



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

**October 2003**

Co-operation between Statistics South Africa (Stats SA), the citizens of the country, the private sector and government institutions is essential for a successful statistical system. Without continued co-operation and goodwill, the timely release of relevant and reliable official statistics will not be possible.

**Embargo: 11: 00**  
**Date: 27 November 2003**

Stats SA publishes approximately three hundred different 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.

## These figures are issued as preliminary

### Key figures as at the end of October 2003 regarding the number of liquidations

Actual estimates	October 2003	August 2003 to October 2003	% change between October 2002 and October 2003	% change between May 2003 to July 2003 and August 2003 to October 2003	% change between January 2002 to October 2002 and January 2003 to October 2003
Number of liquidations	351	1 223	+5,4	+18,7	+3,4

### Key findings as at the end of October 2003 regarding the number of liquidations

#### Total number of liquidations increases

*The total number of liquidations recorded for October 2003 increased by 5,4% (from 333 to 351) compared with October 2002. Furthermore, the total number of liquidations recorded for the three months ended October 2003 increased by 18,7% (from 1 030 to 1 223) compared with the previous three months. The total number of liquidations recorded for the first ten months of 2003 increased by 3,4% (from 3 446 to 3 562) compared with the first ten months of 2002.*

The increase of 5,4% in the total number of liquidations for October 2003 compared with October 2002 was due to an increase of 29,6% (from 54 to 70) in compulsory liquidations and 0,7% (from 279 to 281) in voluntary liquidations.

The increase of 3,4% in the total number of liquidations during the first ten months of 2003 compared with the first ten months of 2002 was due to an increase of 6,1% (from 716 to 760) in compulsory liquidations and 2,6% (from 2 730 to 2 802) in voluntary liquidations. Compulsory and voluntary liquidations of companies, increased by 25,6% (from 285 to 358) and 14,2% (from 1 301 to 1 486) respectively during the above-mentioned period.

### Key figures as at the end of September 2003 regarding the number of insolvencies

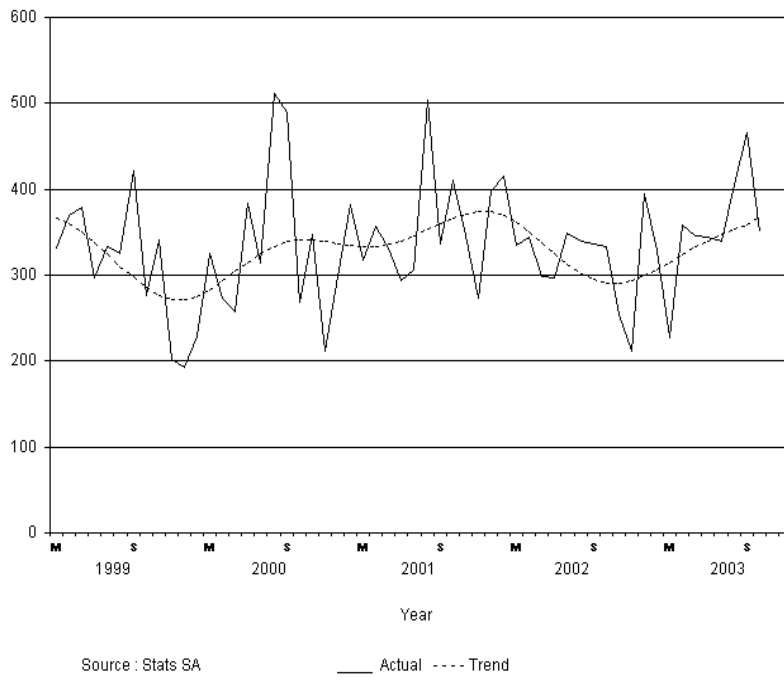
Actual estimates	September 2003	July 2003 to September 2003	% change between September 2002 and September 2003	% change between April 2003 to June 2003 and July 2003 to September 2003	% change between January 2002 to September 2002 and January 2003 to September 2003
Number of insolvencies	129	450	-41,6	-20,8	-36,0

