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SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES

Key findings regarding liquidations for October 2008

Total number of liquidations increases

The total number of liquidations recorded for October 2008 increased by 21,7% (from 286 to 348) when compared with October 2007. The total number of liquidations recorded for the ten months ended October 2008 decreased by 1,4% (from 2 751 to 2 713) when compared with the same period last year (see Table A and Tables 14 and 15).

The 21,7% increase in the total number of liquidations for October 2008 was due to increases of 23,1% in compulsory liquidations (from 39 to 48) and 21,5% in voluntary liquidations (from 247 to 300). When comparing October 2007 and October 2008, there were 64,9% more close corporations liquidated, with company liquidations decreasing by 5,7%.

Key figures regarding liquidations for October 2008

Table A – Selected key figures regarding liquidations for October 2008

Actual estimates

Number of liquidations October 2008	% change between October 2007 and October 2008	% change between January to October 2007 and January to October 2008
348	21,7	-1,4

Figure 1 below shows the annual percentage change in the number of liquidations for the ten months ended October of the respective years and covers the period from 2002 to 2008. The number of liquidations decreased by 1,4% for the first ten months of 2008, following an increase of 12,4% for the same period in 2007.

Figure 1 – Percentage change for the ten months ended October compared with the corresponding period of the previous year for the number of liquidations from 2002 to 2008

