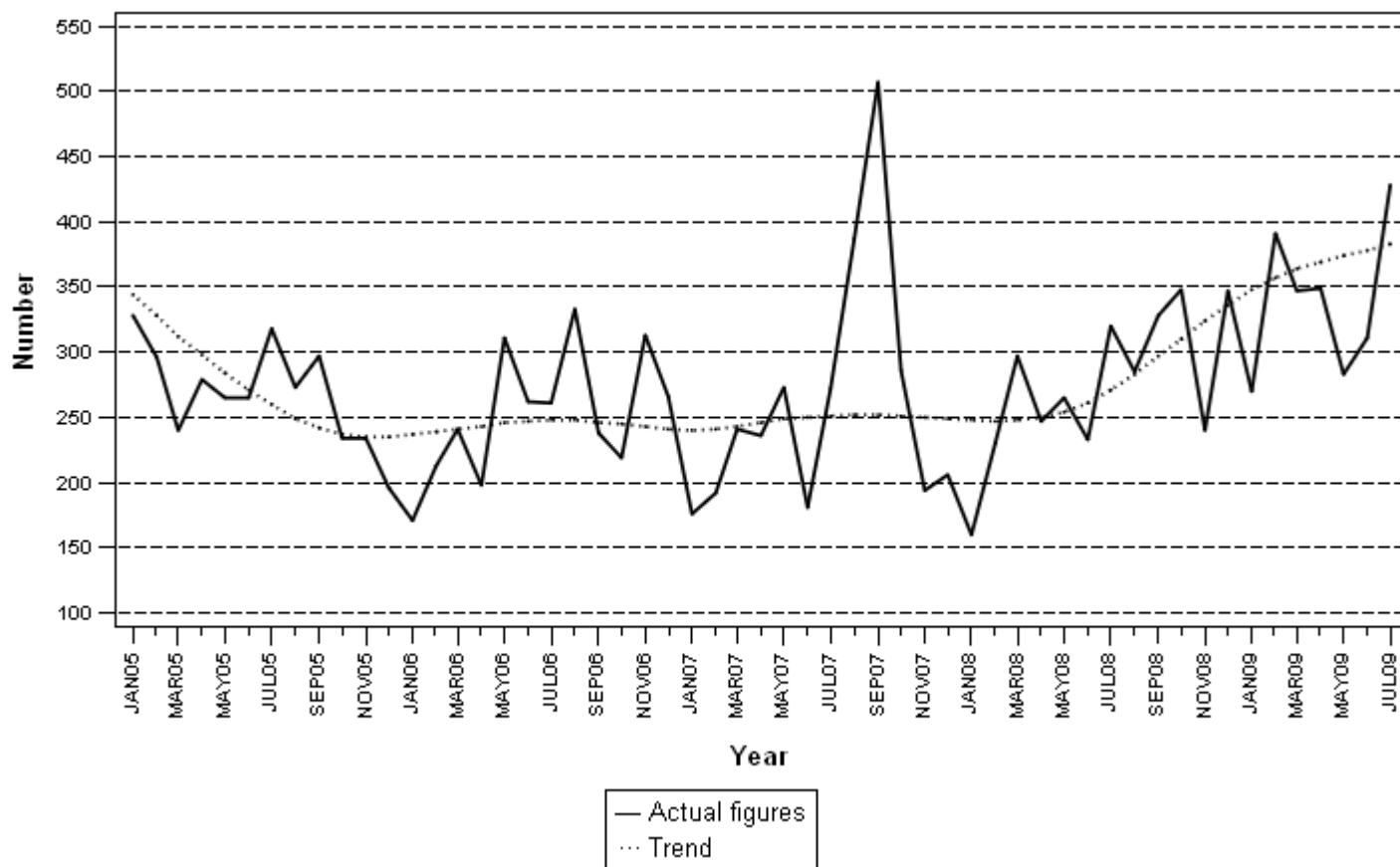


Figure 2 outlines the trend in the total number of liquidations from January 2005 to July 2009.

