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Statistics of liquidations and insolvencies
(Preliminary)

December 2017

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Liquidations: results for December 2017

Table A – Number of liquidations

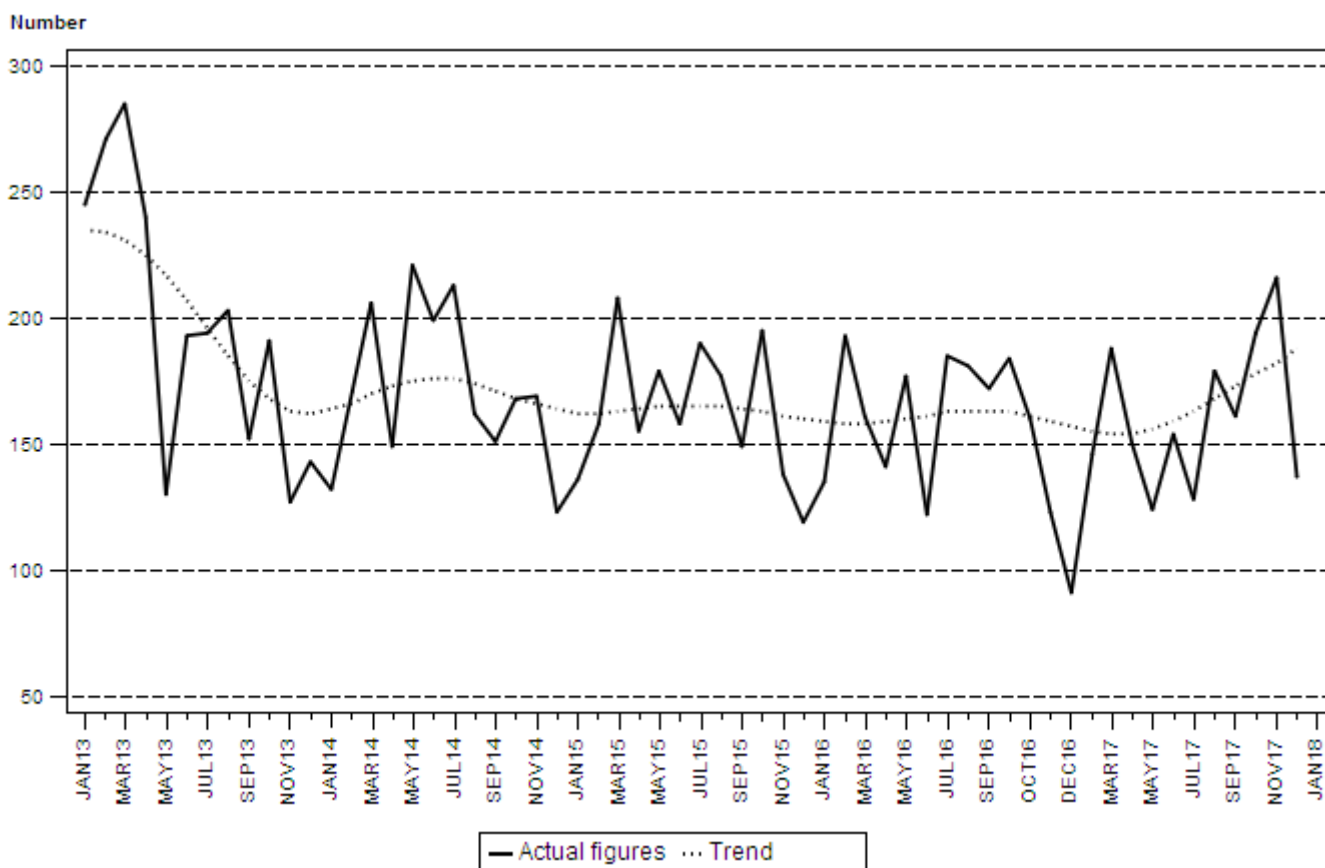
Number of liquidations December 2017	% change between December 2016 and December 2017	% change between October to December 2016 and October to December 2017	% change between January to December 2016 and January to December 2017
137	11,4	17,1	-3,4

The number of liquidations decreased by 3,4% in 2017 compared with 2016. This followed annual changes of -1,4% in 2016 and -4,9% in 2015. Company liquidations decreased by 5,3% (from 1 012 to 958) and close corporation liquidations decreased by 1,3% (from 922 to 910) between 2016 and 2017 – see Tables 3 and 4.

