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# **Statistical release**

## **P0043**

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

**June 2012**

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## Liquidations: results for June 2012

**Table A – Number of liquidations**

Number of liquidations June 2012	% change between June 2011 and June 2012	% change between April to June 2011 and April to June 2012	% change between January to June 2011 and January to June 2012
213	36,5	42,6	-7,8

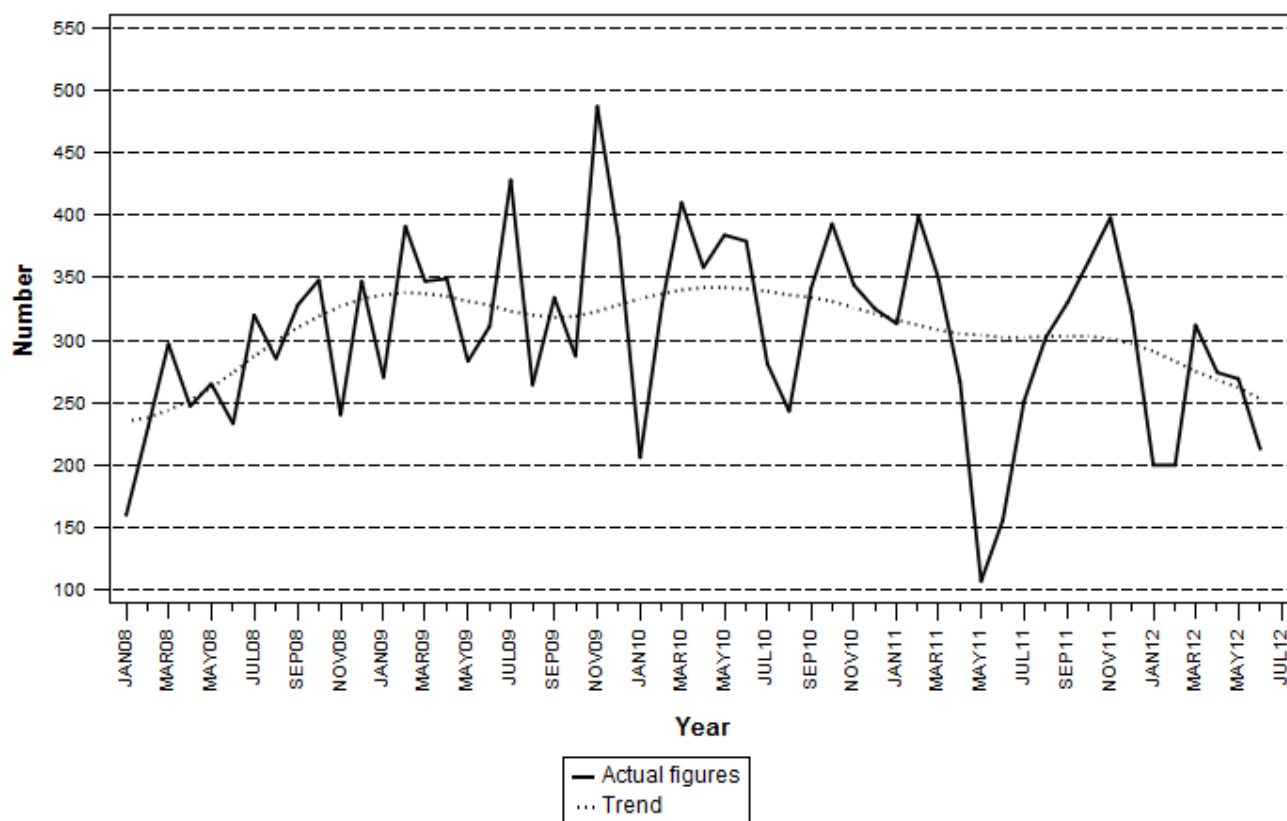
The number of liquidations for the first six months of 2012 reflected a year-on-year decrease of 7,8%. However, year-on-year increases of 36,5% and 42,6% were recorded for June 2012 and for the quarter ending June 2012 respectively. These strong growth rates were influenced by the Companies Act of 2008, which came into effect on 1 May 2011 and introduced the business rescue scheme, resulting in a low base in May and June 2011.