### Key findings as at the end of September 2003 regarding the number of insolvencies

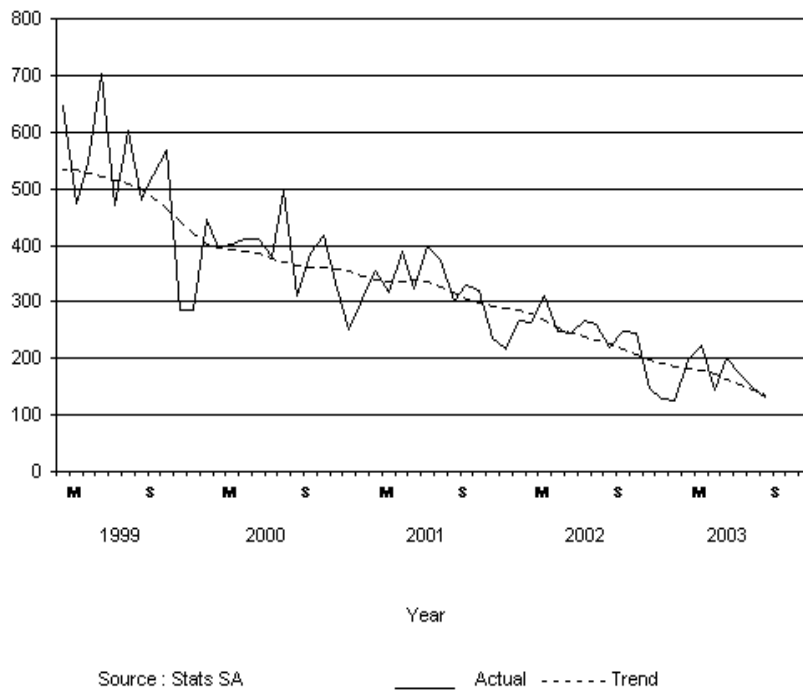
#### Total number of insolvencies decreases

The total number of insolvencies recorded for the third quarter of 2003 decreased by 20,8% (from 568 to 450) compared with the second quarter of 2003. Furthermore, the total number of insolvencies for September 2003 decreased by 41,6% (from 221 to 129) compared with September 2002. The total number of insolvencies recorded for the first nine months of 2003 decreased by 36,0% (from 2 298 to 1 470) compared with the first nine months of 2002.

**Figure 1 – Total number of liquidations**



**Figure 2 - Total number of insolvencies**



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## Notes

### Forthcoming issues

#### Issue

#### Expected release date

November 2003

18 December 2003

December 2003

29 January 2004

January 2004

26 February 2004

### 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 appears 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	2002 Total			October 2002			September 2003			October 2003		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
Agriculture, hunting, forestry and fishing	11	28	39	0	4	4	3	9	12	0	4	4
Mining and quarrying	29	51	80	2	2	4	5	6	11	1	2	3
Manufacturing	107	225	332	7	21	28	10	17	27	7	16	23
Electricity, gas and water	0	7	7	0	1	1	0	6	6	0	0	0
Construction	117	254	371	4	25	29	11	23	34	7	13	20
Wholesale and retail trade, catering and accommodation	237	981	1 218	19	101	120	20	92	112	25	76	101
Transport, storage and communication	43	132	175	0	13	13	6	14	20	4	4	8
Financing, insurance, real estate and business services	241	1 312	1 553	18	105	123	33	144	177	22	126	148
Community, social and personal services	40	96	136	4	7	11	21	46	67	4	40	44
Total number of liquidations	825	3 086	3 911	54	279	333	109	357	466	70	281	351

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

Industry	2002 Total			October 2002			September 2003			October 2003		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
Agriculture, hunting, forestry and fishing	10	13	23	0	1	1	3	6	9	0	0	0
Mining and quarrying	1	15	16	0	2	2	3	2	5	1	1	2
Manufacturing	29	108	137	3	2	5	6	10	16	5	11	16
Electricity, gas and water	0	6	6	0	0	0		3	3	0	0	0
Construction	24	67	91	0	4	4	2	6	8	1	7	8
Wholesale and retail trade, catering and accommodation	115	489	604	7	36	43	10	37	47	12	43	55
Transport, storage and communication	19	32	51	0	1	1	4	6	10	3	3	6
Financing, insurance, real estate and business services	114	737	851	8	47	55	15	92	107	16	90	106
Community, social and personal services	27	52	79	4	3	7	17	38	55	4	38	42
Total number of liquidations of close corporations	339	1 519	1 858	22	96	118	60	200	260	42	193	235

