

STATISTICAL RELEASE
P0043

Statistics of liquidations and insolvencies
(Preliminary)

May 2017

Embargoed until:
26 June 2017
14:30

ENQUIRIES:
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FORTHCOMING ISSUE:
June 2017

EXPECTED RELEASE DATE:
24 July 2017

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Liquidations: results for May 2017

Table A – Number of liquidations

Number of liquidations May 2017	% change between May 2016 and May 2017	% change between March to May 2016 and March to May 2017	% change between January to May 2016 and January to May 2017
124	-29,9	-3,5	-13,4

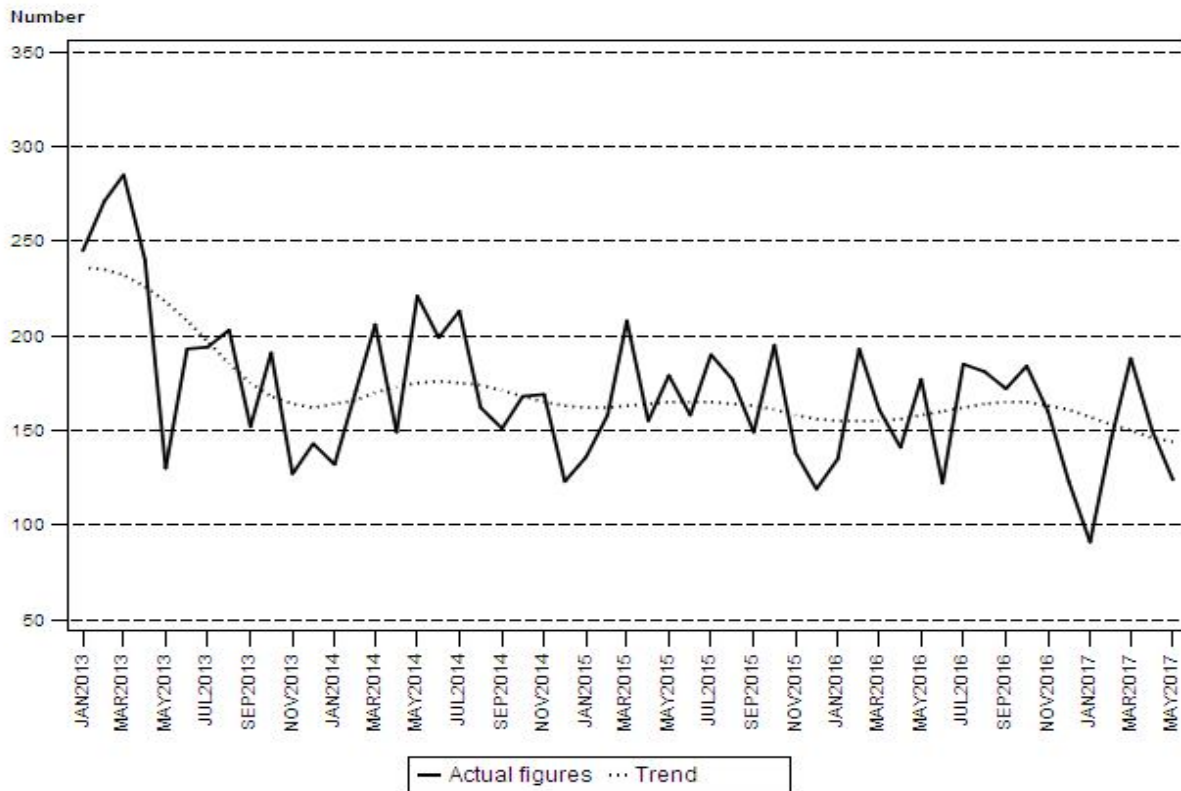
The total number of liquidations showed a year-on-year decrease of 29,9% (53 fewer cases) in May 2017. Voluntary liquidations decreased by 54 cases while compulsory liquidations increased by 1 case.

