



**Statistics
South Africa**

Preferred supplier of quality statistics



Statistical release

P0043

Statistics of liquidations and insolvencies (Preliminary)

March 2008

**Embargoed until:
24 April 2008
09:30**

Enquiries

User Information Services

Tel: (012) 310 8600/4892/8390

Forthcoming issue	Expected release date
April 2008	29 May 2008

Contents	Page
SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES (MARCH 2008)	2
Key findings regarding liquidations for March 2008	2
Total number of liquidations increases	2
Key figures regarding liquidations for March 2008	2
Table A – Selected key figures regarding liquidations for March 2008	2
Figure 1 – Percentage change for the first quarter of the year compared with the corresponding period of the previous year for the number of liquidations from 2002 to 2008	2
Figure 2 – Total number of liquidations	3
Key findings regarding insolvencies for February 2008	3
Total number of insolvencies decreases	3
Key figures regarding insolvencies for February 2008	3
Table B – Selected key figures regarding insolvencies for February 2008	3
Figure 3 – Percentage change in the number of insolvencies for the first two months of the year from 2002 to 2008	4
Figure 4 – Total number of insolvencies	4
Detailed results: Tables	5
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	5
Table 4 – Total number of liquidations: 2002 to 2008	6
Table 5 – Total number of compulsory liquidations: 2002 to 2008	6
Table 6 – Total number of voluntary liquidations: 2002 to 2008	6
Table 7 – Number of liquidations of companies: 2002 to 2008	7
Table 8 – Number of compulsory liquidations of companies: 2002 to 2008	7
Table 9 – Number of voluntary liquidations of companies: 2002 to 2008	7
Table 10 – Number of liquidations of close corporations: 2002 to 2008	8
Table 11 – Number of compulsory liquidations of close corporations: 2002 to 2008	8
Table 12 – Number of voluntary liquidations of close corporations: 2002 to 2008	8
Table 13 – Total number of insolvencies of individuals and partnerships: 2002 to 2008	9
Table 14 – Percentage change between March 2008 and the corresponding month of the previous year regarding the number of liquidations	9
Table 15 – Percentage change between the first quarter of 2008 and the first quarter of 2007 regarding the number of liquidations	9
Table 16 – Percentage change between February 2008 and the corresponding month of the previous year regarding the number of insolvencies	9
Table 17 – Percentage change between the first two months of 2008 and the first two months of 2007 regarding the number of insolvencies	9
Explanatory notes	10
Glossary	11
General information	12

SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES (MARCH 2008)

Key findings regarding liquidations for March 2008

Total number of liquidations increases

The total number of liquidations recorded for the first quarter of 2008 increased by 12,8% (from 609 to 687) when compared with the first quarter of 2007. The 12,8% increase is the first increase since the 2004 first quarter increase of 3,9%. Furthermore, the total number of liquidations recorded for March 2008 increased by 23,2% (from 241 to 297) compared with March 2007 (see Table A and Table 14).

The increase of 12,8% in the total number of liquidations for first quarter of 2008 was due to an increase of 117,9% in compulsory liquidations (from 39 to 85) and 5,6% in voluntary liquidations (from 570 to 602).

Key figures regarding liquidations for March 2008

Table A – Selected key figures regarding liquidations for March 2008

Actual estimates

Number of liquidations March 2008	% change between March 2007 and March 2008	% change between January 2007 to March 2007 and January 2008 to March 2008
297	23,2	12,8

Figure 1 below shows the annual percentage change in the number of liquidations for the first quarter of the respective years and covers the period from 2002 to 2008. The increase of 12,8% in 2008 followed three consecutive periods of negative growth.

