



# **Statistics of liquidations and insolvencies (preliminary) May 2004**

**Embargoed until:  
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**These figures are issued as preliminary**

**Key figures as at the end of May 2004 regarding liquidations**

<b>Actual estimates</b>	<b>Number of liquidations May 2004</b>	<b>% change between May 2003 and May 2004</b>	<b>% change between December 2003 to February 2004 and March 2004 to May 2004</b>	<b>% change between January 2003 to May 2003 and January 2004 to May 2004</b>
	262	-24,3	-8,4	-9,8

**Key findings as at the end of May 2004 regarding liquidations**

**Total number of liquidations decreases**

*The total number of liquidations recorded for May 2004 decreased by 24,3% (from 346 to 262) compared with May 2003. Furthermore, the total number of liquidations recorded for the three months ended May 2004 decreased by 8,4 % (from 881 to 807) compared with the previous three months. The total number of liquidations recorded for the first five months of 2004 decreased by 9,8% (from 1 655 to 1 493) compared with the first five months of 2003.*

The decrease of 24,3% in the total number of liquidations for May 2004 compared with May 2003 was due to a decrease of 28,8% (from 52 to 37) in compulsory liquidations and 23,5% (from 294 to 225) in voluntary liquidations.

The decrease of 9,8% in the total number of liquidations for the first five months of 2004 compared with the first five months of 2003 was due to a decrease of 31,8% (from 302 to 206) in compulsory liquidations and a decrease of 4,9% (from 1 353 to 1 287) in voluntary liquidations.

**Key figures as at the end of April 2004 regarding insolvencies**

<b>Actual estimates</b>	<b>Number of insolvencies April 2004</b>	<b>% change between April 2003 and April 2004</b>	<b>% change between November 2003 to January 2004 and February 2004 to April 2004</b>	<b>% change between January 2003 to April 2003 and January 2004 to April 2004</b>
	125	-49,0	-22,0	-29,2

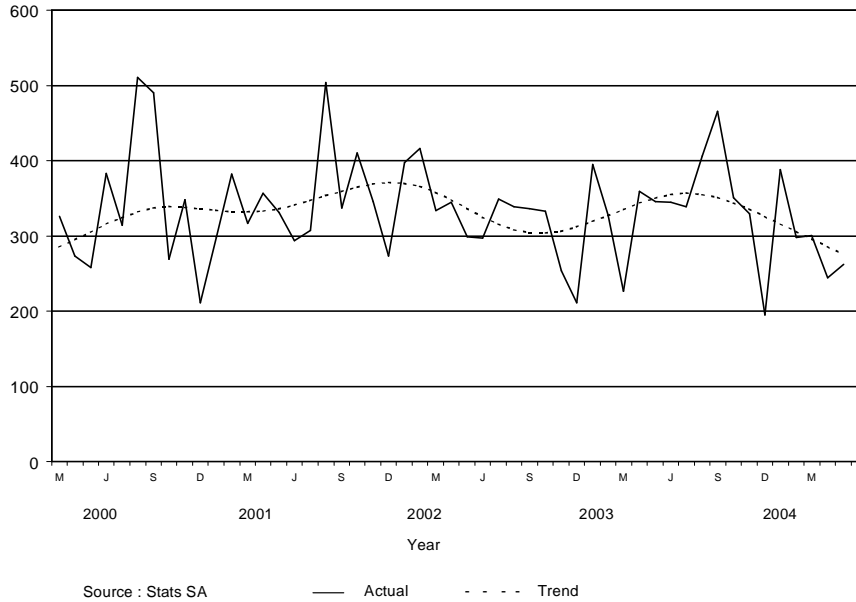
**Key findings as at the end of April 2004 regarding insolvencies**