In June 2012, there were 45 more voluntary and 12 more compulsory liquidations recorded compared with June 2011. There were also 53 more company liquidations and 4 more close corporation liquidations over this period.

The largest year-on-year increases in total liquidations for June 2012 related to businesses in the following industries:

- wholesale and retail trade, catering and accommodation (50 more liquidations);
- financing, insurance, real estate and business services (42 more liquidations); and
- construction (11 more liquidations).

**Figure 1 – Number of liquidations**



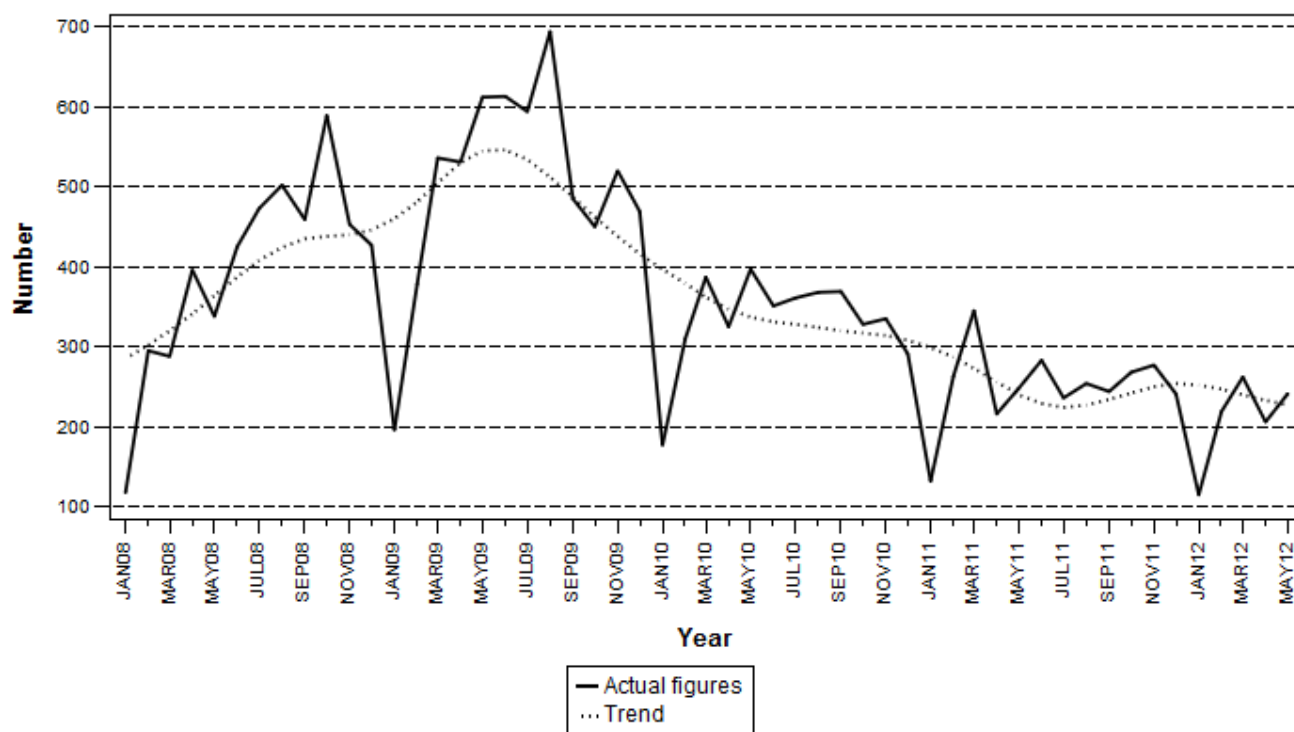
## Insolvencies: results for May 2012

**Table B – Number of insolvencies**

Number of insolvencies May 2012	% change between May 2011 and May 2012	% change between March to May 2011 and March to May 2012	% change between January to May 2011 and January to May 2012
241	-2,8	-12,4	-13,4

The number of insolvencies for the first five months of 2012 decreased by 13,4% compared with the same period of 2011. A year-on-year decrease of 2,8% was estimated for May 2012.

