OVERVIEW ANALYSIS OF THE VOLUNTARY WINDING UP OF SOLVENT COMPANIES UNDER THE COMPANIES ACT 71 OF 2008

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Abstract - The winding up of a company is a process through that enables a company to administered by the courts for the benefit of its creditors and members. The remaining assets are divided amongst creditors in accordance to their rights. The Companies Act 71 of 2008 (Companies Act 2008) regulates the winding up of solvent companies in South Africa. A solvent company may be dissolved by voluntary winding up which is initiated by the company in terms of the Companies Act 2008. Consequently, this article discusses how the Companies Act 2008 deals with the voluntary winding-up of a solvent company either by its shareholders or by its creditors. Lastly, this article provides insight into the procedures that need to be followed by the shareholders of a company in order for them to successfully apply for the voluntary winding up of their solvent company.

Keywords - Solvent companies, creditors, shareholders, voluntary winding up.