**Total number of insolvencies decreases**

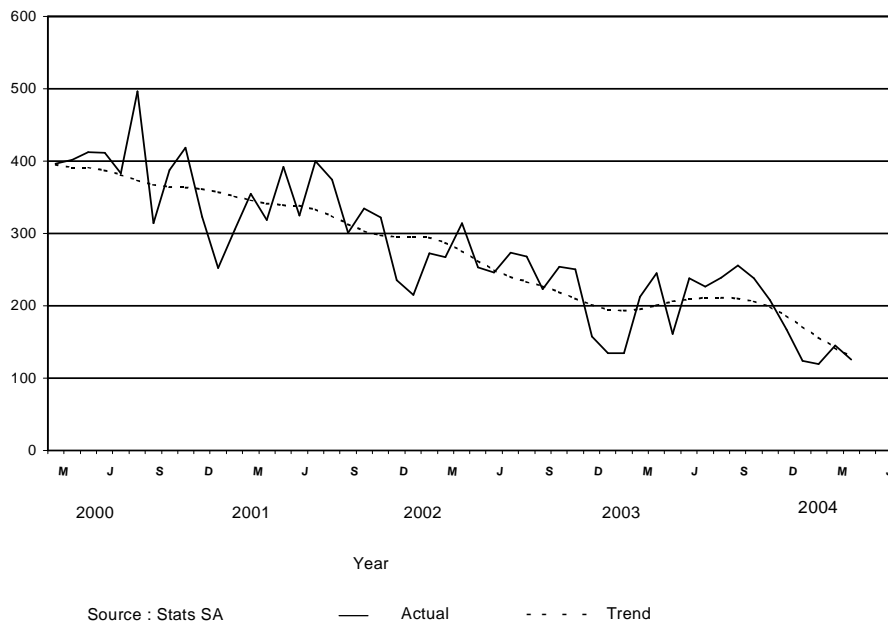
The total number of insolvencies recorded for the three months ended April 2004 decreased by 22,0% (from 499 to 389) compared with the previous three months. Furthermore, the total number of insolvencies for April 2004 decreased by 49,0% (from 245 to 125) compared with April 2003. The total number of insolvencies for the first four months of 2004 decreased by 29,2% (from 725 to 513) compared with the first four months of 2003.

Figures 1 and 2 outline the total number of liquidations and insolvencies from 2000 to 2004.

**Figure 1 – Total number of liquidations**



**Figure 2 - Total number of insolvencies**



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## Notes

<b>Forthcoming issue</b>	<b>Issue</b>	<b>Expected release date</b>
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	June 2004	29 July 2004
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**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.

**Table 1- Total number of liquidations according to industry**

Industry	2003 Total			May 2003			April 2004			May 2004		
	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total
Agriculture, hunting, forestry and fishing	14	48	62	1	2	3	2	0	2	3	5	8
Mining and quarrying	13	30	43	0	0	0	0	0	0	0	0	0
Manufacturing	106	214	320	2	28	30	5	8	13	1	15	16
Electricity, gas and water	0	10	10	0	0	0	0	1	1	0	0	0
Construction	80	235	315	4	21	25	1	15	16	1	13	14
Wholesale and retail trade, catering and accommodation	255	1 021	1 276	16	89	105	14	67	81	14	85	99
Transport, storage and communication	30	106	136	3	13	16	2	8	10	1	10	11
Financing, insurance, real estate and business services	274	1 246	1 520	19	96	115	7	79	86	9	80	89
Community, social and personal services	85	319	404	7	45	52	1	34	35	8	17	25
<b>Total number of liquidations</b>	<b>857</b>	<b>3 229</b>	<b>4 086</b>	<b>52</b>	<b>294</b>	<b>346</b>	<b>32</b>	<b>212</b>	<b>244</b>	<b>37</b>	<b>225</b>	<b>262</b>

**Table 2 – Number of liquidations of companies according to industry**

Industry	2003 Total			May 2003			April 2004			May 2004		
	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total
Agriculture, hunting, forestry and fishing	7	16	23	1	0	1	0	0	0	0	3	3
Mining and quarrying	7	10	17	0	0	0	0	0	0	0	0	0
Manufacturing	49	115	164	1	11	12	2	2	4	1	3	4
Electricity, gas and water	0	4	4	0	0	0	0	0	0	0	0	0
Construction	13	65	78	0	1	1	0	2	2	1	3	4
Wholesale and retail trade, catering and accommodation	126	459	585	11	37	48	2	38	40	5	37	42
Transport, storage and communication	17	31	48	1	2	3	0	5	5	1	3	4
Financing, insurance, real estate and business services	142	737	879	8	48	56	1	35	36	5	46	51
Community, social and personal services	62	250	312	6	35	41	1	31	32	7	13	20
<b>Total number of liquidations</b>	<b>423</b>	<b>1 687</b>	<b>2 110</b>	<b>28</b>	<b>134</b>	<b>162</b>	<b>6</b>	<b>113</b>	<b>119</b>	<b>20</b>	<b>108</b>	<b>128</b>

