

# Outer suburb tops bankruptcy list

FAST-growing Cranbourne in Melbourne's outer southeast recorded the highest number of bankruptcies in Victoria last financial year.

Some 108 residents were declared bankrupt, and a further 51 signed debt agreements to repay over an agreed period.

Frankston was also hit hard with 84 bankruptcies, while 60 residents of Ballarat went bust.

And 10 bankruptcies were

## Rebekah Cavanagh

recorded in Toorak, which was named last year as being home to Australia's highest wage earners.

In total, 4333 Victorians filed for bankruptcy in 2011-12, down from 4637 in 2010-11, according to figures in a postcode-based personal insolvency report by federal agency Insolvency and Trustee Service Australia.

The 2011-12 annual report shows 33 per cent of non-

business-related bankruptcy claims were made because of unemployment. Excessive use of credit (22 per cent), domestic discord (12 per cent) and ill-health (10 per cent) were also cited.

Cranbourne-based Inside Accounting senior partner Anthony Karadeas was not surprised postcode 3977 had the highest bankruptcies.

Mr Karadeas said when preparing tax returns from the area last year, the firm noticed a higher rate of

redundancies. "It's a worrying trend," he said.

Anglicare Victoria financial counsellor Shungu Patsika said more people were considering bankruptcy in search of a clean slate. "The stigma to going bankrupt is far less now," he said.

He said many of his bankrupt clients had been on relatively high incomes and a change of circumstances, from loss of job to injury, resulted in them being unable to make ends meet.