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Statistical release

P0043

Statistics of liquidations and insolvencies (Preliminary)

June 2009

**Embargoed until:
27 July 2009
14:30**

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Tel: (012) 310 8600/4892/8390

Forthcoming issue	Expected release date
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July 2009	24 August 2009
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SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES

Key findings regarding liquidations for June 2009

Total number of liquidations increases

The total number of liquidations recorded for the first six months of 2009 increased by 36,2% (from 1 432 to 1 951) compared with the first six months of 2008. The total number of liquidations recorded for June 2009 increased by 33,5% (from 233 to 311) compared with June 2008 (see Table A and Tables 6 and 7, page 9).

The 36,2% increase in the total number of liquidations for the first six months of 2009 was due to increases of 38,4% in voluntary liquidations (from 1 282 to 1 774) and 18,0% in compulsory liquidations (from 150 to 177). When comparing the first six months of 2009 with the first six months of 2008, there were increases of 44,1% in company liquidations (from 624 to 899) and 30,2% in close corporation liquidations (from 808 to 1 052) (see Tables 3 and 4, pages 7 and 8).

Table A – Selected key figures regarding liquidations for June 2009

Actual estimates

Number of liquidations June 2009	% change between June 2008 and June 2009	% change between January to June 2008 and January to June 2009
311	33,5	36,2

Figure 1 below shows the annual percentage change in the number of liquidations for the first six months for the years 2003 to 2009. The number of liquidations increased by 36,2% for the first six months of 2009, following an increase of 10,2% for the same period in 2008.