Figure 1 – Percentage change for the first quarter of the year compared with the corresponding period of the previous year for the number of liquidations from 2002 to 2008

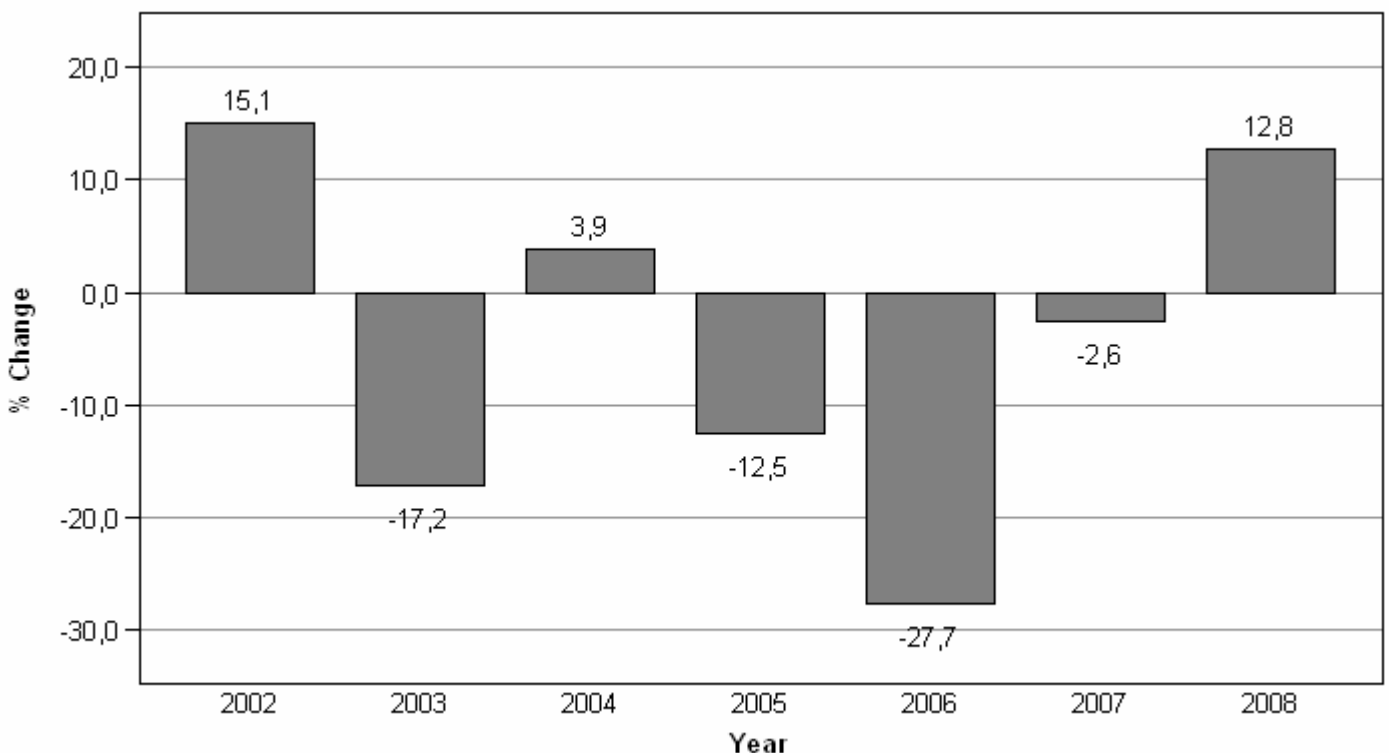
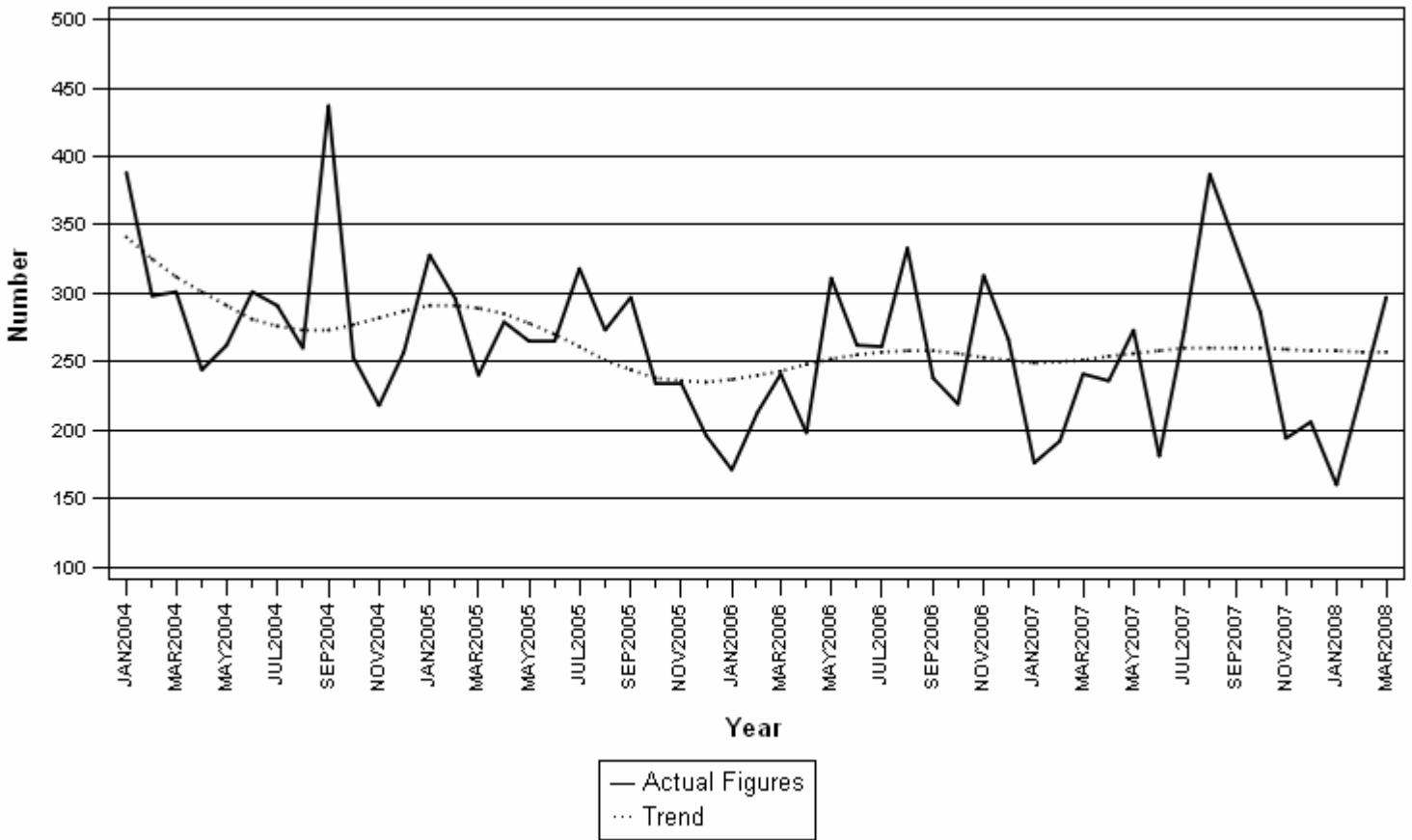