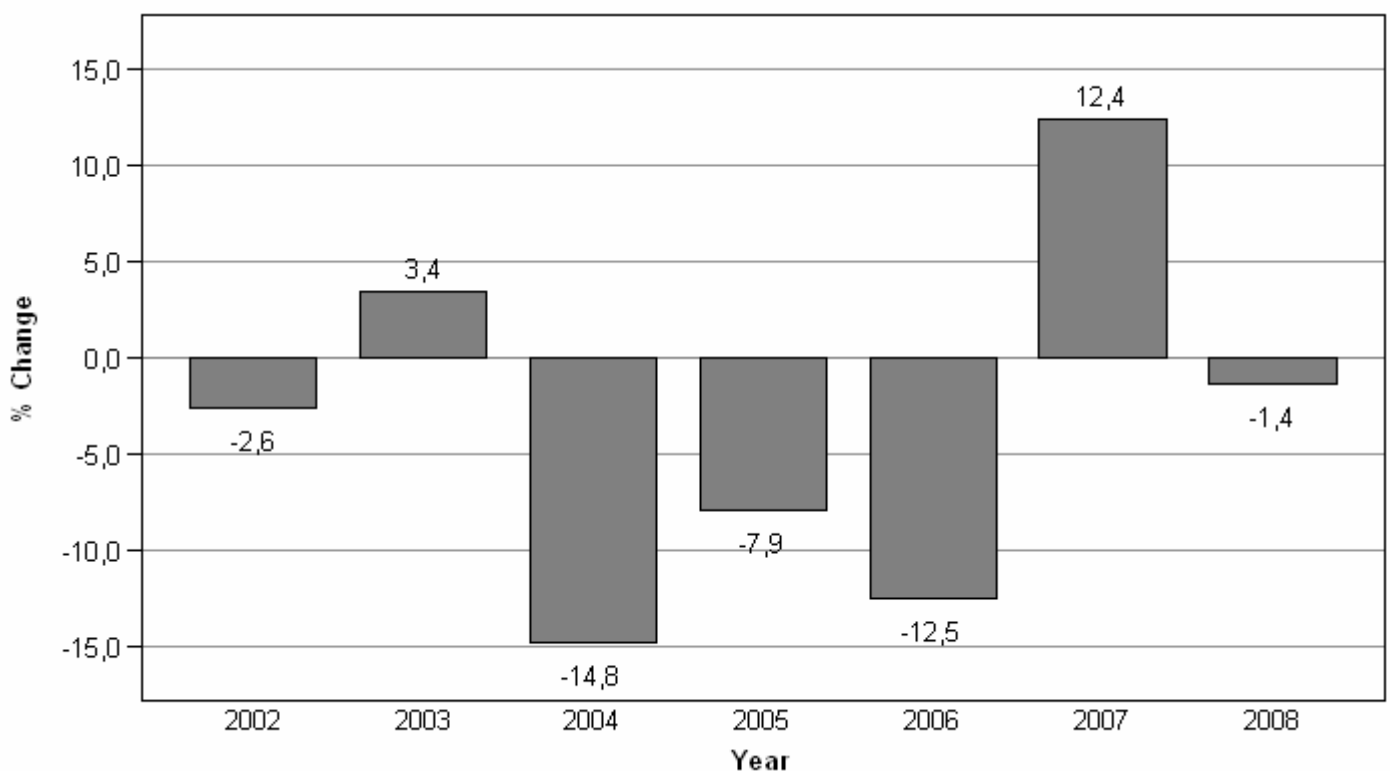
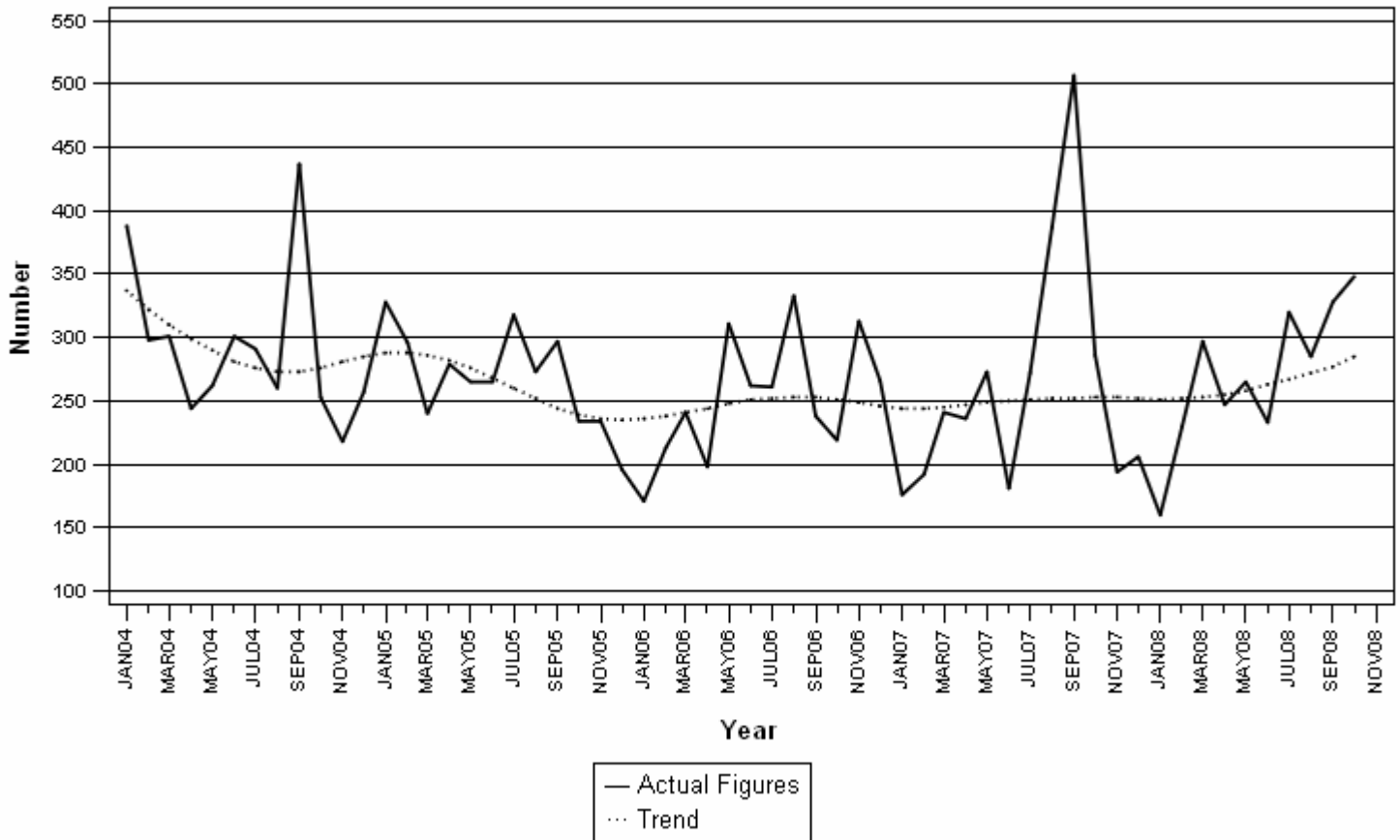


Figure 2 outlines the trend in the total number of liquidations from January 2004 to October 2008.

Figure 2 – Total number of liquidations



Key findings regarding insolvencies for September 2008

Total number of insolvencies continues to increase

The total number of insolvencies recorded for September 2008 increased by 43,1% (from 197 to 282) when compared with September 2007. The total number of insolvencies recorded for the nine months ended September 2008 increased by 62,0% (from 1 477 to 2 393) compared with the nine months ended September 2007 (see Table B and Tables 16 and 17).

