

Statistical release

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Statistics of liquidations and insolvencies (Preliminary)

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SUMMARY OF FINDINGS: LIQUIDATIONS AND INSOLVENCIES

Key findings regarding liquidations for October 2009

Total number of liquidations decreases

The total number of liquidations recorded for the three months ended October 2009 decreased by 7,9% (from 961 to 885) compared with the three months ended October 2008. The total number of liquidations recorded for October 2009 decreased by 17,5% (from 348 to 287) compared with October 2008 (see Table A and Table 6).

The 7,9% decrease in the total number of liquidations for the three months ended October 2009 was due to decreases of 29,2% in compulsory liquidations (from 96 to 68) and 5,5% in voluntary liquidations (from 865 to 817). When comparing the three months ended October 2009 with the three months ended October 2008, there were decreases of 9,5% in company liquidations (from 440 to 398) and 6,5% in close corporation liquidations (from 521 to 487) (see Tables 3 and 4).

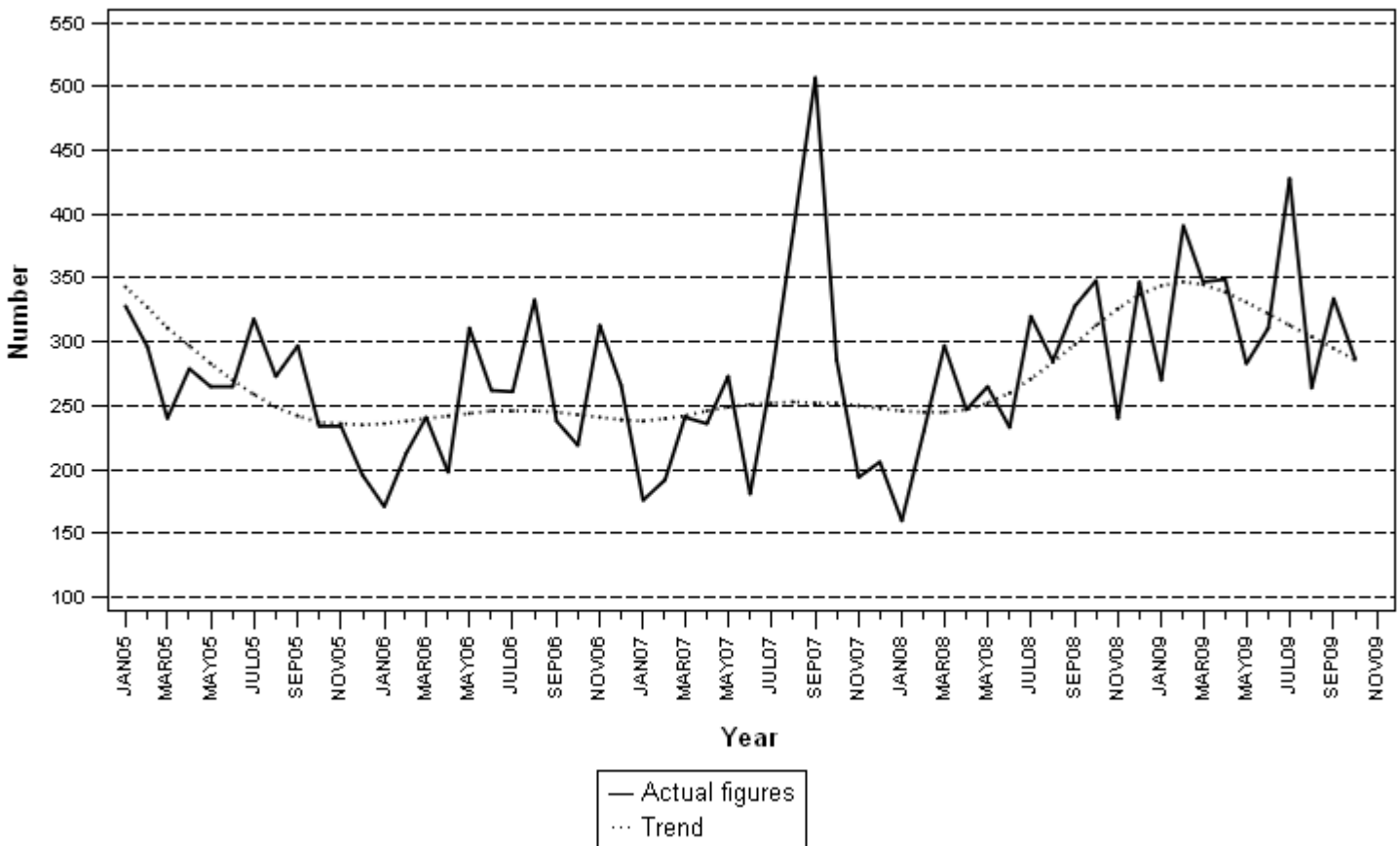
Table A – Selected key figures regarding liquidations for October 2009