The number of liquidations increased by 17,1% in the fourth quarter of 2017 compared with the fourth quarter of 2016. Compulsory liquidations increased by 43,5% (from 46 to 66) and voluntary liquidations increased by 14,3% (from 421 to 481) – see Tables 2.1 and 2.2.

The total number of liquidations showed a year-on-year increase of 11,4% in December 2017. Six out of the ten industries increased year-on-year with unclassified showing the largest increase (10 more liquidations, from 24 to 34), followed by construction (5 more liquidations, from 1 to 6) and manufacturing (3 more liquidations, from 4 to 7) – see Table 1.

Figure 1 – Number of liquidations



Insolvencies: results for November 2017

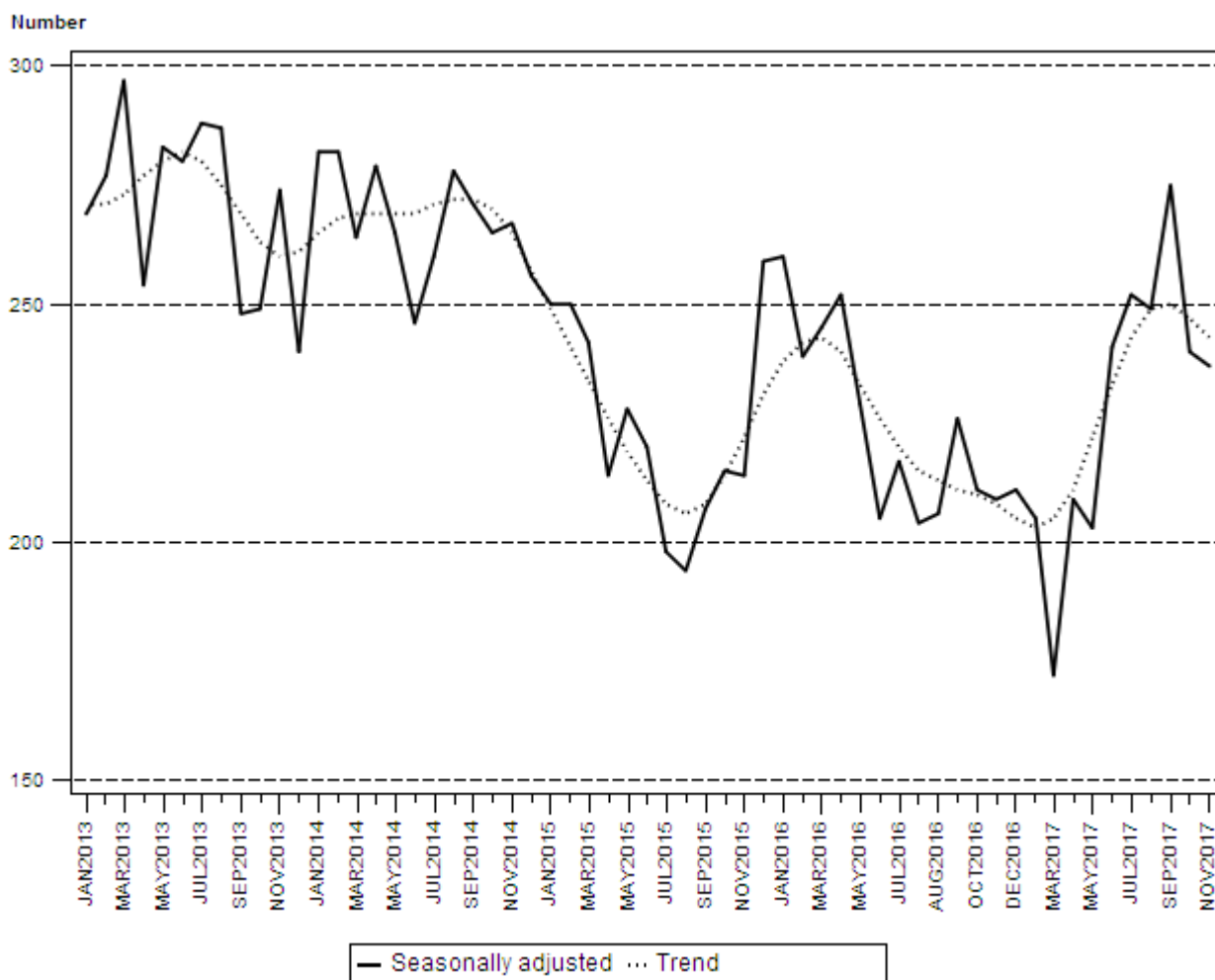
Table B – Number of insolvencies

Number of insolvencies November 2017	% change between November 2016 and November 2017	% change between September to November 2016 and September to November 2017	% change between January to November 2016 and January to November 2017
235	13,0	17,1	1,1

The number of insolvencies estimated was 235 in November 2017, showing a year-on-year increase of 13,0%. An increase of 17,1% was estimated between the three months ended November 2016 and the three months ended November 2017. There was an increase of 1,1% in the first eleven months of 2017 compared with the first eleven months of 2016 – see Table 5.

Seasonally adjusted insolvencies decreased by 1,3% in November 2017 compared with October 2017. This followed month-on-month changes of -12,7% in October 2017 and 10,4% in September 2017 – see Table 6.

Figure 2 – Number of insolvencies



Risenga Maluleke
Statistician-General

Tables

Table 1 – Total liquidations according to industry (number)

Industry	January – December 2017			December 2016			November 2017			December 2017		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	1	17	18	0	1	1	1	3	4	0	3	3
2.Mining and quarrying	2	6	8	0	0	0	0	2	2	2	0	2
3.Manufacturing	5	69	74	0	4	4	2	8	10	0	7	7
4.Electricity, gas and water	1	7	8	1	0	1	0	1	1	0	1	1
5.Construction	13	78	91	1	0	1	1	7	8	0	6	6