**Figure 2 – Number of insolvencies**



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## Tables

**Table 1 – Total liquidations according to industry (number)**

Industry	January - June 2012			June 2011			May 2012			June 2012		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	3	16	19	0	1	1	0	2	2	0	2	2
2.Mining and quarrying	1	9	10	0	3	3	0	3	3	0	2	2
3.Manufacturing	8	60	68	0	4	4	0	13	13	0	6	6
4.Electricity, gas and water	1	8	9	0	3	3	0	3	3	0	3	3
5.Construction	7	66	73	0	1	1	0	14	14	0	12	12
6.Wholesale and retail trade, catering and accommodation	31	315	346	1	15	16	1	75	76	9	57	66
7.Transport, storage, communication	24	89	113	0	31	31	0	9	9	0	3	3
8.Financing, insurance, real estate, business services	54	524	578	0	36	36	2	107	109	5	73	78
9.Community, social, personal services	19	233	252	1	60	61	0	40	40	0	41	41
<b>Total number of liquidations</b>	<b>148</b>	<b>1 320</b>	<b>1 468</b>	<b>2</b>	<b>154</b>	<b>156</b>	<b>3</b>	<b>266</b>	<b>269</b>	<b>14</b>	<b>199</b>	<b>213</b>

**Table 1.1 – Liquidations of companies according to industry (number)**

Industry	January - June 2012			June 2011			May 2012			June 2012		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	2	6	8	0	0	0	0	0	0	0	2	2
2.Mining and quarrying	1	6	7	0	1	1	0	3	3	0	1	1
3.Manufacturing	5	14	19	0	3	3	0	3	3	0	0	0
4.Electricity, gas and water	1	2	3	0	0	0	0	2	2	0	0	0
5.Construction	1	16	17	0	0	0	0	1	1	0	2	2
6.Wholesale and retail trade, catering and accommodation	25	136	161	1	10	11	1	33	34	9	27	36
7.Transport, storage, communication	4	10	14	0	2	2	0	3	3	0	1	1
8.Financing, insurance, real estate, business services	31	273	304	0	30	30	2	65	67	5	38	43
9.Community, social, personal services	8	86	94	0	5	5	0	17	17	0	20	20
<b>Total number of liquidations</b>	<b>78</b>	<b>549</b>	<b>627</b>	<b>1</b>	<b>51</b>	<b>52</b>	<b>3</b>	<b>127</b>	<b>130</b>	<b>14</b>	<b>91</b>	<b>105</b>

**Table 1.2 – Liquidations of close corporations according to industry (number)**

Industry	January - June 2012			June 2011			May 2012			June 2012		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	1	10	11	0	1	1	0	2	2	0	0	0
2.Mining and quarrying	0	3	3	0	2	2	0	0	0	0	1	1
3.Manufacturing	3	46	49	0	1	1	0	10	10	0	6	6
4.Electricity, gas and water	0	6	6	0	3	3	0	1	1	0	3	3
5.Construction	6	50	56	0	1	1	0	13	13	0	10	10
6.Wholesale and retail trade, catering and accommodation	6	179	185	0	5	5	0	42	42	0	30	30
7.Transport, storage, communication	20	79	99	0	29	29	0	6	6	0	2	2
8.Financing, insurance, real estate, business services	23	251	274	0	6	6	0	42	42	0	35	35
9.Community, social, personal services	11	147	158	1	55	56	0	23	23	0	21	21
<b>Total number of liquidations</b>	<b>70</b>	<b>771</b>	<b>841</b>	<b>1</b>	<b>103</b>	<b>104</b>	<b>0</b>	<b>139</b>	<b>139</b>	<b>0</b>	<b>108</b>	<b>108</b>

C = Compulsory.

V = Voluntary.