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

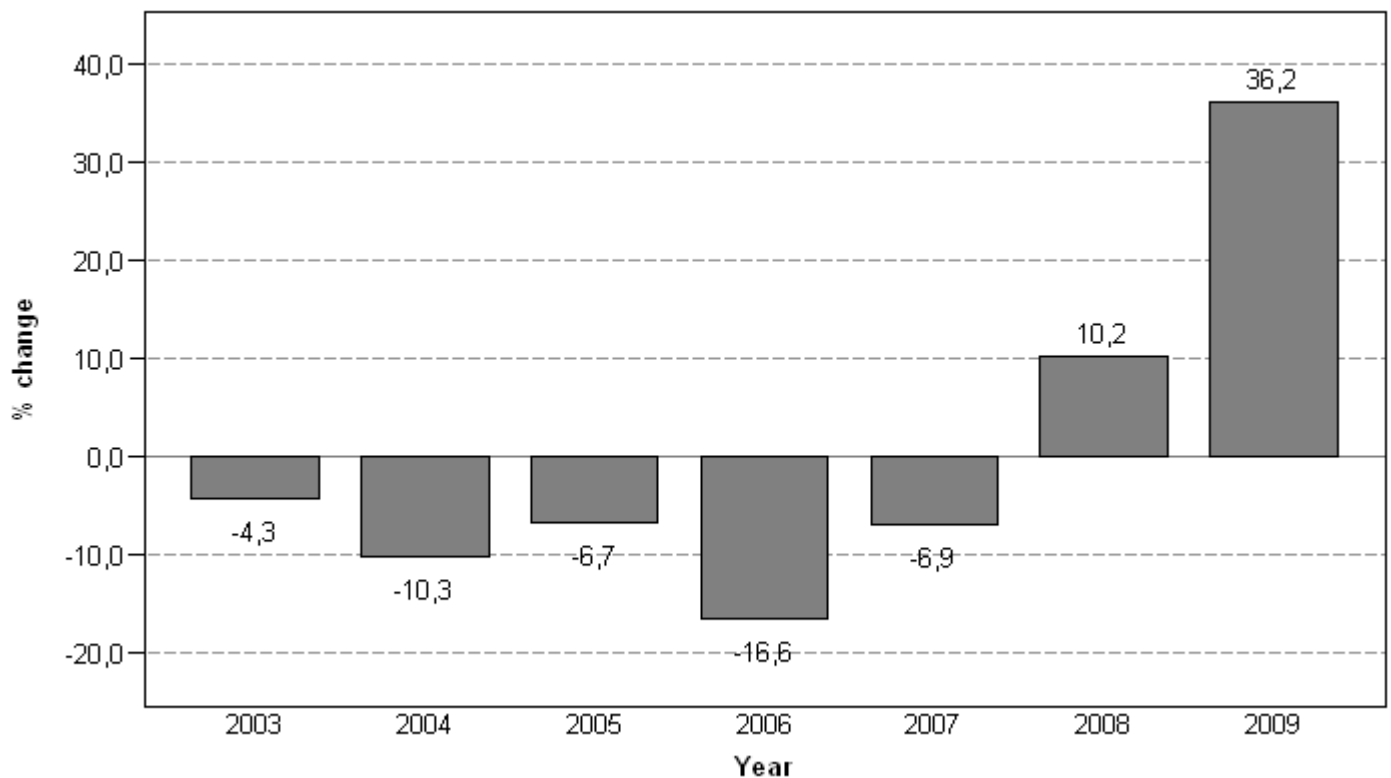
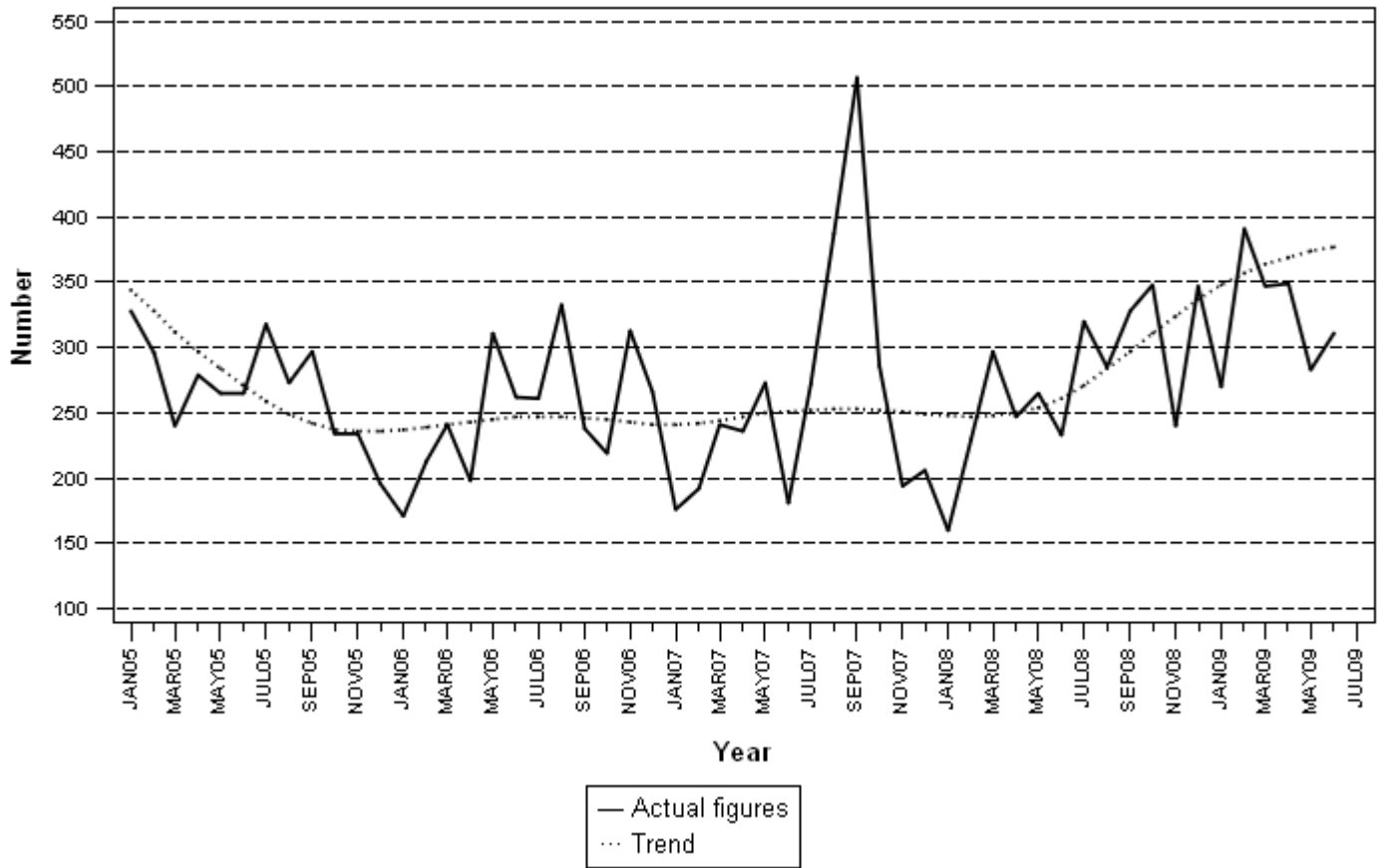


Figure 2 outlines the trend in the total number of liquidations from January 2005 to June 2009.