6.Trade, catering and accommodation	43	361	404	3	25	28	2	40	42	4	15	19
7.Transport, storage, communication	8	33	41	0	2	2	2	3	5	0	3	3
8.Financing, insurance, real estate, business services	82	529	611	5	50	55	12	61	73	3	52	55
9.Community, social, personal services	14	133	147	0	7	7	1	13	14	0	7	7
10.Unclassified	42	424	466	2	22	24	2	55	57	2	32	34
Total number of liquidations	211	1 657	1 868	12	111	123	23	193	216	11	126	137

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

Industry	January – December 2017			December 2016			November 2017			December 2017		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	1	7	8	0	0	0	1	1	2	0	0	0
2.Mining and quarrying	2	5	7	0	0	0	0	1	1	2	0	2
3.Manufacturing	3	28	31	0	4	4	1	3	4	0	4	4
4.Electricity, gas and water	0	0	0	0	0	0	0	0	0	0	0	0
5.Construction	5	21	26	0	0	0	0	1	1	0	1	1
6.Trade, catering and accommodation	25	131	156	3	12	15	1	11	12	2	9	11
7.Transport, storage, communication	3	8	11	0	1	1	0	1	1	0	1	1
8.Financing, insurance, real estate, business services	44	258	302	4	21	25	5	32	37	2	35	37
9.Community, social, personal services	2	14	16	0	1	1	0	1	1	0	2	2
10.Unclassified	38	363	401	1	20	21	1	47	48	2	28	30
Total number of liquidations	123	835	958	8	59	67	9	98	107	8	80	88

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

Industry	January – December 2017			December 2016			November 2017			December 2017		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	10	10	0	1	1	0	2	2	0	3	3
2.Mining and quarrying	0	1	1	0	0	0	0	1	1	0	0	0
3.Manufacturing	2	41	43	0	0	0	1	5	6	0	3	3
4.Electricity, gas and water	1	7	8	1	0	1	0	1	1	0	1	1
5.Construction	8	57	65	1	0	1	1	6	7	0	5	5
6.Trade, catering and accommodation	18	230	248	0	13	13	1	29	30	2	6	8
7.Transport, storage, communication	5	25	30	0	1	1	2	2	4	0	2	2
8.Financing, insurance, real estate, business services	38	271	309	1	29	30	7	29	36	1	17	18
9.Community, social, personal services	12	119	131	0	6	6	1	12	13	0	5	5
10.Unclassified	4	61	65	1	2	3	1	8	9	0	4	4
Total number of liquidations	88	822	910	4	52	56	14	95	109	3	46	49

C = Compulsory.