Actual estimates

Number of liquidations October 2009	% change between October 2008 and October 2009	% change between August to October 2008 and August to October 2009	% change between January to October 2008 and January to October 2009
287	-17,5	-7,9	20,3

Figure 1 outlines the trend in the total number of liquidations from January 2005 to October 2009.

Figure 1 – Total number of liquidations



Key findings regarding insolvencies for September 2009

Total number of insolvencies decreases

The total number of insolvencies recorded for the first nine months of 2009 decreased by 7,8% (from 3 074 to 2 834) compared with the first nine months of 2008. The total number of insolvencies recorded for September 2009 decreased by 37,1% (from 418 to 263) compared with September 2008 (see Table B and Tables 8 and 9).

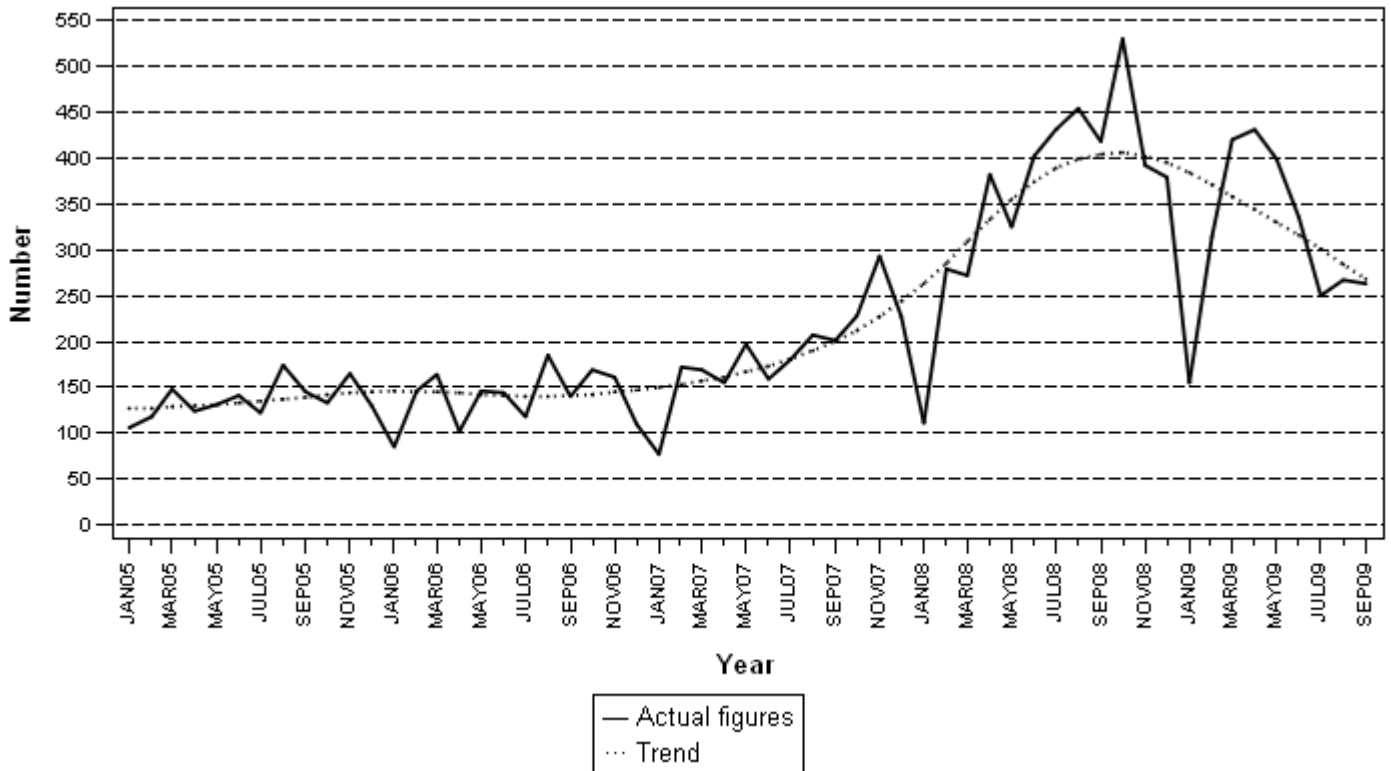
Table B – Selected key figures regarding insolvencies for September 2009