Figure 2 – Total number of liquidations



Key findings regarding insolvencies for May 2009

Total number of insolvencies decreases

The total number of insolvencies recorded for the first five months of 2009 decreased by 13,9% (from 1 329 to 1 144) compared with the first five months of 2008. The total number of insolvencies recorded for May 2009 decreased by 46,8% (from 310 to 165) compared with May 2008 (see Table B and Tables 8 and 9, page 9).

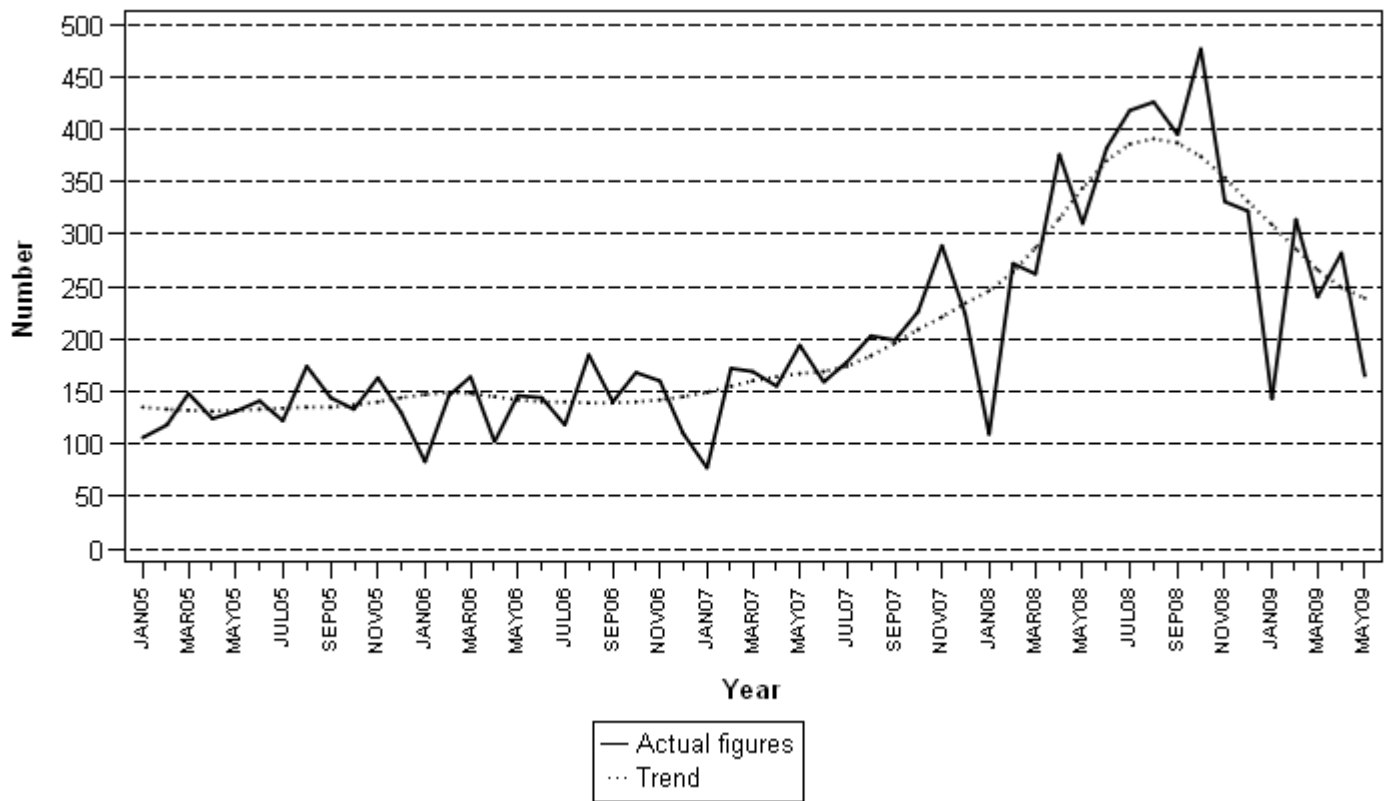
Table B – Selected key figures regarding insolvencies for May 2009

Actual estimates

Number of insolvencies May 2009	% change between May 2008 and May 2009	% change between January to May 2008 and January to May 2009
165	-46,8	-13,9