**Table 2 – Total liquidations (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	171	176	160	270	206	313	200
February	213	192	230	391	328	399	200
March	241	241	297	347	410	350	312
April	198	236	247	349	358	267	274
May	311	273	265	283	384	107	269
June	262	181	233	311	379	156	213
July	261	272	320	428	281	251	
August	333	387	285	264	243	302	
September	238	507	328	334	341	330	
October	219	286	348	287	393	363	
November	313	194	240	487	344	398	
December	266	206	347	382	325	323	
<b>Year Total</b>	<b>3 026</b>	<b>3 151</b>	<b>3 300</b>	<b>4 133</b>	<b>3 992</b>	<b>3 559</b>	

**Table 2.1 – Compulsory liquidations (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	37	12	29	54	3	45	61
February	15	15	15	26	19	26	27
March	31	12	41	10	23	12	39
April	9	32	22	41	17	16	4
May	20	13	26	26	30	30	3
June	50	9	17	20	12	2	14
July	16	14	13	37	35	8	
August	46	111	26	49	22	14	
September	22	47	22	2	20	18	
October	20	39	48	17	49	61	
November	56	13	15	12	20	74	
December	53	9	2	1	34	75	
<b>Year Total</b>	<b>375</b>	<b>326</b>	<b>276</b>	<b>295</b>	<b>284</b>	<b>381</b>	

**Table 2.2 – Voluntary liquidations (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	134	164	131	216	203	268	139
February	198	177	215	365	309	373	173
March	210	229	256	337	387	338	273
April	189	204	225	308	341	251	270
May	291	260	239	257	354	77	266
June	212	172	216	291	367	154	199
July	245	258	307	391	246	243	
August	287	276	259	215	221	288	
September	216	460	306	332	321	312	
October	199	247	300	270	344	302	
November	257	181	225	475	324	324	
December	213	197	345	381	291	248	
<b>Year Total</b>	<b>2 651</b>	<b>2 825</b>	<b>3 024</b>	<b>3 838</b>	<b>3 708</b>	<b>3 178</b>	

**Table 3 – Total liquidations of companies (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	85	99	87	114	96	156	97
February	107	96	117	229	161	199	75
March	127	114	108	152	177	145	115
April	100	143	104	148	176	97	105
May	131	157	108	109	203	36	130
June	140	104	100	147	194	52	105
July	145	129	170	201	128	81	
August	143	243	98	100	93	180	
September	122	416	177	162	136	190	
October	132	175	165	136	204	167	
November	183	94	111	161	174	152	
December	167	127	228	230	197	151	
<b>Year Total</b>	<b>1 582</b>	<b>1 897</b>	<b>1 573</b>	<b>1 889</b>	<b>1 939</b>	<b>1 606</b>	

**Table 3.1 – Compulsory liquidations of companies (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	18	4	8	18	3	18	37
February	4	4	15	11	12	16	11
March	23	5	10	8	19	12	11
April	5	19	8	27	13	0	2
May	5	3	17	9	24	3	3
June	35	2	6	14	3	1	14
July	6	4	4	20	25	4	
August	11	89	6	10	11	0	
September	18	34	3	1	3	18	
October	13	26	34	10	38	59	
November	43	7	10	3	15	42	
December	37	8	1	0	30	47	
<b>Year Total</b>	<b>218</b>	<b>205</b>	<b>122</b>	<b>131</b>	<b>196</b>	<b>220</b>	

**Table 3.2 – Voluntary liquidations of companies (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	67	95	79	96	93	138	60
February	103	92	102	218	149	183	64
March	104	109	98	144	158	133	104
April	95	124	96	121	163	97	103
May	126	154	91	100	179	33	127
June	105	102	94	133	191	51	91
July	139	125	166	181	103	77	
August	132	154	92	90	82	180	
September	104	382	174	161	133	172	
October	119	149	131	126	166	108	
November	140	87	101	158	159	110	
December	130	119	227	230	167	104	
<b>Year Total</b>	<b>1 364</b>	<b>1 692</b>	<b>1 451</b>	<b>1 758</b>	<b>1 743</b>	<b>1 386</b>	

