



PRACTICE NOTE 2 OF 2025

NON-COMPLIANCE WITH THE FILING OF PROGRESS REPORTS (STATUS REPORTS)

The Companies and Intellectual Property Commission (CIPC) has observed that a significant number of Business Rescue Practitioners (Practitioners) are non-compliant with their statutory obligation to file progress reports on a monthly basis, of the entities they are duly appointed on.

This is as per the directive of Section 132(3) (a)-(b) of the Companies Act 71 of 2008.

Section 132(3), of the Act, states: –

“(3) If a company’s business rescue proceedings have not ended within three months after the start of those proceedings, or such longer time as the court, on application by the practitioner, may allow, the practitioner must-

- (a) Prepare a report on the progress of the business rescue proceedings, and update it at the end of each subsequent month until the end of those proceedings; and*
- (b) Deliver the report and each update in the prescribed manner to each affected person, and to the-*
 - (i) Court, if the proceedings have been the subject of a court order; or*
 - (ii) Commission, in any other case.*

The Commission has previously communicated and urged practitioners of the exigency to comply with the filing of the monthly progress reports in a timely manner, however upon reviewing its records it has observed that there is a disinclination by practitioners to comply with the filing and updating of the legislatively required reports despite previous communication to comply with the provisions of section 132(3) (a)-(b).

In enforcing and fulfilling its functions as per the directive of the Companies Act to enforce and monitor proper compliance of the Act, the Commission will publish a list of practitioners and entities that are non-compliant with the filing and updating of progress reports and hereby informs practitioners that the contents of Notice 44 of 2024 pertaining to license renewal applications, that practitioners are prohibited from renewing their business rescue practitioner licenses until all reports have been brought up to date is hereby retracted and replaced with the notice that practitioners who have failed to file the reports as provided for above, their licenses will be suspended and/or revoked due to their non-compliance.

Practitioners are hereby advised to consistently uphold the core values of good governance and complying with statutory requirements.

We trust that you will find the above in order.

Yours Sincerely,

Adv. Rory Voller
Commissioner: CIPC
26 / 02 / 2025