



# Statistics of liquidations and insolvencies

June 2002

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### Key figures as at the end of June 2002 regarding the number of liquidations

Actual estimates	June 2002	April 2002 to June 2002	% change between June 2001 and June 2002	% change between January 2002 to March 2002 and April 2002 to June 2002	% change between January 2001 to June 2001 and January 2002 to June 2002
Number of liquidations	297	941	+1,0	-18,0	+5,6

### Key findings as at the end of June 2002 regarding the number of liquidations

#### Total number of liquidations increases

*The total number of liquidations recorded for June 2002 increased by 1,0% (from 294 to 297) compared with June 2001. Furthermore, the total number of liquidations recorded for the first six months of 2002 increased by 5,6% (from 1 979 to 2 089) compared with the first the six months of 2001. However, the total number of liquidations recorded for the second quarter of 2002 decreased by 18,0% (from 1 148 to 941) compared with the previous quarter.*

The increase of 1,0% in the total number of liquidations during June 2002 compared with June 2001 was due to an increase of 10,7% (from 206 to 228) in voluntary liquidations.

The increase of 5,6% in the total number of liquidations during the first six months of 2002 compared with the first six months of 2001 was due to an increase of 14,5% (from 1 432 to 1 640) in voluntary liquidations. Voluntary liquidations of companies and of close corporations increased by 32,3% (from 572 to 757) and 2,7% (from 860 to 883) respectively during the above-mentioned period.

### Key figures as at the end of May 2002 regarding the number of insolvencies

Actual estimates	May 2002	March 2002 to May 2002	% change between May 2001 and May 2002	% change between December 2001 to February 2002 and March 2002 to May 2002	% change between January 2001 to May 2001 and January 2002 to May 2002
Number of insolvencies	122	477	-67,6	-17,2	-46,2

### Key findings as at the end of May 2002

#### Total number of insolvencies decreases

*The total number of insolvencies recorded for the three months ended May 2002 decreased by 17,2% (from 576 to 477) compared with the previous three months. The total number of insolvencies recorded for the first five months of 2002 decreased by 46,2% (from 1 579 to 850) compared with the first five months of 2001. Furthermore, the total number of insolvencies for May 2002 decreased by 67,6% (from 377 to 122) compared with May 2001.*

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## Notes

<b>Forthcoming issues</b>	<b>Issue</b>	<b>Expected release date</b>
	July 2002	29 August 2002
	August 2002	29 September 2002
	September 2002	03 October 2002
	October 2002	31 October 2002
	November 2002	28 November 2002
	December 2002	19 December 2002
	January 2003	30 February 2003

### **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.

Table 1- Total number of liquidations according to industry

Industry	2001 Total			June 2001			May 2002			June 2002		
	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	15	40	55	0	2	2	0	0	0	1	0	1
2.Mining & Quarrying	45	65	110	3	5	8	4	3	7	2	4	6
3.Manufacturing	205	234	439	24	11	35	3	14	17	12	12	24
4.Electricity,Gas & Water	2	5	7	0	1	1	0	0	0	0	1	1
5.Construction	166	388	554	15	54	69	17	24	41	9	17	26
6.Wholesale and Retail Trade, Catering & Accommodation	351	872	1 223	21	47	68	14	73	87	22	71	93
7.Transport, Storage, Communication	79	183	262	3	21	24	4	9	13	2	12	14
8.Financing,Insurance, Real estate, Business Services	368	995	1 363	22	65	87	16	110	126	18	107	125
9.Community, Social, Personal Services	53	90	143	0	0	0	2	6	8	3	4	7
Total number of liquidations	1 284	2 872	4 156	88	206	294	60	239	299	69	228	297

Table 2 - Number of liquidations of companies according to industry

Industry	2001 Total			June 2001			May 2002			June 2002		
	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	2	21	23	0	1	1	0	0	0	1	0	1
2.Mining & Quarrying	3	14	17	0	0	0	0	0	0	0	1	1
3.Manufacturing	58	116	174	10	6	16	1	7	8	1	4	5
4.Electricity,Gas & Water	2	5	7	0	1	1	0	0	0	0	1	1
5.Construction	23	73	96	4	11	15	4	3	7	1	5	6
6.Wholesale and Retail Trade, Catering & Accommodation	166	416	582	19	24	43	3	27	30	12	40	52
7.Transport, Storage, Communication	10	30	40	0	4	4	1	3	4	0	3	3
8.Financing,Insurance, Real estate, Business Services	164	525	689	20	29	49	3	65	68	12	58	70
9.Community, Social, Personal Services	15	28	43	0	0	0	0	0	0	2	4	6
Total number of liquidations of companies	443	1 228	1 671	53	76	129	12	105	117	29	116	145

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

Industry	2001 Total			June 2001			May 2002			June 2002		
	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	13	19	32	0	1	1	0	0	0	0	0	0
2.Mining & Quarrying	42	51	93	3	5	8	4	3	7	2	3	5
3.Manufacturing	147	118	265	14	5	19	2	7	9	11	8	19
4.Electricity,Gas & Water	0	0	0	0	0	0	0	0	0	0	0	0
5.Construction	143	315	458	11	43	54	13	21	34	8	12	20
6.Wholesale and Retail trade,Catering and Accommodation	185	456	641	2	23	25	11	46	57	10	31	41
7.Transport, Storage, Communication	69	153	222	3	17	20	3	6	9	2	9	11
8.Financing,Insurance, Real estate, Business Services	204	470	674	2	36	38	13	45	58	6	49	55
9.Community, Social, Personal Services	38	62	100	0	0	0	2	6	8	1	0	1
Total number of liquidations of close corporations	841	1 644	2 485	35	130	165	48	134	182	40	112	152



Table 9 - Number of voluntary liquidations of companies: 1990 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	111	82	115	146	99	1 228	103
2002	111	166	151	108	105	116								126

Table 10 - Number of liquidations of close corporations: 1990 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	355	201	244	165	150	2 485	207
2002	268	204	151	184	182	152								190

Table 11 - Number of compulsory liquidations of close corporations: 1990 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	218	64	86	39	47	841	70
2002	59	41	36	34	48	40								43

Table 12 - Number of voluntary liquidations of close corporations: 1990 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	137	137	158	126	103	1 644	137
2002	209	163	115	150	134	112								147

Table 13 - Total number of insolvencies: 1990 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	194	257	218	272	247	300	323	300	330	310	312	220	3 283	274
1998	203	259	417	345	278	339	326	378	367	416	507	453	4 288	357
1999	354	371	645	475	547	702	471	601	479	525	566	286	6 022	502
2000	282	443	395	399	412	406	377	490	308	381*	410	320	4 623	385
2001	248*	299	346*	309*	377*	312*	383*	348*	280*	300*	280*	203*	3 685	307
2002	174*	199*	174*	181*	122^									170

^ Preliminary  
\* Revised

## 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 June 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> | CD            Compact Disc<br>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.



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