Key figures regarding insolvencies for September 2008

Table B – Selected key figures regarding insolvencies for September 2008

Actual estimates

Number of insolvencies September 2008	% change between September 2007 and September 2008	% change between January to September 2007 and January to September 2008
282	43,1	62,0

Figure 3 below shows the annual percentage change in the number of insolvencies for the nine months ended September compared with the corresponding period of the previous year, and covers the period 2002 – 2008. The number of insolvencies increased by 62,0% for the first nine months of 2008 which was the third increase recorded for this period since 2002.

Figure 3 – Percentage change for the nine months ended September compared with the corresponding period of the previous year for the number of insolvencies from 2002 to 2008

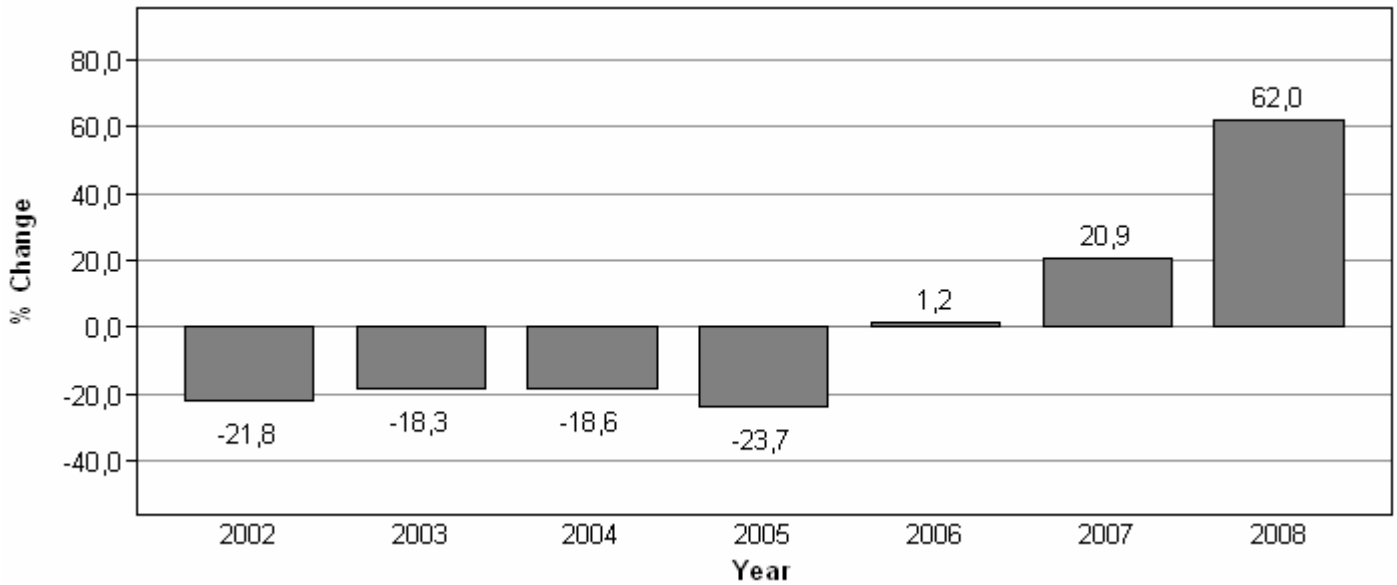
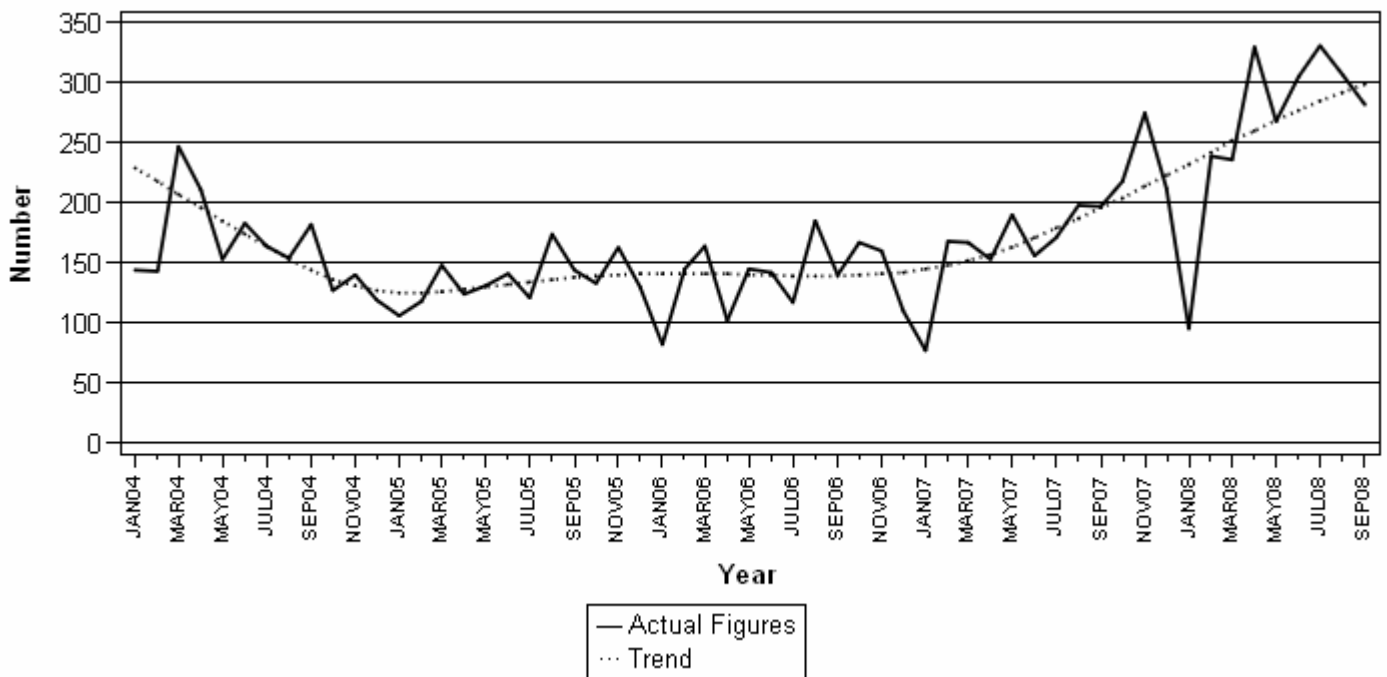