V = Voluntary.

Table 2 – Total liquidations (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	313	200	245	132	136	135	91
February	399	200	271	171	158	193	146
March	350	312	285	206	208	161	188
April	267	274	240	149	155	141	150
May	107	269	130	221	179	177	124
June	156	213	193	199	158	122	154
July	251	147	194	213	190	185	128
August	302	241	203	162	177	181	179
September	330	236	152	151	149	172	161
October	363	235	191	168	195	184	194
November	398	195	127	169	138	160	216
December	323	194	143	123	119	123	137
Total	3 559	2 716	2 374	2 064	1 962	1 934	1 868

Table 2.1 – Compulsory liquidations (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	45	61	3	22	13	16	6
February	26	27	26	12	22	13	13
March	12	39	53	18	39	14	14
April	16	4	17	35	7	24	4
May	30	3	9	29	20	14	15
June	2	14	16	89	29	10	17
July	8	1	18	47	34	25	10
August	14	63	19	25	23	9	21
September	18	58	13	20	15	29	45
October	61	21	9	33	14	20	32
November	74	18	4	23	12	14	23
December	75	8	24	13	10	12	11
Total	381	317	211	366	238	200	211

Table 2.2 – Voluntary liquidations (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	268	139	242	110	123	119	85
February	373	173	245	159	136	180	133
March	338	273	232	188	169	147	174
April	251	270	223	114	148	117	146
May	77	266	121	192	159	163	109
June	154	199	177	110	129	112	137
July	243	146	176	166	156	160	118
August	288	178	184	137	154	172	158
September	312	178	139	131	134	143	116
October	302	214	182	135	181	164	162
November	324	177	123	146	126	146	193
December	248	186	119	110	109	111	126
Total	3 178	2 399	2 163	1 698	1 724	1 734	1 657

Table 3 – Total liquidations of companies (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	156	97	121	74	79	66	42
February	199	75	123	87	80	100	81
March	145	115	147	89	101	78	80
April	97	105	104	78	70	80	73
May	36	130	56	108	87	96	56
June	52	105	96	104	90	65	84
July	81	74	92	109	93	108	62
August	180	133	97	86	87	97	94
September	190	136	82	75	79	85	85
October	167	109	100	78	88	98	106
November	152	72	55	75	59	72	107
December	151	108	75	65	56	67	88
Total	1 606	1 259	1 148	1 028	969	1 012	958

Table 3.1 – Compulsory liquidations of companies (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	18	37	3	16	9	9	3
February	16	11	5	7	16	9	12
March	12	11	32	6	18	6	6
April	0	2	10	24	5	17	3
May	3	3	7	20	16	9	5
June	1	14	11	54	22	4	11
July	4	0	9	26	21	9	4
August	0	34	11	20	12	6	14
September	18	41	9	13	3	17	25
October	59	14	4	22	8	13	23
November	42	6	2	6	7	6	9
December	47	2	14	8	3	8	8
Total	220	175	117	222	140	113	123

Table 3.2 – Voluntary liquidations of companies (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	138	60	118	58	70	57	39
February	183	64	118	80	64	91	69
March	133	104	115	83	83	72	74
April	97	103	94	54	65	63	70
May	33	127	49	88	71	87	51
June	51	91	85	50	68	61	73
July	77	74	83	83	72	99	58
August	180	99	86	66	75	91	80
September	172	95	73	62	76	68	60
October	108	95	96	56	80	85	83
November	110	66	53	69	52	66	98
December	104	106	61	57	53	59	80
Total	1 386	1 084	1 031	806	829	899	835

Table 4 – Total liquidations of close corporations (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	157	103	124	58	57	69	49
February	200	125	148	84	78	93	65
March	205	197	138	117	107	83	108
April	170	169	136	71	85	61	77
May	71	139	74	113	92	81	68
June	104	108	97	95	68	57	70
July	170	73	102	104	97	77	66
August	122	108	106	76	90	84	85
September	140	100	70	76	70	87	76
October	196	126	91	90	107	86	88
November	246	123	72	94	79	88	109
December	172	86	68	58	63	56	49
Total	1 953	1 457	1 226	1 036	993	922	910