The largest year-on-year decreases in total liquidations in May 2017 related to businesses in the following industries:

- financing, insurance, real estate and business services (21 fewer liquidations, from 63 to 42);
- unclassified (17 fewer liquidations, from 43 to 26);
- trade, catering and accommodation (8 fewer liquidations, from 36 to 28); and
- manufacturing (4 fewer liquidations, from 8 to 4) – see Table 1.

There was a decrease of 13,4% in the first five months of 2017 compared with the first five months of 2016. Company liquidations decreased by 21,0% (from 420 to 332) and close corporation liquidations decreased by 5,2% (from 387 to 367) – see Tables 3 and 4.

Figure 1 – Number of liquidations



Insolvencies: results for April 2017

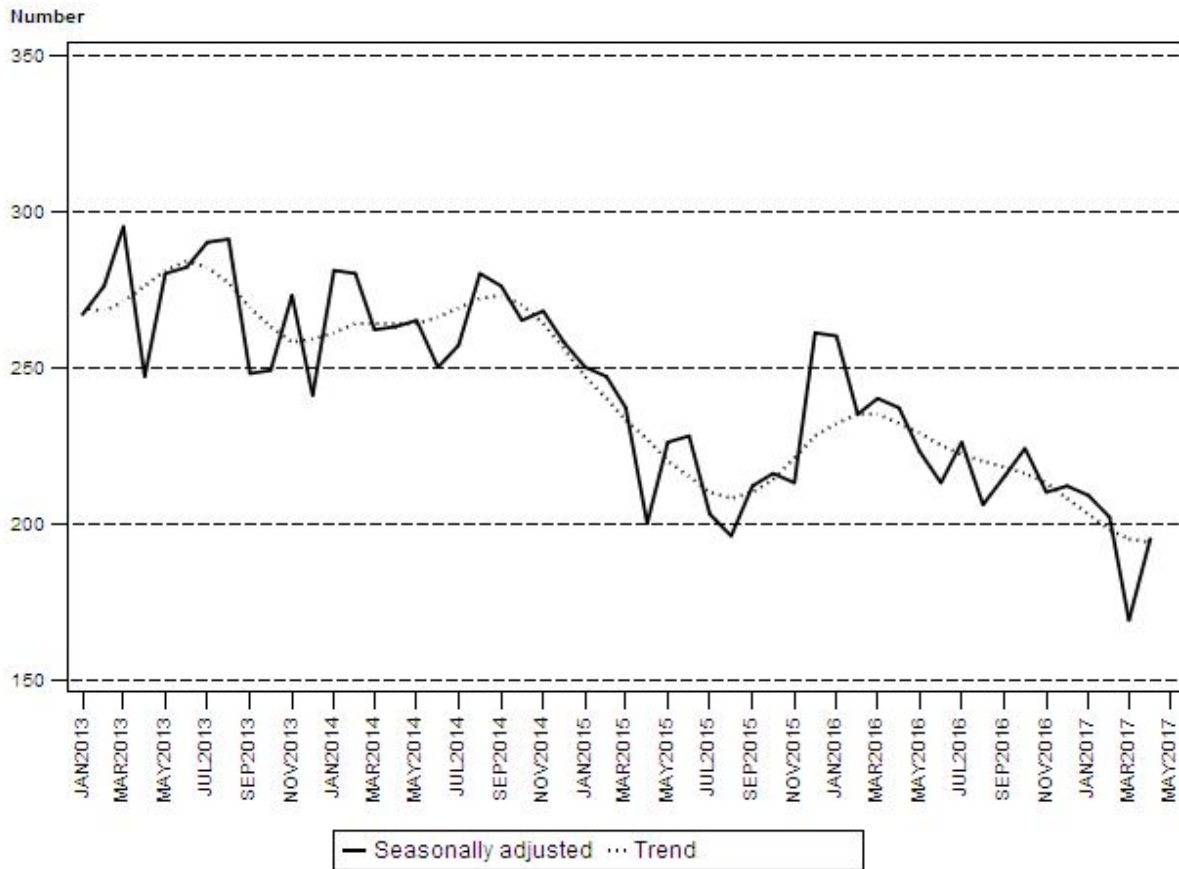
Table B – Number of insolvencies

Number of insolvencies April 2017	% change between April 2016 and April 2017	% change between February to April 2016 and February to April 2017	% change between January to April 2016 and January to April 2017
180	-22,7	-20,2	-18,9

