

ASIC's review of court and creditors' voluntary liquidation process 2021–2025

1 July 2021 – 30 June 2025

REVIEW POPULATION

29,759
companies entered
liquidation

26,664
grouped
appointments

\$117.2bn
in total reported liabilities,
about \$479,000
per appointment (median)



Most liquidations
involved small
companies with
few assets



report liabilities
below \$1 million

Around 90%
reported **five or
fewer** employee
creditors

7 years
median
company age

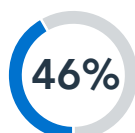


50%
of finalised liquidations
realised **no more than
\$10,000 in gross assets**

25% realised **none**



Limited assets
constrain
recoveries and
creditor returns



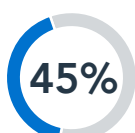
of finalised
liquidations realised
no more than 1% of
reported liabilities

9%
of finalised liquidations **reported a voidable recovery**
other than insolvent trading²
\$20,878 median recovery

5.3%
of finalised liquidations paid a dividend to ordinary
unsecured creditors
9.8 cents in the dollar median dividend



Court liquidations
were more likely
to commence
with little or no
assets



had **no
estimated
realisable assets**
CVLs – 26%



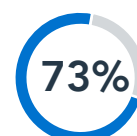
56%
reported a **ROCAP received** by the
end of the liquidation
CVLs – 93%

70%
of finalised court liquidations realised
no more than 1% of reported liabilities
CVLs – 39%

Many liquidations relied
on external funding
and showed indicators
of unrecovered
remuneration



67%
of CVLs with an available
DIRRI reported an indemnity
or upfront payment
\$11,000 median



paid no dividend and
reported remuneration
paid below the
approved amount

**Simplified liquidation
uptake remained very low**

Only **8 simplified liquidations in 2024–25**,
equivalent to 0.2% of CVLs reporting liabilities not exceeding \$1m¹

ROCAP – Report on Company Activity and Property | CVL – Creditors' voluntary liquidation | Court – Court liquidation |
DIRRI – Declaration of Independence, Relevant Relationships and Indemnities

¹ Liabilities are only one of the statutory eligibility criteria. ² Finalised appointments may overrepresent short or simpler matters.