Figure 2 – Total number of liquidations



Key findings regarding insolvencies for June 2009

Total number of insolvencies decreases

The total number of insolvencies recorded for the first six months of 2009 decreased by 17,9% (from 1 735 to 1 425) compared with the first six months of 2008. The total number of insolvencies recorded for June 2009 decreased by 48,8% (from 389 to 199) compared with June 2008 (see Table B and Tables 8 and 9, page 9).

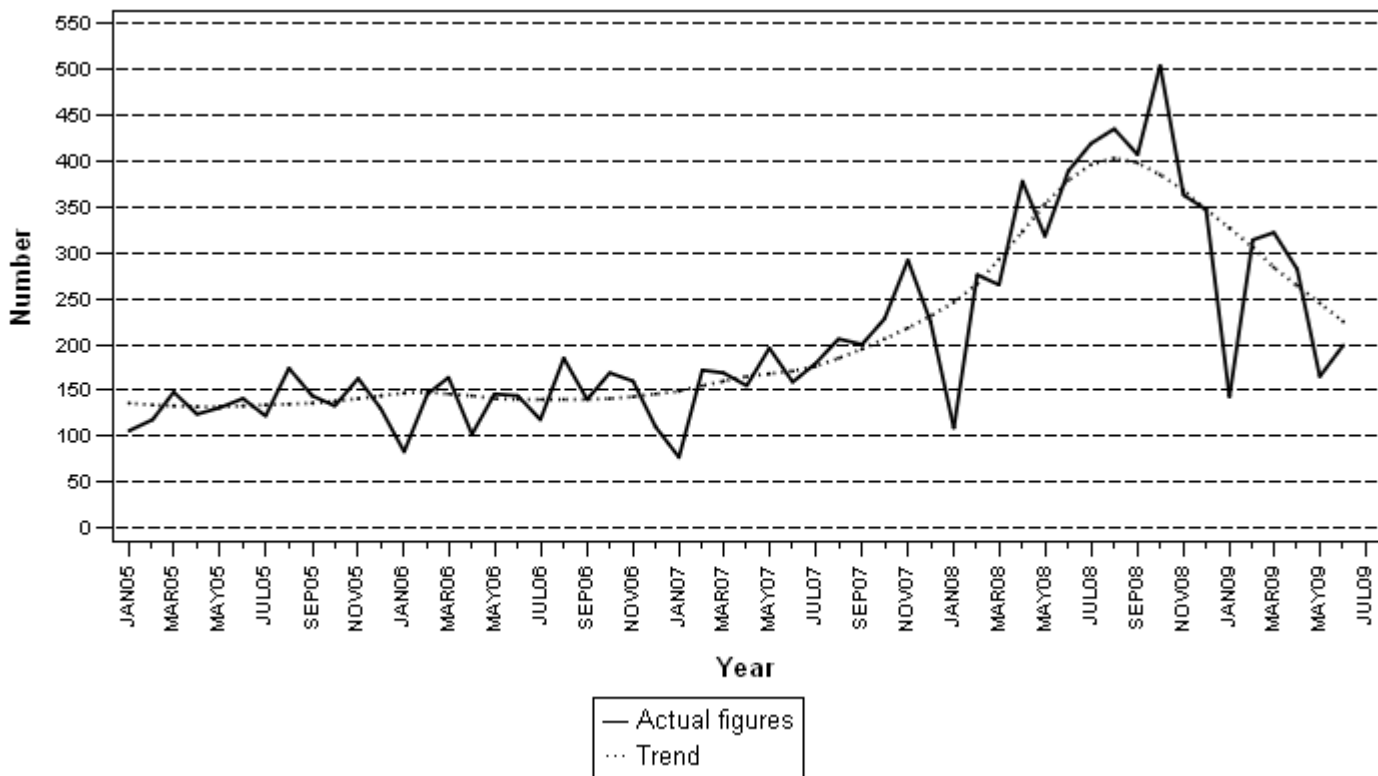
Table B – Selected key figures regarding insolvencies for June 2009

Actual estimates

Number of insolvencies June 2009	% change between June 2008 and June 2009	% change between January to June 2008 and January to June 2009
199	-48,8	-17,9

Figure 3 outlines the trend in the total number of insolvencies from January 2005 to June 2009.