Figure 3 outlines the trend in the total number of insolvencies from January 2005 to May 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 - June 2009			June 2008			May 2009			June 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	4	19	23	0	8	8	1	2	3	0	2	2
2.Mining and quarrying	0	7	7	0	0	0	0	1	1	0	0	0
3.Manufacturing	14	121	135	1	18	19	3	31	34	0	22	22
4.Electricity, gas and water	0	13	13	0	0	0	0	1	1	0	1	1
5.Construction	8	100	108	3	10	13	2	14	16	1	19	20
6.Wholesale and retail trade, catering and accommodation	78	514	592	7	68	75	4	73	77	12	67	79
7.Transport, storage, communication	6	41	47	0	9	9	1	7	8	0	10	10
8.Financing, insurance, real estate, business services	64	765	829	6	73	79	14	106	120	7	141	148
9.Community, social, personal services	3	194	197	0	30	30	1	22	23	0	29	29
Total number of liquidations	177	1 774	1 951	17	216	233	26	257	283	20	291	311

Table 1.1 – Number of liquidations of companies according to industry

Industry	January - June 2009			June 2008			May 2009			June 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	4	11	15	0	0	0	1	1	2	0	0	0
2.Mining and quarrying	0	4	4	0	0	0	0	1	1	0	0	0
3.Manufacturing	6	38	44	1	7	8	0	6	6	0	9	9
4.Electricity, gas and water	0	2	2	0	0	0	0	0	0	0	1	1
5.Construction	1	21	22	1	1	2	1	6	7	0	4	4
6.Wholesale and retail trade, catering and accommodation	48	216	264	1	34	35	2	29	31	9	29	38
7.Transport, storage, communication	0	14	14	0	3	3	0	1	1	0	4	4
8.Financing, insurance, real estate, business services	27	380	407	3	28	31	4	41	45	5	68	73
9.Community, social, personal services	1	126	127	0	21	21	1	15	16	0	18	18
Total number of liquidations	87	812	899	6	94	100	9	100	109	14	133	147

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

Industry	January - June 2009			June 2008			May 2009			June 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	8	8	0	8	8	0	1	1	0	2	2
2.Mining and quarrying	0	3	3	0	0	0	0	0	0	0	0	0
3.Manufacturing	8	83	91	0	11	11	3	25	28	0	13	13
4.Electricity, gas and water	0	11	11	0	0	0	0	1	1	0	0	0
5.Construction	7	79	86	2	9	11	1	8	9	1	15	16
6.Wholesale and retail trade, catering and accommodation	30	298	328	6	34	40	2	44	46	3	38	41
7.Transport, storage, communication	6	27	33	0	6	6	1	6	7	0	6	6
8.Financing, insurance, real estate, business services	37	385	422	3	45	48	10	65	75	2	73	75
9.Community, social, personal services	2	68	70	0	9	9	0	7	7	0	11	11
Total number of liquidations	90	962	1 052	11	122	133	17	157	174	6	158	164

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	
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	1 951

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	
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	177

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	
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	1 774

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	
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	899

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	
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	87

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	
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	812

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	
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	1 052

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	
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	90

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	
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	962

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

Month	2003	2004	2005	2006	2007	* 2008	2009
January	135	144	106	*83	77	109	143
February	135	143	118	146	172	272	314
March	221	247	148	164	169	262	240
April	253	211	124	102	155	376	282
May	170	153	131	146	194	310	165
June	254	185	141	144	*159	382	
July	234	164	*122	118	*178	418	
August	255	*155	174	185	203	426	
September	286	182	144	140	*199	395	
October	269	127	133	168	226	488	
November	236	140	163	160	289	331	
December	204	119	130	111	224	322	
Year	2 652	1 970	1 634	1 667	2 245	4 091	1 144

1/ Preliminary.
* Revised.

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

Number of liquidations June 2008	Number of liquidations June 2009	% change between June 2008 and June 2009	Difference between June 2008 and June 2009
233	311	33,5	78

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

Number of liquidations January to June 2008	Number of liquidations 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
1 432	1 951	36,2	519

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

Number of insolvencies May 2008	Number of insolvencies May 2009	% change between May 2008 and May 2009	Difference between May 2008 and May 2009
310	165	-46,8	-145

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

Number of insolvencies January to May 2008	Number of insolvencies January to May 2009	% change between January to May 2008 and January to May 2009	Difference between January to May 2008 and January to May 2009
1 329	1 144	-13,9	-185

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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