Figure 2 shows that the trend for the total number of liquidations decreased in general during 2004 and 2005, flattening for the better part of 2006 until present.

Figure 2 – Total number of liquidations



Key findings regarding insolvencies for February 2008

Total number of insolvencies decreases

The total number of insolvencies recorded for the two months ended February 2008 decreased by 22,1% (from 231 to 180) compared with the two months ended February 2007. Furthermore, the total number of insolvencies recorded for February 2008 decreased by 23,7% (from 156 to 119) when compared with February 2007 (see Table B and Table 16).

Key figures regarding insolvencies for February 2008

Table B – Selected key figures regarding insolvencies for February 2008

Actual estimates

Number of insolvencies February 2008	% change between February 2007 and February 2008	% change between January 2007 to February 2007 and January 2008 to February 2008
119	-23,7	-22,1

Figure 3 below shows the annual percentage change in the number of insolvencies for the two months ended February of each year, compared with the corresponding period of the year before, and covers the period 2002 to 2008. The number of insolvencies decreased by 22,1% for the first two months of 2008 and it is the fourth decrease recorded since 2001.

Figure 3 – Percentage change in the number of insolvencies for the first two months of the year from 2002 to 2008

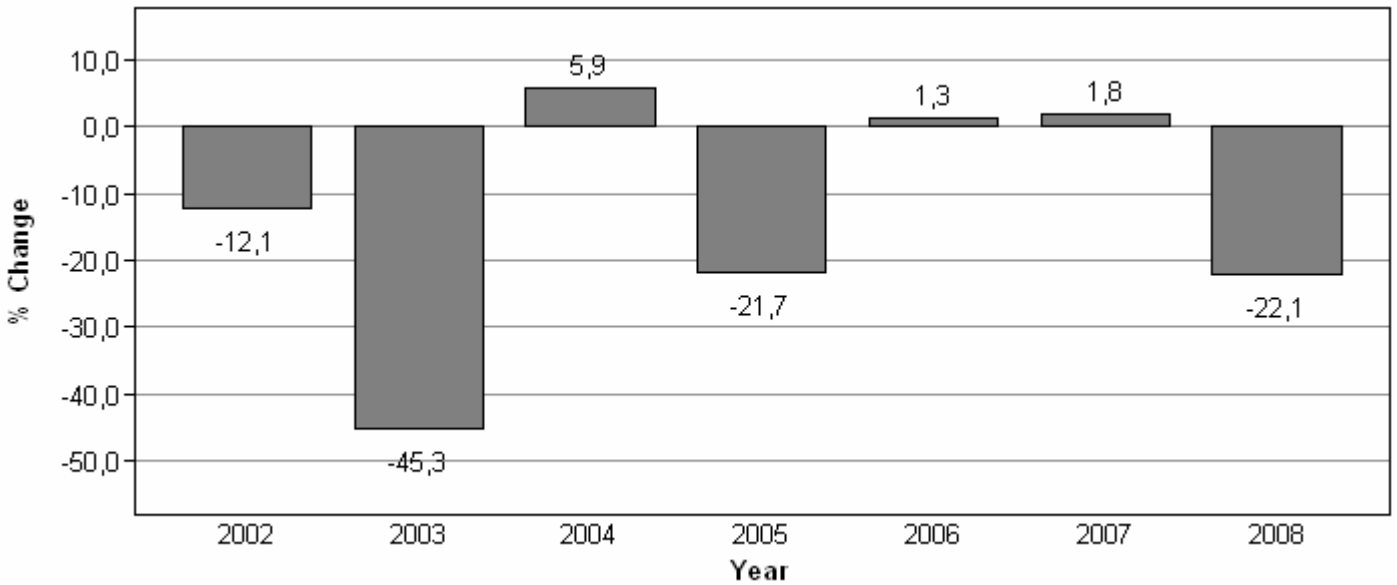
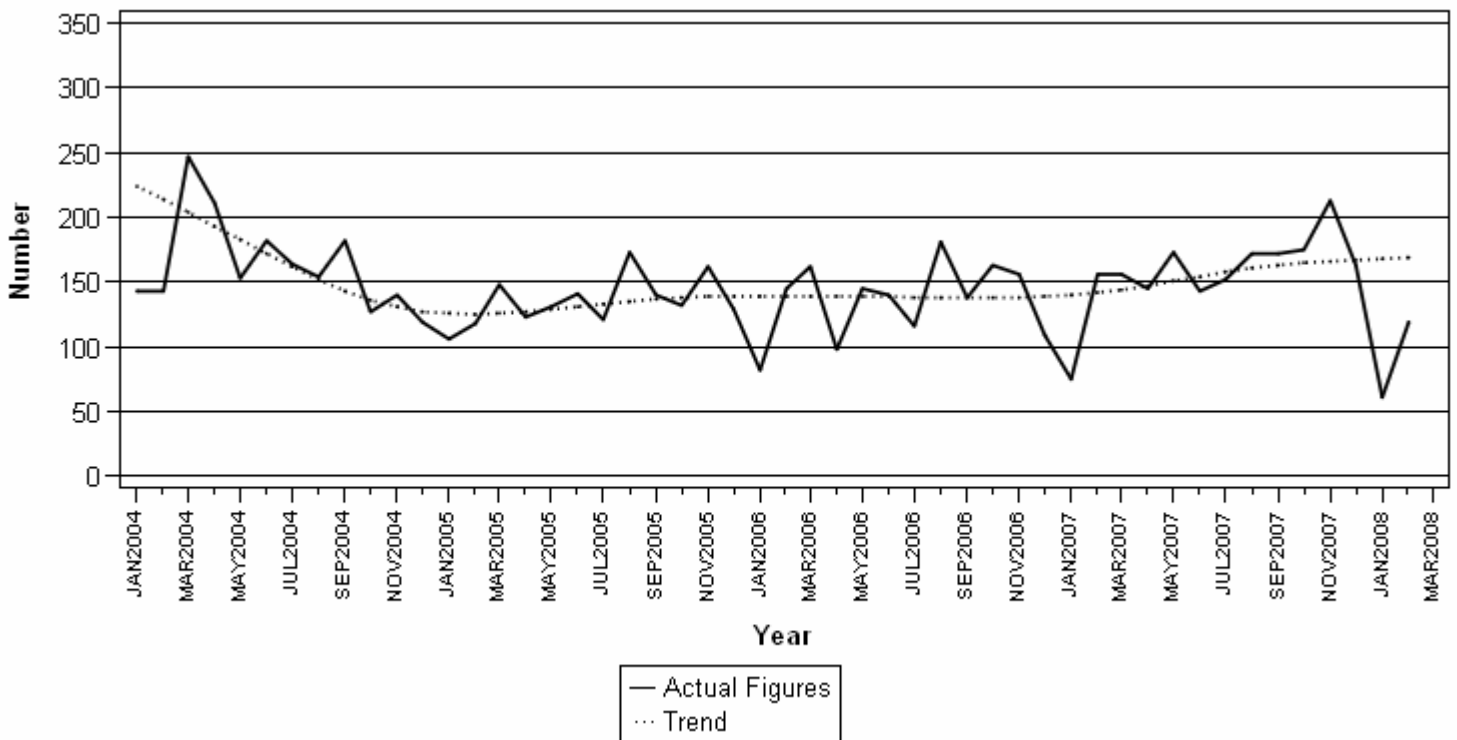