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

Industry	2002 Total			October 2002			September 2003			October 2003		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compuls- ory	Volunta- ry	Total	Compuls- ory	Voluntar- y	Total
Agriculture, hunting, forestry and fishing	1	15	16	0	3	3	0	3	3	0	4	4
Mining and quarrying	28	36	64	2	0	2	2	4	6	0	1	1
Manufacturing	78	117	195	4	19	23	4	7	11	2	5	7
Electricity, gas and water	0	1	1	0	1	1	0	3	3	0	0	0
Construction	93	187	280	4	21	25	9	17	26	6	6	12
Wholesale and retail trade, catering and accommodation	122	492	614	12	65	77	10	55	65	13	33	46
Transport, storage and communication	24	100	124	0	12	12	2	8	10	1	1	2
Financing, insurance, real estate and business services	127	575	702	10	58	68	18	52	70	6	36	42
Community, social and personal services	13	44	57	0	4	4	4	8	12	0	2	2
Total number of liquidations of close corporations	486	1 567	2 053	32	183	215	49	157	206	28	88	116

Table 4 - Total number of liquidations: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1991	137	147	115	150	182	150	146	217	178	153	118	195	1 888	157
1992	169	197	290	224	157	176	174	205	195	220	199	202	2 408	201
1993	218	207	258	184	236	266	187	223	223	237	263	218	2 720	227
1994	159	314	264	224	308	261	240	267	339	318	303	276	3 273	273
1995	261	289	334	265	307	225	299	305	259	285	297	143	3 269	272
1996	265	223	261	241	215	234	231	292	286	261	284	116	2 909	242
1997	275	262	314	268	286	296	302	293	253	264	298	240	3 351	279
1998	162	234	253	320	291	423	348	347	307	334	476	271	3 766	314
1999	367	367	332	370	379	297	333	326	421	277	341	202	4 012	334
2000	193	229	326	273	258	383	314	511	490	269	348	211	3 805	317
2001	298	382	317	357	331	294	307	504	337	410	346	273	4 156	346
2002	398	416	334	345	299	297	349	339	336	333	254	211	3 911	326
2003	395	328	227	359	346	345	339	406	466	351				356

Table 5 - Total number of compulsory liquidations: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1991	121	131	96	132	163	135	136	199	153	136	102	182	1 686	141
1992	154	171	274	209	145	154	147	185	175	204	180	181	2 179	182
1993	191	183	214	166	207	234	150	177	183	194	179	150	2 228	186
1994	79	194	140	130	158	161	123	142	166	128	87	112	1 620	135
1995	119	116	135	114	149	113	150	167	155	199	218	82	1 717	143
1996	200	137	205	169	155	165	175	228	213	164	213	79	2 103	175
1997	171	178	231	201	200	205	214	196	147	154	178	146	2 221	185
1998	88	130	122	150	189	240	221	218	192	226	275	150	2 201	183
1999	244	177	132	177	186	131	140	132	169	102	159	95	1 844	154
2000	85	78	172	125	57	190	77	247	241	44	128	71	1 515	126
2001	71	114	68	125	81	88	81	256	118	137	74	71	1 284	107
2002	78	87	68	87	60	69	69	74	70	54	64	45	825	69
2003	76	65	46	63	52	74	85	120	109	70				76

Table 6 - Total number of voluntary liquidations: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1991	16	16	19	18	19	15	10	18	25	17	16	13	202	17
1992	15	26	16	15	12	22	27	20	20	16	19	21	229	19
1993	27	24	44	18	29	32	37	46	40	43	84	68	492	41
1994	80	120	124	94	150	100	117	125	173	190	216	164	1 653	138
1995	142	173	199	151	158	112	149	138	104	86	79	61	1 552	129
1996	65	86	56	72	60	69	56	64	73	97	71	37	806	67
1997	104	84	83	67	86	91	88	97	106	110	120	94	1 130	94
1998	74	104	131	170	102	183	127	129	115	108	201	121	1 565	130
1999	123	190	200	193	193	166	193	194	252	175	182	107	2 168	181
2000	108	151	154	148	201	193	237	264	249	225	220	140	2 290	191
2001	227	268	249	232	250	206	226	248	219	273	272	202	2 872	239
2002	320	329	266	258	239	228	280	265	266	279	190	166	3 086	257
2003	319	263	181	296	294	271	254	286	357	281				280