Figure 3 – Total number of insolvencies



P J Lehohla
Statistician-General

Detailed results: Tables

Table 1 – Total number of liquidations according to industry

Industry	January - July 2009			July 2008			June 2009			July 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	5	20	25	2	3	5	0	2	2	1	1	2
2.Mining and quarrying	0	8	8	0	0	0	0	0	0	0	1	1
3.Manufacturing	17	142	159	3	16	19	0	22	22	3	21	24
4.Electricity, gas and water	0	14	14	0	1	1	0	1	1	0	1	1
5.Construction	9	117	126	0	12	12	1	19	20	1	17	18
6.Wholesale and retail trade, catering and accommodation	94	624	718	3	93	96	12	67	79	16	110	126
7.Transport, storage, communication	8	64	72	0	15	15	0	10	10	2	23	25
8.Financing, insurance, real estate, business services	76	951	1 027	5	142	147	7	141	148	12	186	198
9.Community, social, personal services	5	225	230	0	25	25	0	29	29	2	31	33
Total number of liquidations	214	2 165	2 379	13	307	320	20	291	311	37	391	428

Table 1.1 – Number of liquidations of companies according to industry

Industry	January - July 2009			July 2008			June 2009			July 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	5	11	16	2	1	3	0	0	0	1	0	1
2.Mining and quarrying	0	5	5	0	0	0	0	0	0	0	1	1
3.Manufacturing	6	48	54	1	10	11	0	9	9	0	10	10
4.Electricity, gas and water	0	2	2	0	0	0	0	1	1	0	0	0
5.Construction	1	22	23	0	2	2	0	4	4	0	1	1
6.Wholesale and retail trade, catering and accommodation	58	264	322	1	44	45	9	29	38	10	48	58
7.Transport, storage, communication	1	28	29	0	8	8	0	4	4	1	14	15
8.Financing, insurance, real estate, business services	33	475	508	0	84	84	5	68	73	6	95	101
9.Community, social, personal services	3	138	141	0	17	17	0	18	18	2	12	14
Total number of liquidations	107	993	1 100	4	166	170	14	133	147	20	181	201

Table 1.2 – Number of liquidations of close corporations according to industry

Industry	January - July 2009			July 2008			June 2009			July 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	9	9	0	2	2	0	2	2	0	1	1
2.Mining and quarrying	0	3	3	0	0	0	0	0	0	0	0	0
3.Manufacturing	11	94	105	2	6	8	0	13	13	3	11	14
4.Electricity, gas and water	0	12	12	0	1	1	0	0	0	0	1	1
5.Construction	8	95	103	0	10	10	1	15	16	1	16	17
6.Wholesale and retail trade, catering and accommodation	36	360	396	2	49	51	3	38	41	6	62	68
7.Transport, storage, communication	7	36	43	0	7	7	0	6	6	1	9	10
8.Financing, insurance, real estate, business services	43	476	519	5	58	63	2	73	75	6	91	97
9.Community, social, personal services	2	87	89	0	8	8	0	11	11	0	19	19
Total number of liquidations	107	1 172	1 279	9	141	150	6	158	164	17	210	227

C = Compulsory.
V= Voluntary.