**Table 4 – Total liquidations of close corporations (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	86	77	73	156	110	157	103
February	106	96	113	162	167	200	125
March	114	127	189	195	233	205	197
April	98	93	143	201	182	170	169
May	180	116	157	174	181	71	139
June	122	77	133	164	185	104	108
July	116	143	150	227	153	170	
August	190	144	187	164	150	122	
September	116	91	151	172	205	140	
October	87	111	183	151	189	196	
November	130	100	129	326	170	246	
December	99	79	119	152	128	172	
<b>Year Total</b>	<b>1 444</b>	<b>1 254</b>	<b>1 727</b>	<b>2 244</b>	<b>2 053</b>	<b>1 953</b>	

**Table 4.1 – Compulsory liquidations of close corporations (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	19	8	21	36	0	27	24
February	11	11	0	15	7	10	16
March	8	7	31	2	4	0	28
April	4	13	14	14	4	16	2
May	15	10	9	17	6	27	0
June	15	7	11	6	9	1	0
July	10	10	9	17	10	4	
August	35	22	20	39	11	14	
September	4	13	19	1	17	0	
October	7	13	14	7	11	2	
November	13	6	5	9	5	32	
December	16	1	1	1	4	28	
<b>Year Total</b>	<b>157</b>	<b>121</b>	<b>154</b>	<b>164</b>	<b>88</b>	<b>161</b>	

**Table 4.2 – Voluntary liquidations of close corporations (number)**

Month	2006	2007	2008	2009	2010	2011	2012
January	67	69	52	120	110	130	79
February	95	85	113	147	160	190	109
March	106	120	158	193	229	205	169
April	94	80	129	187	178	154	167
May	165	106	148	157	175	44	139
June	107	70	122	158	176	103	108
July	106	133	141	210	143	166	
August	155	122	167	125	139	108	
September	112	78	132	171	188	140	
October	80	98	169	144	178	194	
November	117	94	124	317	165	214	
December	83	78	118	151	124	144	
<b>Year Total</b>	<b>1 287</b>	<b>1 133</b>	<b>1 573</b>	<b>2 080</b>	<b>1 965</b>	<b>1 792</b>	



**Table 5 – Insolvencies of individuals and partnerships (number)**

Month	2006	2007	2008	2009	2010	1/ 2011	1/ 2012
January	86	79	118	196	177	132	115
February	146	175	295	378	310	263	219
March	164	173	288	536	387	345	262
April	105	155	396	531	325	216	206
May	146	201	338	612	397	248	241
June	144	163	425	613	351	283	
July	118	184	473	594	361	236	
August	185	213	502	694	368	254	
September	140	206	459	485	369	244	
October	172	231	589	450	* 328	268	
November	162	302	453	520	335	277	
December	112	232	427	469	291	241	
<b>Year Total</b>	<b>1 680</b>	<b>2 314</b>	<b>4 763</b>	<b>6 078</b>	<b>3 999</b>	<b>3 007</b>	

\* Revised.

1/ Preliminary.

## Explanatory notes

<b>Introduction</b>	<b>1</b>	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.
	<b>2</b>	This statistical release reflects voluntary and compulsory liquidations of companies and close corporations and insolvencies of individuals and partnerships.
<b>Purpose of the survey</b>	<b>3</b>	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.
	<b>4</b>	Due to insolvencies figures being available late, the data on insolvencies are published a month later than liquidations.
<b>Scope of the survey</b>	<b>5</b>	This survey covers the total number of: <ul style="list-style-type: none"> <li>• companies and close corporations which were liquidated; and</li> <li>• individuals and partnerships placed under final sequestration.</li> </ul>
	<b>6</b>	Users may also wish to refer to the following publications which are available from Stats SA: <ul style="list-style-type: none"> <li>• <i>Bulletin of Statistics; and</i></li> <li>• <i>SA Statistics.</i></li> </ul>
<b>Related publications</b>	<b>7</b>	Stats SA – Statistics South Africa
<b>Symbols and abbreviations</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>	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>	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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