Figure 4 shows that the trend for the total number of insolvencies decreased during 2004 and early 2005. During 2006 the trend was relatively stable. However after November 2006 the trend started to rise.

Figure 4 – Total number of insolvencies



P J Lehohla
Statistician-General

Detailed results: Tables

Table 1 – Total number of liquidations according to industry

Industry	January - March 2008			March 2007			February 2008			March 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry & fishing	0	4	4	0	2	2	0	3	3	0	1	1
2.Mining & quarrying	0	2	2	0	0	0	0	1	1	0	1	1
3.Manufacturing	13	40	53	0	17	17	1	10	11	7	13	20
4.Electricity, gas & water	1	3	4	0	1	1	0	1	1	1	0	1
5.Construction	3	18	21	1	11	12	1	6	7	0	9	9
6.Wholesale and retail trade, catering & accommodation	37	213	250	4	74	78	7	63	70	20	108	128
7.Transport, storage, communication	2	16	18	0	5	5	0	8	8	0	6	6
8.Financing, insurance, real estate, business services	27	253	280	7	100	107	6	101	107	11	100	111
9.Community, social, personal services	2	53	55	0	19	19	0	22	22	2	18	20
Total number of liquidations	85	602	687	12	229	241	15	215	230	41	256	297

Table 2 – Number of liquidations of companies according to industry

Industry	January - March 2008			March 2007			February 2008			March 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry & fishing	0	0	0	0	0	0	0	0	0	0	0	0
2.Mining & quarrying	0	2	2	0	0	0	0	1	1	0	1	1
3.Manufacturing	6	23	29	0	9	9	1	5	6	4	8	12
4.Electricity, gas & water	0	1	1	0	1	1	0	0	0	0	0	0
5.Construction	2	3	5	0	1	1	1	1	2	0	0	0
6.Wholesale and retail trade, catering & accommodation	13	72	85	2	24	26	7	22	29	3	24	27
7.Transport, storage, communication	0	3	3	0	2	2	0	2	2	0	0	0
8.Financing, insurance, real estate, business services	12	142	154	3	56	59	6	58	64	3	55	58
9.Community, social, personal services	0	33	33	0	16	16	0	13	13	0	10	10
Total number of liquidations	33	279	312	5	109	114	15	102	117	10	98	108

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

Industry	January - March 2008			March 2007			February 2008			March 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry & fishing	0	4	4	0	2	2	0	3	3	0	1	1
2.Mining & quarrying	0	0	0	0	0	0	0	0	0	0	0	0
3.Manufacturing	7	17	24	0	8	8	0	5	5	3	5	8
4.Electricity, gas & water	1	2	3	0	0	0	0	1	1	1	0	1
5.Construction	1	15	16	1	10	11	0	5	5	0	9	9
6.Wholesale and retail trade, catering & accommodation	24	141	165	2	50	52	0	41	41	17	84	101
7.Transport, storage, communication	2	13	15	0	3	3	0	6	6	0	6	6
8.Financing, insurance, real estate, business services	15	111	126	4	44	48	0	43	43	8	45	53
9.Community, social, personal services	2	20	22	0	3	3	0	9	9	2	8	10
Total number of liquidations	52	323	375	7	120	127	0	113	113	31	158	189

C = Compulsory.
V= Voluntary.