Actual estimates

Number of insolvencies September 2009	% change between September 2008 and September 2009	% change between January to September 2008 and January to September 2009
263	-37,1	-7,8

Figure 2 outlines the trend in the total number of insolvencies from January 2005 to September 2009.

Figure 2 – Total number of insolvencies



P J Lehohla
Statistician-General

Detailed results: Tables

Table 1 – Total number of liquidations according to industry

Industry	January - October 2009			October 2008			September 2009			October 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	6	26	32	0	5	5	0	1	1	0	3	3
2.Mining and quarrying	0	16	16	2	1	3	0	5	5	0	1	1
3.Manufacturing	21	187	208	1	16	17	0	13	13	0	11	11
4.Electricity, gas and water	0	16	16	0	1	1	0	1	1	0	1	1
5.Construction	17	173	190	5	19	24	1	18	19	1	23	24
6.Wholesale and retail trade, catering and accommodation	118	845	963	18	95	113	1	96	97	6	74	80
7.Transport, storage, communication	11	108	119	2	7	9	0	17	17	2	16	18
8.Financing, insurance, real estate, business services	101	1 317	1 418	16	134	150	0	162	162	6	116	122
9.Community, social, personal services	8	294	302	4	22	26	0	19	19	2	25	27
Total number of liquidations	282	2 982	3 264	48	300	348	2	332	334	17	270	287

Table 1.1 – Number of liquidations of companies according to industry

Industry	January - October 2009			October 2008			September 2009			October 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	6	11	17	0	3	3	0	0	0	0	0	0
2.Mining and quarrying	0	11	11	2	1	3	0	3	3	0	1	1
3.Manufacturing	7	75	82	1	3	4	0	8	8	0	6	6
4.Electricity, gas and water	0	2	2	0	1	1	0	0	0	0	0	0
5.Construction	3	39	42	3	2	5	1	3	4	1	9	10
6.Wholesale and retail trade, catering and accommodation	63	357	420	11	42	53	0	39	39	4	37	41
7.Transport, storage, communication	3	38	41	1	5	6	0	3	3	2	4	6
8.Financing, insurance, real estate, business services	43	674	717	12	62	74	0	96	96	3	61	64
9.Community, social, personal services	3	163	166	4	12	16	0	9	9	0	8	8
Total number of liquidations	128	1 370	1 498	34	131	165	1	161	162	10	126	136