The estimated number of insolvencies decreased by 22,7% year-on-year in April 2017. A 20,2% decrease was estimated in the three months ended April 2017 compared with the three months ended April 2016 – see Table 5.

Seasonally adjusted insolvencies increased by 15,4% in April 2017 compared with March 2017. This followed month-on-month changes of -16,3% in March 2017 and -3,3% in February 2017 – see Table 6.

Figure 2 – Number of insolvencies



PJ Lehohla
Statistician-General

Tables

Table 1 – Total liquidations according to industry (number)

Industry	January – May 2017			May 2016			April 2017			May 2017		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	6	6	0	0	0	0	1	1	0	2	2
2.Mining and quarrying	0	2	2	0	3	3	0	0	0	0	1	1
3.Manufacturing	0	22	22	1	7	8	0	8	8	0	4	4
4.Electricity, gas and water	0	2	2	0	0	0	0	1	1	0	0	0
5.Construction	5	29	34	1	8	9	0	10	10	0	8	8
6.Trade, catering and accommodation	8	146	154	2	34	36	1	27	28	4	24	28
7.Transport, storage, communication	4	15	19	0	3	3	0	4	4	0	1	1
8.Financing, insurance, real estate, business services	21	200	221	4	59	63	3	45	48	7	35	42
9.Community, social, personal services	6	67	73	1	11	12	0	13	13	2	10	12
10.Unclassified	8	158	166	5	38	43	0	37	37	2	24	26
Total number of liquidations	52	647	699	14	163	177	4	146	150	15	109	124

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

Industry	January – May 2017			May 2016			April 2017			May 2017		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	5	5	0	0	0	0	1	1	0	1	1
2.Mining and quarrying	0	2	2	0	2	2	0	0	0	0	1	1
3.Manufacturing	0	7	7	1	2	3	0	4	4	0	1	1
4.Electricity, gas and water	0	0	0	0	0	0	0	0	0	0	0	0
5.Construction	4	8	12	0	1	1	0	3	3	0	1	1
6.Trade, catering and accommodation	5	53	58	2	12	14	1	10	11	1	10	11
7.Transport, storage, communication	3	3	6	0	1	1	0	1	1	0	0	0
8.Financing, insurance, real estate, business services	9	86	95	1	35	36	2	19	21	2	17	19
9.Community, social, personal services	1	5	6	0	3	3	0	2	2	1	0	1
10.Unclassified	7	134	141	5	31	36	0	30	30	1	20	21
Total number of liquidations	29	303	332	9	87	96	3	70	73	5	51	56

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

Industry	January – May 2017			May 2016			April 2017			May 2017		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	1	1	0	0	0	0	0	0	0	1	1
2.Mining and quarrying	0	0	0	0	1	1	0	0	0	0	0	0
3.Manufacturing	0	15	15	0	5	5	0	4	4	0	3	3
4.Electricity, gas and water	0	2	2	0	0	0	0	1	1	0	0	0
5.Construction	1	21	22	1	7	8	0	7	7	0	7	7
6.Trade, catering and accommodation	3	93	96	0	22	22	0	17	17	3	14	17
7.Transport, storage, communication	1	12	13	0	2	2	0	3	3	0	1	1
8.Financing, insurance, real estate, business services	12	114	126	3	24	27	1	26	27	5	18	23
9.Community, social, personal services	5	62	67	1	8	9	0	11	11	1	10	11
10.Unclassified	1	24	25	0	7	7	0	7	7	1	4	5
Total number of liquidations	23	344	367	5	76	81	1	76	77	10	58	68