Figure 4 outlines the trend in the total number of insolvencies from January 2004 to September 2008.

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 - October 2008			October 2007			September 2008			October 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	6	30	36	1	2	3	1	6	7	0	5	5
2.Mining and quarrying	4	65	69	1	2	3	1	38	39	2	1	3
3.Manufacturing	25	150	175	1	14	15	2	22	24	1	16	17
4.Electricity, gas and water	2	9	11	0	1	1	0	2	2	0	1	1
5.Construction	18	128	146	1	27	28	1	16	17	5	19	24
6.Wholesale and retail trade, catering and accommodation	91	747	838	10	60	70	7	58	65	18	95	113
7.Transport, storage, communication	8	105	113	0	8	8	2	6	8	2	7	9
8.Financing, insurance, real estate, business services	79	1031	1 110	13	113	126	8	143	151	16	134	150
9.Community, social, personal services	26	189	215	12	20	32	0	15	15	4	22	26
Total number of liquidations	259	2 454	2 713	39	247	286	22	306	328	48	300	348

Table 2 – Number of liquidations of companies according to industry

Industry	January - October 2008			October 2007			September 2008			October 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	4	10	14	0	0	0	0	5	5	0	3	3
2.Mining and quarrying	4	65	69	1	0	1	1	38	39	2	1	3
3.Manufacturing	12	69	81	1	10	11	1	9	10	1	3	4
4.Electricity, gas and water	0	2	2	0	0	0	0	0	0	0	1	1
5.Construction	7	20	27	1	15	16	0	2	2	3	2	5
6.Wholesale and retail trade, catering and accommodation	30	283	313	7	33	40	1	21	22	11	42	53
7.Transport, storage, communication	1	30	31	0	2	2	0	2	2	1	5	6
8.Financing, insurance, real estate, business services	33	531	564	4	75	79	0	91	91	12	62	74
9.Community, social, personal services	20	113	133	12	14	26	0	6	6	4	12	16
Total number of liquidations	111	1 123	1 234	26	149	175	3	174	177	34	131	165