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

Industry	January - October 2009			October 2008			September 2009			October 2009		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	15	15	0	2	2	0	1	1	0	3	3
2.Mining and quarrying	0	5	5	0	0	0	0	2	2	0	0	0
3.Manufacturing	14	112	126	0	13	13	0	5	5	0	5	5
4.Electricity, gas and water	0	14	14	0	0	0	0	1	1	0	1	1
5.Construction	14	134	148	2	17	19	0	15	15	0	14	14
6.Wholesale and retail trade, catering and accommodation	55	488	543	7	53	60	1	57	58	2	37	39
7.Transport, storage, communication	8	70	78	1	2	3	0	14	14	0	12	12
8.Financing, insurance, real estate, business services	58	643	701	4	72	76	0	66	66	3	55	58
9.Community, social, personal services	5	131	136	0	10	10	0	10	10	2	17	19
Total number of liquidations	154	1 612	1 766	14	169	183	1	171	172	7	144	151

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	428
August	406	260	273	333	387	285	264
September	466	437	297	238	507	328	334
October	351	253	234	219	286	348	287
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	3 264

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	37
August	120	39	69	46	111	26	49
September	109	83	27	22	47	22	2
October	70	43	40	20	39	48	17
November	60	23	47	56	13	15	
December	37	39	18	53	9	2	
Year	857	564	524	375	326	276	282

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	391
August	286	221	204	287	276	259	215
September	357	354	270	216	460	306	332
October	281	210	194	199	247	300	270
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	2 982

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	201
August	202	114	124	143	243	98	100
September	260	141	143	122	416	177	162
October	235	126	115	132	175	165	136
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	1 498

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	20
August	69	11	21	11	89	6	10
September	60	33	17	18	34	3	1
October	42	22	22	13	26	34	10
November	38	12	18	43	7	10	
December	27	9	13	37	8	1	
Year	423	223	275	218	205	122	128

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	181
August	133	103	103	132	154	92	90
September	200	108	126	104	382	174	161
October	193	104	93	119	149	131	126
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	1 370

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	227
August	204	146	149	190	144	187	164
September	206	296	154	116	91	151	172
October	116	127	119	87	111	183	151
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	1 766

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	17
August	51	28	48	35	22	20	39
September	49	50	10	4	13	19	1
October	28	21	18	7	13	14	7
November	22	11	29	13	6	5	
December	10	30	5	16	1	1	
Year	434	341	249	157	121	154	154

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	210
August	153	118	101	155	122	167	125
September	157	246	144	112	78	132	171
October	88	106	101	80	98	169	144
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	1 612

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

Month	2003	2004	2005	2006	2007	* 2008	1/ 2009
January	135	145	106	85	77	111	155
February	135	143	118	146	172	279	314
March	221	247	148	164	169	272	420
April	253	211	124	102	155	382	431
May	170	153	131	146	197	325	399
June	254	187	141	144	159	402	335
July	234	164	122	118	180	431	250
August	255	155	174	185	207	454	267
September	286	182	145	140	201	418	263
October	269	127	133	169	228	530	
November	236	142	*165	161	293	392	
December	204	119	130	110	*227	379	
Year	2 652	1 975	1 637	1 670	2 265	4 375	2 834

1/ Preliminary.

* Revised.

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

Number of liquidations October 2008	Number of liquidations October 2009	% change between October 2008 and October 2009	Difference between October 2008 and October 2009
348	287	-17,5	-61

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

Number of liquidations January to October 2008	Number of liquidations January to October 2009	% change between January to October 2008 and January to October 2009	Difference between January to October 2008 and January to October 2009
2 713	3 264	20,3	551

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

Number of insolvencies September 2008	Number of insolvencies September 2009	% change between September 2008 and September 2009	Difference between September 2008 and September 2009
418	263	-37,1	-155

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

Number of insolvencies January to September 2008	Number of insolvencies January to September 2009	% change between January to September 2008 and January to September 2009	Difference between January to September 2008 and January to September 2009
3 074	2 834	-7,8	-240

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; and • 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. |
| Symbols and abbreviations | 7 | 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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