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	
July	251	147	194	213	190	185	
August	302	241	203	162	177	181	
September	330	236	152	151	149	172	
October	363	235	191	168	195	184	
November	398	195	127	169	138	160	
December	323	194	143	123	119	123	
Total	3 559	2 716	2 374	2 064	1 962	1 934	

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	
July	8	1	18	47	34	25	
August	14	63	19	25	23	9	
September	18	58	13	20	15	29	
October	61	21	9	33	14	20	
November	74	18	4	23	12	14	
December	75	8	24	13	10	12	
Total	381	317	211	366	238	200	

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	
July	243	146	176	166	156	160	
August	288	178	184	137	154	172	
September	312	178	139	131	134	143	
October	302	214	182	135	181	164	
November	324	177	123	146	126	146	
December	248	186	119	110	109	111	
Total	3 178	2 399	2 163	1 698	1 724	1 734	

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	
July	81	74	92	109	93	108	
August	180	133	97	86	87	97	
September	190	136	82	75	79	85	
October	167	109	100	78	88	98	
November	152	72	55	75	59	72	
December	151	108	75	65	56	67	
Total	1 606	1 259	1 148	1 028	969	1 012	

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	
July	4	0	9	26	21	9	
August	0	34	11	20	12	6	
September	18	41	9	13	3	17	
October	59	14	4	22	8	13	
November	42	6	2	6	7	6	
December	47	2	14	8	3	8	
Total	220	175	117	222	140	113	

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	
July	77	74	83	83	72	99	
August	180	99	86	66	75	91	
September	172	95	73	62	76	68	
October	108	95	96	56	80	85	
November	110	66	53	69	52	66	
December	104	106	61	57	53	59	
Total	1 386	1 084	1 031	806	829	899	

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	
July	170	73	102	104	97	77	
August	122	108	106	76	90	84	
September	140	100	70	76	70	87	
October	196	126	91	90	107	86	
November	246	123	72	94	79	88	
December	172	86	68	58	63	56	
Total	1 953	1 457	1 226	1 036	993	922	

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	
July	4	1	9	21	13	16	
August	14	29	8	5	11	3	
September	0	17	4	7	12	12	
October	2	7	5	11	6	7	
November	32	12	2	17	5	8	
December	28	6	10	5	7	4	
Total	161	142	94	144	98	87	

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	
July	166	72	93	83	84	61	
August	108	79	98	71	79	81	
September	140	83	66	69	58	75	
October	194	119	86	79	101	79	
November	214	111	70	77	74	80	
December	144	80	58	53	56	52	
Total	1 792	1 315	1 132	892	895	835	

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	338	405	269	281	254	244	213
March	478	466	339	323	293	297	225
April	291	346	241	247	207	233	180
May	363	364	307	271	230	237	
June	418	342	291	267	236	228	
July	373	327	304	275	214	219	
August	463	404	349	325	216	233	
September	395	276	243	261	203	210	
October	459	295	264	280	215	219	
November	355	305	265	258	212	208	
December	241	205	196	211	226	176	
Total	4 335	4 027	3 232	3 186	2 674	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	281	250	260	209	16,6	-3,1	-0,4	-1,4
February	280	247	235	202	-0,4	-1,2	-9,6	-3,3
March	262	237	240	169	-6,4	-4,0	2,1	-16,3
April	263	200	237	195	0,4	-15,6	-1,3	15,4
May	265	226	223		0,8	13,0	-5,9	
June	250	228	213		-5,7	0,9	-4,5	
July	257	203	226		2,8	-11,0	6,1	
August	280	196	206		8,9	-3,4	-8,8	
September	276	212	215		-1,4	8,2	4,4	
October	265	216	224		-4,0	1,9	4,2	
November	268	213	210		1,1	-1,4	-6,3	
December	258	261	212		-3,7	22,5	1,0	

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 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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