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

Industry	January - October 2008			October 2007			September 2008			October 2008		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	2	20	22	1	2	3	1	1	2	0	2	2
2.Mining and quarrying	0	0	0	0	2	2	0	0	0	0	0	0
3.Manufacturing	13	81	94	0	4	4	1	13	14	0	13	13
4.Electricity, gas and water	2	7	9	0	1	1	0	2	2	0	0	0
5.Construction	11	108	119	0	12	12	1	14	15	2	17	19
6.Wholesale and retail trade, catering and accommodation	61	464	525	3	27	30	6	37	43	7	53	60
7.Transport, storage, communication	7	75	82	0	6	6	2	4	6	1	2	3
8.Financing, insurance, real estate, business services	46	500	546	9	38	47	8	52	60	4	72	76
9.Community, social, personal services	6	76	82	0	6	6	0	9	9	0	10	10
Total number of liquidations	148	1 331	1 479	13	98	111	19	132	151	14	169	183

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	247
May	299	346	262	265	311	273	265
June	297	345	301	265	262	181	233
July	349	339	291	318	261	272	320
August	339	406	260	273	333	387	285
September	336	466	437	297	238	507	328
October	333	351	253	234	219	286	348
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	2 713

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	22
May	60	52	37	61	20	13	26
June	69	74	63	25	50	9	17
July	69	85	68	84	16	14	13
August	74	120	39	69	46	111	26
September	70	109	83	27	22	47	22
October	54	70	43	40	20	39	48
November	64	60	23	47	56	13	
December	45	37	39	18	53	9	
Year	825	857	564	524	375	326	259

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	225
May	239	294	225	204	291	260	239
June	228	271	238	240	212	172	216
July	280	254	223	234	245	258	307
August	265	286	221	204	287	276	259
September	266	357	354	270	216	460	306
October	279	281	210	194	199	247	300
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	2 454

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	104
May	117	162	128	122	131	157	108
June	145	178	136	132	140	104	100
July	183	141	132	177	145	129	170
August	173	202	114	124	143	243	98
September	164	260	141	143	122	416	177
October	118	235	126	115	132	175	165
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	1 234

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	8
May	12	28	20	30	5	3	17
June	29	31	16	7	35	2	6
July	33	29	31	62	6	4	4
August	17	69	11	21	11	89	6
September	22	60	33	17	18	34	3
October	22	42	22	22	13	26	34
November	25	38	12	18	43	7	
December	29	27	9	13	37	8	
Year	339	423	223	275	218	205	111

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	96
May	105	134	108	92	126	154	91
June	116	147	120	125	105	102	94
July	150	112	101	115	139	125	166
August	156	133	103	103	132	154	92
September	142	200	108	126	104	382	174
October	96	193	104	93	119	149	131
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	1 123

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	143
May	182	184	134	143	180	116	157
June	152	167	165	133	122	77	133
July	166	198	159	141	116	143	150
August	166	204	146	149	190	144	187
September	172	206	296	154	116	91	151
October	215	116	127	119	87	111	183
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	1 479

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	14
May	48	24	17	31	15	10	9
June	40	43	47	18	15	7	11
July	36	56	37	22	10	10	9
August	57	51	28	48	35	22	20
September	48	49	50	10	4	13	19
October	32	28	21	18	7	13	14
November	39	22	11	29	13	6	
December	16	10	30	5	16	1	
Year	486	434	341	249	157	121	148

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	129
May	134	160	117	112	165	106	148
June	112	124	118	115	107	70	122
July	130	142	122	119	106	133	141
August	109	153	118	101	155	122	167
September	124	157	246	144	112	78	132
October	183	88	106	101	80	98	169
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	1 331

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	*144	106	82	77	95
February	277	135	143	118	145	168	239
March	269	221	247	148	164	167	236
April	318	253	211	124	102	153	330
May	256	170	153	131	145	190	268
June	253	254	183	141	142	156	305
July	282	234	164	121	117	171	331
August	278	255	154	174	185	198	307
September	229	286	182	144	140	197	282
October	262	269	127	133	167	218	
November	255	236	140	163	*160	275	
December	162	204	119	130	110	212	
Year	3 058	2 652	1 967	1 633	1 659	2 182	2 393

1/ Preliminary.

* Revised.

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

Number of liquidations October 2007	Number of liquidations October 2008	% change between October 2007 and October 2008	Difference between October 2007 and October 2008
286	348	21,7	62

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

Number of liquidations January to October 2007	Number of liquidations January to October 2008	% change between January to October 2007 and January to October 2008	Difference between January to October 2007 and January to October 2008
2 751	2 713	-1,4	-38

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

Number of insolvencies September 2007	Number of insolvencies September 2008	% change between September 2007 and September 2008	Difference between September 2007 and September 2008
197	282	43,1	85

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

Number of insolvencies January to September 2007	Number of insolvencies January to September 2008	% change between January to September 2007 and January to September 2008	Difference between January to September 2007 and January to September 2008
1 477	2 393	62,0	916

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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