Table 7 - Number of liquidations of companies: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1991	79	117	63	89	133	103	76	115	98	81	71	125	1 150	96
1992	85	99	125	143	79	85	79	105	87	98	94	112	1 191	99
1993	112	95	118	80	109	120	105	99	120	108	156	122	1 344	112
1994	115	177	186	144	189	157	148	139	195	196	225	187	2 058	172
1995	143	171	178	130	170	121	149	150	145	111	146	105	1 719	143
1996	146	121	138	126	98	92	82	118	135	104	115	58	1 333	111
1997	128	108	114	134	119	117	114	110	122	127	119	86	1 398	117
1998	86	99	108	171	125	202	133	151	116	106	170	166	1 633	136
1999	134	198	165	166	142	114	114	169	157	145	136	98	1 738	145
2000	91	151	241	166	130	173	89	152	93	106	112	122	1 626	136
2001	107	119	132	129	156	129	144	149	136	166	181	123	1 671	139
2002	130	212	183	161	117	145	183	173	164	118	106	166	1 858	155
2003	200	188	127	151	162	178	141	202	260	235				184

Table 8 - Number of compulsory liquidations of companies: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1991	65	102	45	73	117	88	69	100	74	69	60	112	974	81
1992	72	85	115	134	74	69	64	90	72	89	77	96	1 037	86
1993	95	73	87	66	87	101	82	66	92	83	106	64	1 002	84
1994	55	100	89	73	69	82	63	45	77	69	51	69	842	70
1995	46	65	40	52	86	68	52	62	71	52	106	64	764	64
1996	102	84	95	81	72	48	50	85	94	54	84	35	884	74
1997	78	71	64	97	72	63	81	77	54	60	66	39	822	69
1998	51	53	49	43	73	86	70	103	59	66	54	82	789	66
1999	69	96	70	87	73	46	43	77	61	65	76	47	810	68
2000	32	57	147	87	40	100	32	48	31	21	25	39	659	55
2001	34	17	28	27	41	53	41	38	54	51	35	24	443	37
2002	19	46	32	53	12	29	33	17	22	22	25	29	329	27
2003	37	28	17	17	28	31	29	69	60	42				36

Table 9 - Number of voluntary liquidations of companies: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	150	156	142	96	81	137	1 519	127
2003	163	160	110	134	134	147	112	133	200	193				149

Table 10 - Number of liquidations of close corporations: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	166	166	172	215	148	45	2 053	171
2003	195	140	100	208	184	167	198	204	206	116				172

Table 11 - Number of compulsory liquidations of close corporations: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	36	57	48	32	39	16	486	41
2003	39	37	29	46	24	43	56	51	49	28				40

Table 12 - Number of voluntary liquidations of close corporations: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	130	109	124	183	109	29	1 567	131
2003	156	103	71	162	160	124	142	153	157	88				132

Table 13 - Total number of insolvencies: 1991 to 2003

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
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	418	345	278	339	326	378	367	416	507	453	4 289	357
1999	354	372	645	475	547	703	471	603*	479	525	567	286	6 026	502
2000	285	445	396	402	412	411	381	496	312	385	417	323	4 665	389
2001	252	304	355	317	390	323	400*	373	300	328	320*	234	3 896	325
2002*	215	268	265	310	248	245	267	259	221	247	245	149	2 939	245
2003*	128	127	197	222	145	201	172	149	129^					163

^ Preliminary

\* Revised



## 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.
- Scope of the survey**            3     This survey covers -
- the total number of companies and close corporations which were liquidated; and
  - the total number of individuals and partnerships placed under final sequestration.
- Related publications**            4     Users may also wish to refer to the following publications which are available from Stats SA -
- *Bulletin of Statistics.*
  - *SA Statistics.*
- Unpublished statistics**        5     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.
- Symbols and abbreviations**    6     CD            Compact Disc  
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.

## For more information

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### Enquiries

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 (012) 310 8220 (technical enquiries)  
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