Table 4 – Total number of liquidations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	398	395	388	328	171	176	160
February	416	328	298	296	213	192	230
March	334	227	301	240	241	241	297
April	345	359	244	279	198	236	
May	299	346	262	265	311	273	
June	297	345	301	265	262	181	
July	349	339	291	318	261	272	
August	339	406	260	273	333	387	
September	336	466	437	297	238	507	
October	333	351	253	234	219	286	
November	254	329	218	234	313	194	
December	211	195	257	196	266	206	
Year	3 911	4 086	3 510	3 225	3 026	3 151	687

Table 5 – Total number of compulsory liquidations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	78	76	42	30	37	12	29
February	87	65	38	70	15	15	15
March	68	46	57	35	31	12	41
April	87	63	32	18	9	32	
May	60	52	37	61	20	13	
June	69	74	63	25	50	9	
July	69	85	68	84	16	14	
August	74	120	39	69	46	111	
September	70	109	83	27	22	47	
October	54	70	43	40	20	39	
November	64	60	23	47	56	13	
December	45	37	39	18	53	9	
Year	825	857	564	524	375	326	85

Table 6 – Total number of voluntary liquidations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	320	319	346	298	134	164	131
February	329	263	260	226	198	177	215
March	266	181	244	205	210	229	256
April	258	296	212	261	189	204	
May	239	294	225	204	291	260	
June	228	271	238	240	212	172	
July	280	254	223	234	245	258	
August	265	286	221	204	287	276	
September	266	357	354	270	216	460	
October	279	281	210	194	199	247	
November	190	269	195	187	257	181	
December	166	158	218	178	213	197	
Year	3 086	3 229	2 946	2 701	2 651	2 825	602

Table 7 – Number of liquidations of companies: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	130	200	191	130	85	99	87
February	212	188	132	154	107	96	117
March	183	127	148	123	127	114	108
April	161	151	119	176	100	143	
May	117	162	128	122	131	157	
June	145	178	136	132	140	104	
July	183	141	132	177	145	129	
August	173	202	114	124	143	243	
September	164	260	141	143	122	416	
October	118	235	126	115	132	175	
November	106	136	90	95	183	94	
December	166	130	75	113	167	127	
Year	1 858	2 110	1 532	1 604	1 582	1 897	312

Table 8 – Number of compulsory liquidations of companies: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	19	37	16	6	18	4	8
February	46	28	15	43	4	4	15
March	32	17	32	23	23	5	10
April	53	17	6	13	5	19	
May	12	28	20	30	5	3	
June	29	31	16	7	35	2	
July	33	29	31	62	6	4	
August	17	69	11	21	11	89	
September	22	60	33	17	18	34	
October	22	42	22	22	13	26	
November	25	38	12	18	43	7	
December	29	27	9	13	37	8	
Year	339	423	223	275	218	205	33

Table 9 – Number of voluntary liquidations of companies: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	111	163	175	124	67	95	79
February	166	160	117	111	103	92	102
March	151	110	116	100	104	109	98
April	108	134	113	163	95	124	
May	105	134	108	92	126	154	
June	116	147	120	125	105	102	
July	150	112	101	115	139	125	
August	156	133	103	103	132	154	
September	142	200	108	126	104	382	
October	96	193	104	93	119	149	
November	81	98	78	77	140	87	
December	137	103	66	100	130	119	
Year	1 519	1 687	1 309	1 329	1 364	1 692	279

Table 10 – Number of liquidations of close corporations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	268	195	197	198	86	77	73
February	204	140	166	142	106	96	113
March	151	100	153	117	114	127	189
April	184	208	125	103	98	93	
May	182	184	134	143	180	116	
June	152	167	165	133	122	77	
July	166	198	159	141	116	143	
August	166	204	146	149	190	144	
September	172	206	296	154	116	91	
October	215	116	127	119	87	111	
November	148	193	128	139	130	100	
December	45	65	182	83	99	79	
Year	2 053	1 976	1 978	1 621	1 444	1 254	375