Table 4.1 – Compulsory liquidations of close corporations (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	27	24	0	6	4	7	3
February	10	16	21	5	6	4	1
March	0	28	21	12	21	8	8
April	16	2	7	11	2	7	1
May	27	0	2	9	4	5	10
June	1	0	5	35	7	6	6
July	4	1	9	21	13	16	6
August	14	29	8	5	11	3	7
September	0	17	4	7	12	12	20
October	2	7	5	11	6	7	9
November	32	12	2	17	5	8	14
December	28	6	10	5	7	4	3
Total	161	142	94	144	98	87	88

Table 4.2 – Voluntary liquidations of close corporations (number)

Month	2011	2012	2013	2014	2015	2016	2017
January	130	79	124	52	53	62	46
February	190	109	127	79	72	89	64
March	205	169	117	105	86	75	100
April	154	167	129	60	83	54	76
May	44	139	72	104	88	76	58
June	103	108	92	60	61	51	64
July	166	72	93	83	84	61	60
August	108	79	98	71	79	81	78
September	140	83	66	69	58	75	56
October	194	119	86	79	101	79	79
November	214	111	70	77	74	80	95
December	144	80	58	53	56	52	46
Total	1 792	1 315	1 132	892	895	835	822

Table 5 – Insolvencies of individuals and partnerships (number)

Month	1/ 2011	1/ 2012	1/ 2013	1/ 2014	1/ 2015	1/ 2016	1/ 2017
January	161	292	164	187	168	180	156
February	341	406	269	281	254	244	213
March	479	466	339	323	293	297	225
April	291	349	241	249	208	233	180
May	365	366	312	273	230	237	206
June	418	344	291	267	236	228	270
July	373	328	304	281	214	219	249
August	464	406	349	327	216	233	290
September	397	276	243	261	203	210	262
October	461	297	264	280	215	219	249
November	355	307	270	258	212	208	235
December	241	205	196	211	226	176	
Total	4 346	4 042	3 242	3 198	2 675	2 684	

1/ Preliminary.

Table 6 – Seasonally adjusted number of insolvencies

Month	Number				Month-on-month % change			
	2014	2015	2016	2017	2014	2015	2016	2017
January	282	250	260	211	17,5	-2,3	0,4	1,0
February	282	250	239	205	0,0	0,0	-8,1	-2,8
March	264	242	245	172	-6,4	-3,2	2,5	-16,1
April	279	214	252	209	5,7	-11,6	2,9	21,5
May	265	228	229	203	-5,0	6,5	-9,1	-2,9
June	246	220	205	241	-7,2	-3,5	-10,5	18,7
July	260	198	217	252	5,7	-10,0	5,9	4,6
August	278	194	204	249	6,9	-2,0	-6,0	-1,2
September	271	207	206	275	-2,5	6,7	1,0	10,4
October	265	215	226	240	-2,2	3,9	9,7	-12,7
November	267	214	211	237	0,8	-0,5	-6,6	-1,3
December	256	259	209		-4,1	21,0	-0,9	

Explanatory notes

- Introduction**
- 1 Statistics South Africa (Stats SA) collects administrative information on liquidations from Companies and Intellectual Property Commission, Department of Trade and Industry, while information on insolvencies is gathered from Notices of the Master of the Supreme Court that appear 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 the total number of:
 - companies and close corporations which were liquidated; and
 - individuals and partnerships placed under final sequestration.
- Symbols and abbreviations**
- 6 Stats SA – Statistics South Africa
- Seasonal adjustment**
- 7 Seasonally adjusted estimates are generated each month using the X-12-ARIMA Seasonal Adjustment Program developed by the US Bureau of the Census, 1968. Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences on the series can be recognised more clearly. Seasonal adjustment does not aim to remove irregular or non-seasonal influences which may be present in any particular month.
 - 8 Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variations. This means the month-to-month movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour. The X-12-ARIMA procedure for liquidations and insolvencies is described in more detail on the Stats SA website:
[click to download seasonal adjustment P0043 March 2017](#)
- Trend cycle**
- 9 The trend is the long-term pattern or movement of a time series. The X-12- ARIMA Seasonal Adjustment Program is used for smoothing seasonally adjusted estimates to estimate the underlying trend cycle.

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.

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