Table 2 – 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	391
March	227	301	240	241	241	297	347
April	359	244	279	198	236	247	349
May	346	262	265	311	273	265	283
June	345	301	265	262	181	233	311
July	339	291	318	261	272	320	428
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	
Year	4 086	3 510	3 225	3 026	3 151	3 300	2 379

Table 2.1 – 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	26
March	46	57	35	31	12	41	10
April	63	32	18	9	32	22	41
May	52	37	61	20	13	26	26
June	74	63	25	50	9	17	20
July	85	68	84	16	14	13	37
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	
Year	857	564	524	375	326	276	214

Table 2.2 – 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	365
March	181	244	205	210	229	256	337
April	296	212	261	189	204	225	308
May	294	225	204	291	260	239	257
June	271	238	240	212	172	216	291
July	254	223	234	245	258	307	391
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	
Year	3 229	2 946	2 701	2 651	2 825	3 024	2 165

Table 3 – 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	229
March	127	148	123	127	114	108	152
April	151	119	176	100	143	104	148
May	162	128	122	131	157	108	109
June	178	136	132	140	104	100	147
July	141	132	177	145	129	170	201
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	1 100

Table 3.1 – 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	11
March	17	32	23	23	5	10	8
April	17	6	13	5	19	8	27
May	28	20	30	5	3	17	9
June	31	16	7	35	2	6	14
July	29	31	62	6	4	4	20
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	107

Table 3.2 – 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	218
March	110	116	100	104	109	98	144
April	134	113	163	95	124	96	121
May	134	108	92	126	154	91	100
June	147	120	125	105	102	94	133
July	112	101	115	139	125	166	181
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	993

Table 4 – 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	162
March	100	153	117	114	127	189	195
April	208	125	103	98	93	143	201
May	184	134	143	180	116	157	174
June	167	165	133	122	77	133	164
July	198	159	141	116	143	150	227
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	1 279

Table 4.1 – 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	15
March	29	25	12	8	7	31	2
April	46	26	5	4	13	14	14
May	24	17	31	15	10	9	17
June	43	47	18	15	7	11	6
July	56	37	22	10	10	9	17
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	107

Table 4.2 – 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	147
March	71	128	105	106	120	158	193
April	162	99	98	94	80	129	187
May	160	117	112	165	106	148	157
June	124	118	115	107	70	122	158
July	142	122	119	106	133	141	210
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	1 172

Table 5 – Total number of insolvencies of individuals and partnerships: 2003 to 2009

Month	2003	2004	2005	2006	*2007	*2008	1/ 2009
January	135	144	106	83	77	109	143
February	135	143	118	146	172	276	314
March	221	247	148	164	169	265	322
April	253	211	124	102	155	378	282
May	170	153	131	146	196	318	165
June	254	*186	141	144	159	389	199
July	234	164	122	118	179	419	
August	255	155	174	185	206	435	
September	286	182	144	140	200	407	
October	269	127	133	169	228	504	
November	236	*142	163	160	292	363	
December	204	119	130	*111	225	347	
Year	2 652	1 973	1 634	1 668	2 258	4 210	1 425

1/ Preliminary.

* Revised.

Table 6 – Percentage change between July 2008 and July 2009 regarding the number of liquidations

Number of liquidations July 2008	Number of liquidations July 2009	% change between July 2008 and July 2009	Difference between July 2008 and July 2009
320	428	33,8	108

Table 7 – Percentage change between the first seven months of 2008 and the first seven months of 2009 regarding the number of liquidations

Number of liquidations January to July 2008	Number of liquidations January to July 2009	% change between January to July 2008 and January to July 2009	Difference between January to July 2008 and January to July 2009
1 752	2 379	35,8	627

Table 8 – Percentage change between June 2008 and June 2009 regarding the number of insolvencies

Number of insolvencies June 2008	Number of insolvencies June 2009	% change between June 2008 and June 2009	Difference between June 2008 and June 2009
389	199	-48,8	-190

Table 9 – Percentage change between the first six months of 2008 and the first six months of 2009 regarding the number of insolvencies

Number of insolvencies January to June 2008	Number of insolvencies January to June 2009	% change between January to June 2008 and January to June 2009	Difference between January to June 2008 and January to June 2009
1 735	1 425	-17,9	-310

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 <ul style="list-style-type: none"> • 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 - <ul style="list-style-type: none"> • 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	CD - Compact Disc Stats SA - Statistics South Africa

Glossary

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