Table 11 – Number of compulsory liquidations of close corporations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	59	39	26	24	19	8	21
February	41	37	23	27	11	11	0
March	36	29	25	12	8	7	31
April	34	46	26	5	4	13	
May	48	24	17	31	15	10	
June	40	43	47	18	15	7	
July	36	56	37	22	10	10	
August	57	51	28	48	35	22	
September	48	49	50	10	4	13	
October	32	28	21	18	7	13	
November	39	22	11	29	13	6	
December	16	10	30	5	16	1	
Year	486	434	341	249	157	121	52

Table 12 – Number of voluntary liquidations of close corporations: 2002 to 2008

Month	2002	2003	2004	2005	2006	2007	2008
January	209	156	171	174	67	69	52
February	163	103	143	115	95	85	113
March	115	71	128	105	106	120	158
April	150	162	99	98	94	80	
May	134	160	117	112	165	106	
June	112	124	118	115	107	70	
July	130	142	122	119	106	133	
August	109	153	118	101	155	122	
September	124	157	246	144	112	78	
October	183	88	106	101	80	98	
November	109	171	117	110	117	94	
December	29	55	152	78	83	78	
Year	1 567	1 542	1 637	1 372	1 287	1 133	323

Table 13 – Total number of insolvencies of individuals and partnerships: 2002 to 2008

Month	2002	2003	2004	2005	* 2006	* 2007	1/ 2008
January	217	135	143	106	82	75	61
February	277	135	143	118	145	156	119
March	269	221	247	148	162	156	
April	318	253	211	123	98	145	
May	256	170	153	131	145	173	
June	252	254	182	141	140	143	
July	282	234	164	121	116	152	
August	277	255	154	173	181	172	
September	229	286	182	140	138	172	
October	261	268	127	* 132	163	175	
November	255	236	140	162	156	213	
December	161	204	119	129	109	163	
Year	3 054	2 651	1 965	1 624	1 635	1 895	180

1/ Preliminary.

* Revised.

Table 14 – Percentage change between March 2008 and the corresponding month of the previous year regarding the number of liquidations

Number of liquidations March 2007	Number of liquidations March 2008	% change between March 2007 and March 2008	Difference between March 2007 and March 2008
241	297	23,2	56

Table 15 – Percentage change between the first quarter of 2008 and the first quarter of 2007 regarding the number of liquidations

Number of liquidations January 2007 to March 2007	Number of liquidations January 2008 to March 2008	% change between January 2007 to March 2007 and January 2008 to March 2008	Difference between January 2007 to March 2007 and January 2008 to March 2008
609	687	12,8	78

Table 16 – Percentage change between February 2008 and the corresponding month of the previous year regarding the number of insolvencies

Number of insolvencies February 2007	Number of insolvencies February 2008	% change between February 2007 and February 2008	Difference between February 2007 and February 2008
156	119	-23,7	-37

Table 17 – Percentage change between the first two months of 2008 and the first two months of 2007 regarding the number of insolvencies

Number of insolvencies January 2007 to February 2007	Number of insolvencies January 2008 to February 2008	% change between January 2007 to February 2007 and January 2008 to February 2008	Difference between January 2007 to February 2007 and January 2008 to February 2008
231	180	-22,1	-51

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	Insolvencies refer 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.

General 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, Polokwane
Central Reference Library, Nelspruit
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

Electronic services

Large ranges of data are available via on-line services, diskette, CD and computer printouts. For more details about our electronic data services, contact (012) 310 8600/8390/8351/4892/8964/8095.

You can visit us on the internet at: www.statssa.gov.za

Enquiries

Telephone number: (012) 310 8600/ 8390/ 8351/ 4892/ 8964/ 8095 (user information services)
(012) 310 2965 (technical enquiries)
(012) 310 8161 (orders)
(012) 310 4883/4885/8018 (library)

Fax number: (012) 310 8332 (technical enquiries)

email: juan-pierret@statssa.gov.za (technical enquiries)
info@statssa.gov.za (user information services)
distribution@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA