



**Statistics
South Africa**

Preferred supplier of quality statistics



Statistical release

P0043

Statistics of liquidations and insolvencies (Preliminary)

September 2006

**Embargoed until:
26 October 2006
09:30**

Enquiries:

User Information Services
Tel.: (012) 310 8600 / 4892 / 8390

Forthcoming issue:

October 2006

Expected release date

30 November 2006

Statistics South Africa • Mbalo-mbalo ya Afrika Tshipembe • Tinhlayo-tiko ta Afrika-Dzonga • Dipalopalo tsa Aforika Borwa • Ezezibalo zaseNingizimu Afrika
Dipalopalo tša Afrika Borwa • Dipalopalo tsa Afrika Borwa • Ubalo lwaseMzantsi Afrika • Telubalo eNingizimu Afrika • iNanimbalo leSewula Afrika • Statistiek Suid-Afrika

email: info@statssa.gov.za
www.statssa.gov.za

170 Andries Street • Private Bag X44, 0001 Pretoria, South Africa
Tel: +27(12) 310 8911, Fax: +27(12) 321 7381

Contents

	Page
Key findings	2
Tables	
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: 2000 to 2006	6
Table 5 Total number of compulsory liquidations: 2000 to 2006	6
Table 6 Total number of voluntary liquidations: 2000 to 2006	6
Table 7 Number of liquidations of companies: 2000 to 2006	7
Table 8 Number of compulsory liquidations of companies: 2000 to 2006	7
Table 9 Number of voluntary liquidations of companies: 2000 to 2006	7
Table 10 Number of liquidations of close corporations: 2000 to 2006	8
Table 11 Number of compulsory liquidations of close corporations: 2000 to 2006	8
Table 12 Number of voluntary liquidations of close corporations: 2000 to 2006	8
Table 13 Total number of insolvencies: 2000 to 2006	9
Table 14 Percentage change between September 2006 and the corresponding month of the previous year regarding the number of liquidations	10
Table 15 Percentage change between the first nine months of 2006 and the nine months of 2005 regarding the number of liquidations	10
Table 16 Percentage change between August 2006 and the corresponding month of the previous year regarding the number of insolvencies	10
Table 17 Percentage change between the first eight months of 2006 and the first eight months of 2005 regarding the number of insolvencies	10
Explanatory notes	11
Glossary	12
General information	13

Table A - Key figures for September 2006 regarding liquidations

Actual estimates	Number of liquidations September 2006	% change between September 2005 and September 2006	% change between January 2005 to September 2005 and January 2006 to September 2006
	238	-19,9	-13,0

Key findings for September 2006 regarding liquidations

Total number of liquidations decreases

The total number of liquidations recorded for the first nine months of 2006 decreased by 13,0% (from 2 561 to 2 228) compared with the first nine months of 2005. The aggregated total of the number of liquidations (2 228) for the nine months (January 2006 - September 2006) is the lowest compared with the same period for the years 2000 until 2006. Furthermore, the total number of liquidations recorded for September 2006 reflected a 19,9% decrease (from 297 to 238) compared with September 2005 (see Table A).

The decrease of 13,0% in the total number of liquidations for the first nine months of 2006 compared with the first nine months of 2005 was due to a decrease of 41,3% (from 419 to 246) in compulsory liquidations and 7,5% (from 2 142 to 1 982) in voluntary liquidations.

The decrease of 19,9% in the total number of liquidations for September 2006 compared with September 2005 was due to a decrease of 20,0% (from 270 to 216) in voluntary liquidations and 18,5% (from 27 to 22) in compulsory liquidations (see Table 6).

Figure 1 – Percentage change for the nine months (January – September) of the number of liquidations from 2001 to 2006

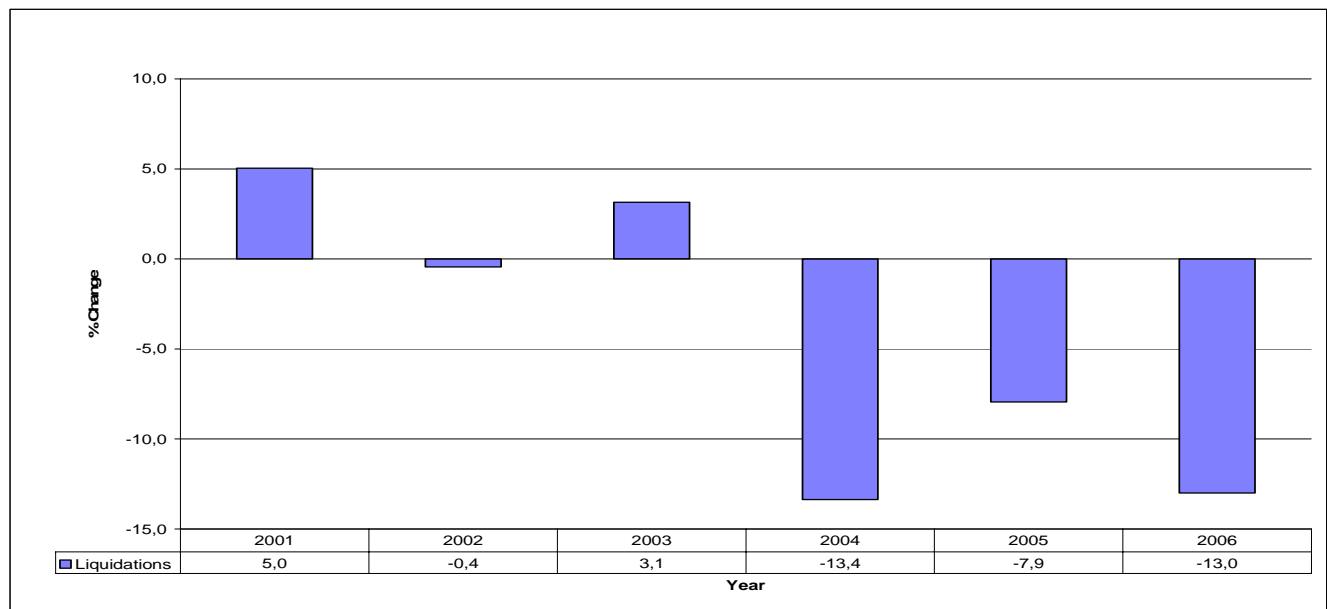


Figure 1 above shows the percentage change in the number of liquidations for the month January to September and covers the period 2001 to 2006. The number of liquidations for the first nine months of 2006 decreased by 13,0% compared to the decrease of 7,9% for the same period a year ago.

Table B - Key figures regarding insolvencies for August 2006

Actual estimates	Number of insolvencies August 2006	% change between August 2005 and August 2006	% change between January 2005 to August 2005 and January 2006 to August 2006
	105	-37,9	-15,1

Key findings for August 2006 regarding insolvencies

Total number of insolvencies decreases

The total number of insolvencies recorded for the first eight months of 2006 decreased by 15,1 % (from 1 035 to 879) compared with the first eight months of 2005. The aggregated total of the number of insolvencies (879) for the eight months (January 2006 - August 2006) is the lowest compared with the same period for the years 2000 until 2006. The total number of insolvencies recorded for August 2006 decreased by 37,9% (from 169 to 105) compared with August 2005 (see Table B).

Figure 2 – Percentage change for the eight months (January – August) of the number of insolvencies from 2001 to 2006

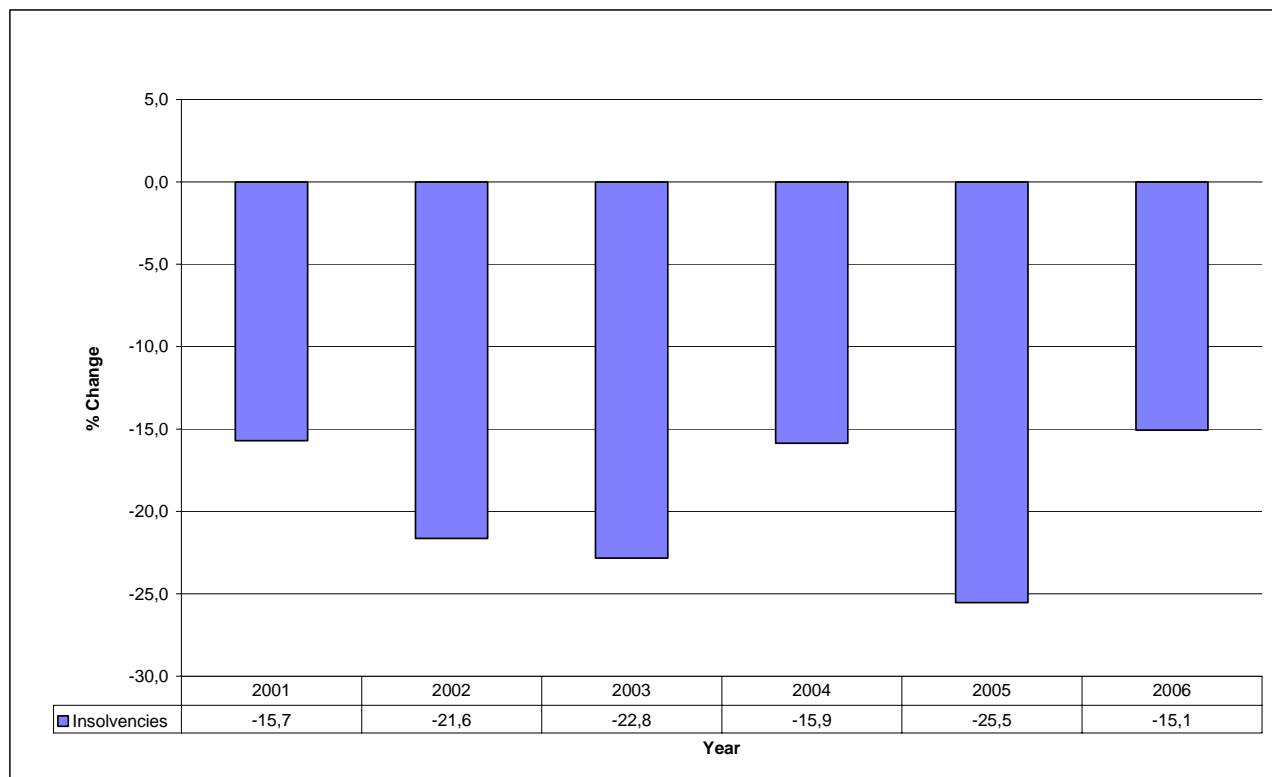


Figure 2 above shows the percentage change in the number of insolvencies for the month January to August and covers the period 2001 to 2006. The growth in the number of insolvencies decreased by 15,1% for the first eight months of 2006 compared to the 25,5% decrease for the same period a year ago. Growth in the insolvencies has been negative for the entire time series (2001-2006).

Figures 3 and 4 below outline the total number of liquidations and insolvencies from 2002 to 2006. Figure 3 shows that the trend estimates for the total number of liquidations has been decreasing from the beginning of 2002 until October of the same year. It then followed an upward trend that peaked in August 2003, but started to decrease thereafter until September 2004 and moved upwards to April 2005. There was a decline from May 2005 and a levelling off since then.

Figure 3 – Total number of liquidations

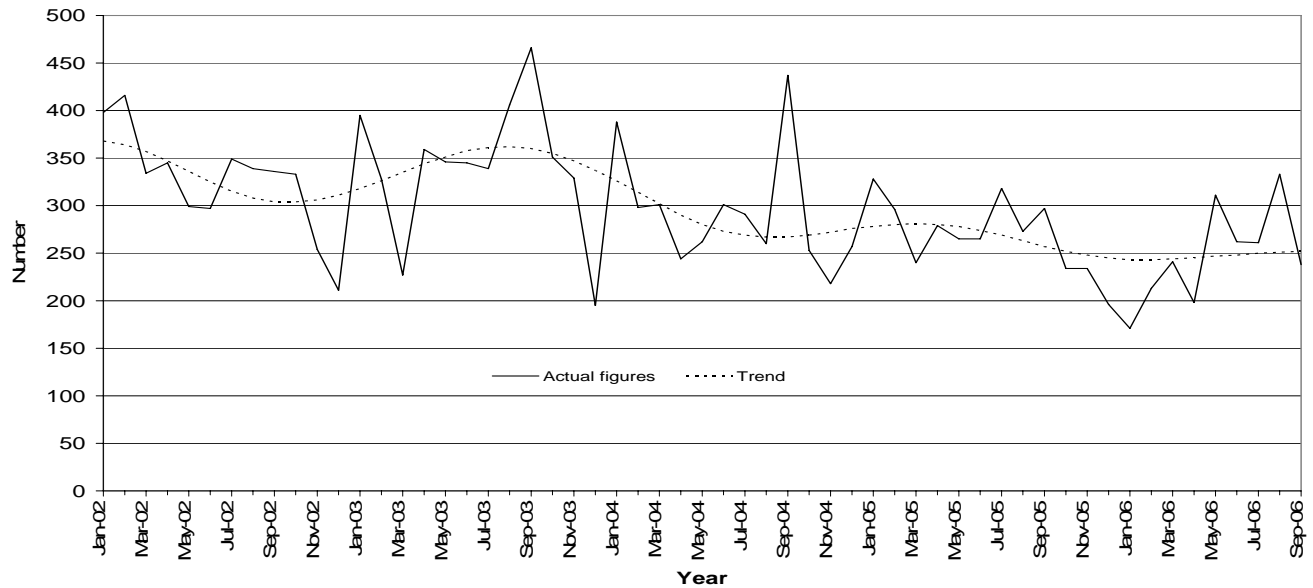
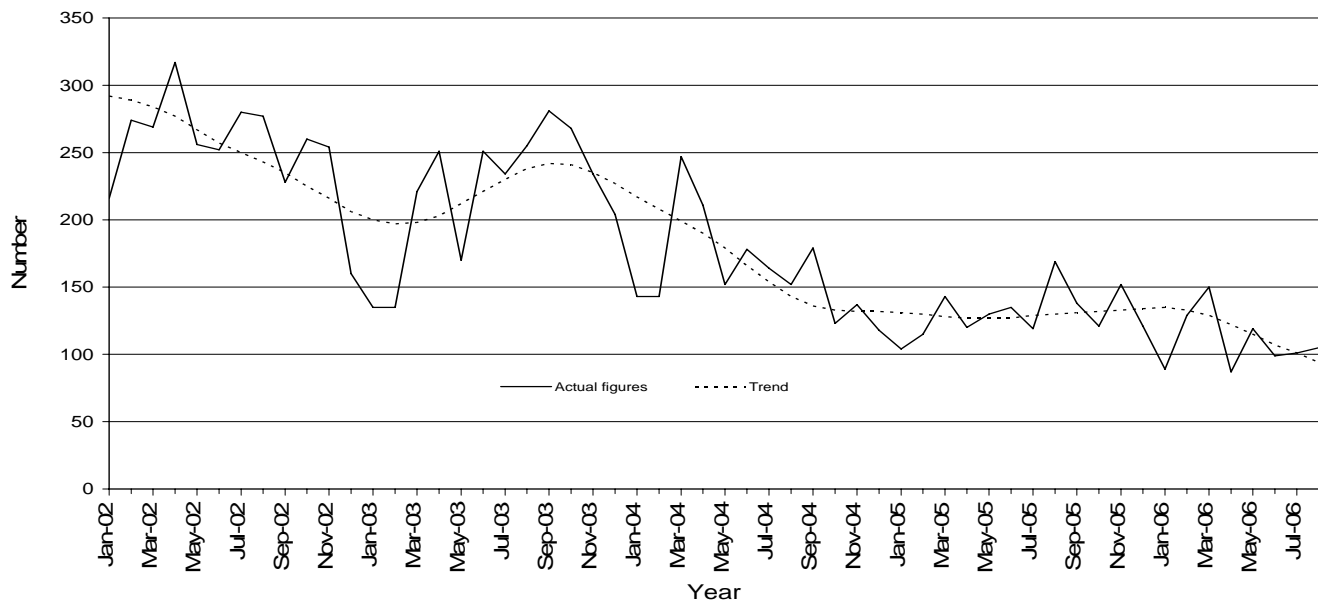


Figure 4 shows that the trend estimates for the total number of insolvencies from the beginning of 2002 shows a decreasing trend until February 2003 then started an upward trend with a peak in September 2003. From October 2003 the trend decreased until September 2004 and from then on stabilized throughout to January 2006. Since February 2006 the trend shows a continual decrease up to date.

Figure 4 - Total number of insolvencies



PJ Lehohla
Statistician-General

Table 1- Total number of liquidations according to industry

Industry	Jan – September 2006			September 2005			August 2006			September 2006		
	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	3	20	23	0	3	3	1	2	3	0	4	4
Mining and quarrying	3	17	20	0	3	3	3	1	4	0	0	0
Manufacturing	18	118	136	1	15	16	2	9	11	1	16	17
Electricity, gas and water	2	5	7	0	1	1	0	0	0	1	0	1
Construction	23	146	169	2	18	20	3	21	24	0	12	12
Wholesale and retail trade, catering and accommodation	85	636	721	7	81	88	14	122	136	8	66	74
Transport, storage and communication	8	88	96	3	7	10	3	12	15	0	5	5
Financing, insurance, real estate and business services	76	795	871	6	120	126	20	102	122	10	100	110
Community, social and personal services	28	157	185	8	22	30	0	18	18	2	13	15
Total number of liquidations	246	1 982	2 228	27	270	297	46	287	333	22	216	238

Table 2 – Number of liquidations of companies according to industry

Industry	Jan – September 2006			September 2005			August 2006			September 2006		
	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	0	9	9	0	2	2	0	1	1	0	3	3
Mining and quarrying	2	11	13	0	3	3	2	1	3	0	0	0
Manufacturing	7	67	74	1	8	9	0	5	5	1	9	10
Electricity, gas and water	0	3	3	0	0	0	0	0	0	0	0	0
Construction	9	43	52	0	1	1	0	10	10	0	2	2
Wholesale and retail trade, catering and accommodation	37	275	312	3	29	32	3	40	43	7	36	43
Transport, storage and communication	6	18	24	1	2	3	3	2	5	0	0	0
Financing, insurance, real estate and business services	37	420	457	4	66	70	3	56	59	8	45	53
Community, social and personal services	27	129	156	8	15	23	0	17	17	2	9	11
Total number of liquidations	125	975	1 100	17	126	143	11	132	143	18	104	122

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

Industry	Jan – September 2006			September 2005			August 2006			September 2006		
	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	3	11	14	0	1	1	1	1	2	0	1	1
Mining and quarrying	1	6	7	0	0	0	1	0	1	0	0	0
Manufacturing	11	51	62	0	7	7	2	4	6	0	7	7
Electricity, gas and water	2	2	4	0	1	1	0	0	0	1	0	1
Construction	14	103	117	2	17	19	3	11	14	0	10	10
Wholesale and retail trade, catering and accommodation	48	361	409	4	52	56	11	82	93	1	30	31
Transport, storage and communication	2	70	72	2	5	7	0	10	10	0	5	5
Financing, insurance, real estate and business services	39	375	414	2	54	56	17	46	63	2	55	57
Community, social and personal services	1	28	29	0	7	7	0	1	1	0	4	4
Total number of liquidations	121	1 007	1 128	10	144	154	35	155	190	4	112	116

Table 4 - Total number of liquidations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	193	298	398	395	388	328	171
February	229	382	416	328	298	296	213
March	326	317	334	227	301	240	241
April	273	357	345	359	244	279	198
May	258	331	299	346	262	265	311
June	383	294	297	345	301	265	262
July	314	307	349	339	291	318	261
August	511	504	339	406	260	273	333
September	490	337	336	466	437	297	238
October	269	410	333	351	253	234	
November	348	346	254	329	218	234	
December	211	273	211	195	257	196	
Year	3 805	4 156	3 911	4 086	3 510	3 225	

Table 5 - Total number of compulsory liquidations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	85	71	78	76	42	30	37
February	78	114	87	65	38	70	15
March	172	68	68	46	57	35	31
April	125	125	87	63	32	18	9
May	57	81	60	52	37	61	20
June	190	88	69	74	63	25	50
July	77	81	69	85	68	84	16
August	247	256	74	120	39	69	46
September	241	118	70	109	83	27	22
October	44	137	54	70	43	40	
November	128	74	64	60	23	47	
December	71	71	45	37	39	18	
Year	1 515	1 284	825	857	564	524	

Table 6 - Total number of voluntary liquidations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	108	227	320	319	346	298	134
February	151	268	329	263	260	226	198
March	154	249	266	181	244	205	210
April	148	232	258	296	212	261	189
May	201	250	239	294	225	204	291
June	193	206	228	271	238	240	212
July	237	226	280	254	223	234	245
August	264	248	265	286	221	204	287
September	249	219	266	357	354	270	216
October	225	273	279	281	210	194	
November	220	272	190	269	195	187	
December	140	202	166	158	218	178	
Year	2 290	2 872	3 086	3 229	2 946	2 701	

Table 7 – Number of liquidations of companies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	91	107	130	200	191	130	85
February	151	119	212	188	132	154	107
March	241	132	183	127	148	123	127
April	166	129	161	151	119	176	100
May	130	156	117	162	128	122	131
June	173	129	145	178	136	132	140
July	89	144	183	141	132	177	145
August	152	149	173	202	114	124	143
September	93	136	164	260	141	143	122
October	106	166	118	235	126	115	
November	112	181	106	136	90	95	
December	122	123	166	130	75	113	
Year	1 626	1 671	1 858	2 110	1 532	1 604	

Table 8 – Number of compulsory liquidations of companies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	32	34	19	37	16	6	18
February	57	17	46	28	15	43	4
March	147	28	32	17	32	23	23
April	87	27	53	17	6	13	5
May	40	41	12	28	20	30	5
June	100	53	29	31	16	7	35
July	32	41	33	29	31	62	6
August	48	38	17	69	11	21	11
September	31	54	22	60	33	17	18
October	21	51	22	42	22	22	
November	25	35	25	38	12	18	
December	39	24	29	27	9	13	
Year	659	443	339	423	223	275	

Table 9 - Number of voluntary liquidations of companies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	59	73	111	163	175	124	67
February	94	102	166	160	117	111	103
March	94	104	151	110	116	100	104
April	79	102	108	134	113	163	95
May	90	115	105	134	108	92	126
June	73	76	116	147	120	125	105
July	57	103	150	112	101	115	139
August	104	111	156	133	103	103	132
September	62	82	142	200	108	126	104
October	85	115	96	193	104	93	
November	87	146	81	98	78	77	
December	83	99	137	103	66	100	
Year	967	1 228	1 519	1 687	1 309	1 329	

Table 10 - Number of liquidations of close corporations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	102	191	268	195	197	198	86
February	78	263	204	140	166	142	106
March	85	185	151	100	153	117	114
April	107	228	184	208	125	103	98
May	128	175	182	184	134	143	180
June	210	165	152	167	165	133	122
July	225	163	166	198	159	141	116
August	359	355	166	204	146	149	190
September	397	201	172	206	296	154	116
October	163	244	215	116	127	119	
November	236	165	148	193	128	139	
December	89	150	45	65	182	83	
Year	2 179	2 485	2 053	1 976	1 978	1 621	

Table 11 - Number of compulsory liquidations of close corporations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	53	37	59	39	26	24	19
February	21	97	41	37	23	27	11
March	25	40	36	29	25	12	8
April	38	98	34	46	26	5	4
May	17	40	48	24	17	31	15
June	90	35	40	43	47	18	15
July	45	40	36	56	37	22	10
August	199	218	57	51	28	48	35
September	210	64	48	49	50	10	4
October	23	86	32	28	21	18	
November	103	39	39	22	11	29	
December	32	47	16	10	30	5	
Year	856	841	486	434	341	249	

Table 12 – Number of voluntary liquidations of close corporations: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005	2006
January	49	154	209	156	171	174	67
February	57	166	163	103	143	115	95
March	60	145	115	71	128	105	106
April	69	130	150	162	99	98	94
May	111	135	134	160	117	112	165
June	120	130	112	124	118	115	107
July	180	123	130	142	122	119	106
August	160	137	109	153	118	101	155
September	187	137	124	157	246	144	112
October	140	158	183	88	106	101	
November	133	126	109	171	117	110	
December	57	103	29	55	152	78	
Year	1 323	1 644	1 567	1 542	1 637	1 372	

Table 13 - Total number of insolvencies: 2000 to 2006

Month	2000	2001	2002	2003	2004	2005*	2006
January	285	253	216	135	143	104	89
February	445	308	*274	135	143	115	*129
March	399	356	269	221	247	143	*150
April	404	319	317	251	211	120	87
May	413	394	256	170	152	130	*119
June	412	325	252	251	178	135	99
July	384	403	280	234	*164	119	101
August	499	374	277	255	152	169	1/ 105
September	317	308	228	*281	*179	138	
October	388	334	260	268	123	121	
November	420	323	254	*234	137	152	
December	327	238	160	204	118	121	
Year	4 693	3 935	3 043	2 639	1 947	1 567	

1/ Preliminary.

*Revised.

Table 14 – Percentage change between September 2006 and the corresponding month of the previous year regarding the number of liquidations

Actual estimates	Number of liquidations September 2005	Number of liquidations September 2006	% change between September 2005 and September 2006	Difference between September 2005 and September 2006
	297	238	-19,9	-59

Table 15 – Percentage change between the first nine months of 2006 and the first nine months of 2005 regarding the number of liquidations

Actual estimates	Number of liquidations January 2005 to September 2005	Number of liquidations January 2006 to September 2006	% change between January 2005 to September 2005 and January 2006 to September 2006	Difference between January 2005 to September 2005 and January 2006 to September 2006
	2 561	2 228	-13,0	-333

Table 16 – Percentage change between August 2006 and the corresponding month of the previous year regarding the number of insolvencies

Actual estimates	Number of insolvencies August 2005	Number of insolvencies August 2006	% change between August 2005 and August 2006	Difference between August 2005 and August 2006
	169	105	-37,9	-64

Table 17 - Percentage change between the first eight months of 2006 and the first eight months of 2005 regarding the number of insolvencies

Actual estimates	Number of insolvencies January 2005 to August 2005	Number of insolvencies January 2006 to August 2006	% change between January 2005 to August 2005 and January 2006 to August 2006	Difference between January 2005 to August 2005 and January 2006 to August 2006
	1 035	879	-15,1	-156

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 - <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.
Purpose of the survey		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. Due to insolvencies figures being available late, the data on insolvencies are published a month later than liquidations.
Related publications	4	Users may also wish to refer to the following publications which are available from Stats SA - <ul style="list-style-type: none"> • <i>Bulletin of Statistics.</i> • <i>SA Statistics.</i>
Unpublished statistics	5	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	6	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 wound 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.

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

A large range 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