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

Industry	2003 Total			May 2003			April 2004			May 2004		
	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total	Compul-sary	Volun-tary	Total
Agriculture, hunting, forestry and fishing	7	32	39	0	2	2	2	0	2	3	2	5
Mining and quarrying	6	20	26	0	0	0	0	0	0	0	0	0
Manufacturing	57	99	156	1	17	18	3	6	9	0	12	12
Electricity, gas and water	0	6	6	0	0	0	0	1	1	0	0	0
Construction	67	170	237	4	20	24	1	13	14	0	10	10
Wholesale and retail trade, catering and accommodation	129	562	691	5	52	57	12	29	41	9	48	57
Transport, storage and communication	13	75	88	2	11	13	2	3	5	0	7	7
Financing, insurance, real estate and business services	132	509	641	11	48	59	6	44	50	4	34	38
Community, social and personal services	23	69	92	1	10	11	0	3	3	1	4	5
<b>Total number of liquidations</b>	<b>434</b>	<b>1 542</b>	<b>1 976</b>	<b>24</b>	<b>160</b>	<b>184</b>	<b>26</b>	<b>99</b>	<b>125</b>	<b>17</b>	<b>117</b>	<b>134</b>

**Table 4 - Total number of liquidations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	162	367	193	298	398	395	388
February	234	367	229	382	416	328	298
March	253	332	326	317	334	227	301
April	320	370	273	357	345	359	244
May	291	379	258	331	299	346	262
June	423	297	383	294	297	345	
July	348	333	314	307	349	339	
August	347	326	511	504	339	406	
September	307	421	490	337	336	466	
October	334	277	269	410	333	351	
November	476	341	348	346	254	329	
December	271	202	211	273	211	195	
<b>Year</b>	<b>3 766</b>	<b>4 012</b>	<b>3 805</b>	<b>4 156</b>	<b>3 911</b>	<b>4 086</b>	

**Table 5 - Total number of compulsory liquidations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	88	244	85	71	78	76	42
February	130	177	78	114	87	65	38
March	122	132	172	68	68	46	57
April	150	177	125	125	87	63	32
May	189	186	57	81	60	52	37
June	240	131	190	88	69	74	
July	221	140	77	81	69	85	
August	218	132	247	256	74	120	
September	192	169	241	118	70	109	
October	226	102	44	137	54	70	
November	275	159	128	74	64	60	
December	150	95	71	71	45	37	
<b>Year</b>	<b>2 201</b>	<b>1 844</b>	<b>1 515</b>	<b>1 284</b>	<b>825</b>	<b>857</b>	

**Table 6 - Total number of voluntary liquidations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	74	123	108	227	320	319	346
February	104	190	151	268	329	263	260
March	131	200	154	249	266	181	244
April	170	193	148	232	258	296	212
May	102	193	201	250	239	294	225
June	183	166	193	206	228	271	
July	127	193	237	226	280	254	
August	129	194	264	248	265	286	
September	115	252	249	219	266	357	
October	108	175	225	273	279	281	
November	201	182	220	272	190	269	
December	121	107	140	202	166	158	
<b>Year</b>	<b>1 565</b>	<b>2 168</b>	<b>2 290</b>	<b>2 872</b>	<b>3 086</b>	<b>3 229</b>	

**Table 7 – Number of liquidations of companies: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	86	134	91	107	130	200	191
February	99	198	151	119	212	188	132
March	108	165	241	132	183	127	148
April	171	166	166	129	161	151	119
May	125	142	130	156	117	162	128
June	202	114	173	129	145	178	
July	133	114	89	144	183	141	
August	151	169	152	149	173	202	
September	116	157	93	136	164	260	
October	106	145	106	166	118	235	
November	170	136	112	181	106	136	
December	166	98	122	123	166	130	
<b>Year</b>	<b>1 633</b>	<b>1 738</b>	<b>1 626</b>	<b>1 671</b>	<b>1 858</b>	<b>2 110</b>	

**Table 8 – Number of compulsory liquidations of companies: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	51	69	32	34	19	37	16
February	53	96	57	17	46	28	15
March	49	70	147	28	32	17	32
April	43	87	87	27	53	17	6
May	73	73	40	41	12	28	20
June	86	46	100	53	29	31	
July	70	43	32	41	33	29	
August	103	77	48	38	17	69	
September	59	61	31	54	22	60	
October	66	65	21	51	22	42	
November	54	76	25	35	25	38	
December	82	47	39	24	29	27	
<b>Year</b>	<b>789</b>	<b>810</b>	<b>659</b>	<b>443</b>	<b>339</b>	<b>423</b>	

**Table 9 - Number of voluntary liquidations of companies: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	35	65	59	73	111	163	175
February	46	102	94	102	166	160	117
March	59	95	94	104	151	110	116
April	128	79	79	102	108	134	113
May	52	69	90	115	105	134	108
June	116	68	73	76	116	147	
July	63	71	57	103	150	112	
August	48	92	104	111	156	133	
September	57	96	62	82	142	200	
October	40	80	85	115	96	193	
November	116	60	87	146	81	98	
December	84	51	83	99	137	103	
<b>Year</b>	<b>844</b>	<b>928</b>	<b>967</b>	<b>1 228</b>	<b>1 519</b>	<b>1 687</b>	



**Table 10 - Number of liquidations of close corporations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	76	233	102	191	268	195	197
February	135	169	78	263	204	140	166
March	145	167	85	185	151	100	153
April	149	204	107	228	184	208	125
May	166	237	128	175	182	184	134
June	221	183	210	165	152	167	
July	215	219	225	163	166	198	
August	196	157	359	355	166	204	
September	191	264	397	201	172	206	
October	228	132	163	244	215	116	
November	306	205	236	165	148	193	
December	105	104	89	150	45	65	
<b>Year</b>	<b>2 133</b>	<b>2 274</b>	<b>2 179</b>	<b>2 485</b>	<b>2 053</b>	<b>1 976</b>	

**Table 11 - Number of compulsory liquidations of close corporations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	37	175	53	37	59	39	26
February	77	81	21	97	41	37	23
March	73	62	25	40	36	29	25
April	107	90	38	98	34	46	26
May	116	113	17	40	48	24	17
June	154	85	90	35	40	43	
July	151	97	45	40	36	56	
August	115	55	199	218	57	51	
September	133	108	210	64	48	49	
October	160	37	23	86	32	28	
November	221	83	103	39	39	22	
December	68	48	32	47	16	10	
<b>Year</b>	<b>1 412</b>	<b>1 034</b>	<b>856</b>	<b>841</b>	<b>486</b>	<b>434</b>	

**Table 12 – Number of voluntary liquidations of close corporations: 1998 to 2004**

Month	1998	1999	2000	2001	2002	2003	2004
January	39	58	49	154	209	156	171
February	58	88	57	166	163	103	143
March	72	105	60	145	115	71	128
April	42	114	69	130	150	162	99
May	50	124	111	135	134	160	117
June	67	98	120	130	112	124	
July	64	122	180	123	130	142	
August	81	102	160	137	109	153	
September	58	156	187	137	124	157	
October	68	95	140	158	183	88	
November	85	122	133	126	109	171	
December	37	56	57	103	29	55	
<b>Year</b>	<b>721</b>	<b>1 240</b>	<b>1 323</b>	<b>1 644</b>	<b>1 567</b>	<b>1 542</b>	

**Table 13 - Total number of insolvencies: 1998 to 2004**

<b>Month</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002*</b>	<b>2003*</b>	<b>2004</b>
January	203	354	285	252	215	134	124
February	259	372	445	305	272	134	119
March	418	645	396	355	267	212	145
April	345	475	402	318	314	245	125
May	278	547	412	392	253	161	
June	339	703	411	325	246	238	
July	326	471	383	400	273	226	
August	378	604	497	374	268	239	
September	367	479	315	301	223	256	
October	416	525	387	334	254	238	
November	507	567	418	322	250	208	
December	453	271	323	235	157	167	
<b>Year</b>	<b>4 289</b>	<b>6 013</b>	<b>4 674</b>	<b>3 913</b>	<b>2 992</b>	<b>2 458</b>	



## 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 voluntary 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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