

Changes to legislation: *The Insolvency (Northern Ireland) Order 1989, PROCESS OF ADMINISTRATION is up to date with all changes known to be in force on or before 27 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

SCHEDULES

[^{F1}SCHEDULE B1 **N.I.**

ADMINISTRATION

F1 Sch. B1 inserted (27.3.2006) by [Insolvency \(Northern Ireland\) Order 2005 \(S.I. 2005/1455 \(N.I. 10\)\)](#), arts. 1(3), 3(2), Sch. 1 (with art. 4); S.R. 2006/21, [art. 2](#) (with S.R. 2006/22, [arts. 2-7](#))

Modifications etc. (not altering text)

- C1** Sch. B1 applied (with modifications) (1.10.2011) by [Postal Services Act 2011 \(c. 5\)](#), ss. 73, 87(1)(2), 93(3), [Sch. 10 Pt. 1](#), [Sch. 10 Pt. 2](#)
- C1** Sch. B1 applied (with modifications) by S.R. 1995/225, Sch. 2 (as amended (19.12.2018) by [The Banks and Building Societies \(Priorities on Insolvency\) Order 2018 \(S.I. 2018/1244\)](#), arts. 1(2), [36](#) (with art. 3))
- C1** Sch. B1 modified (28.12.2020 until IP completion day when the amending provision ceases to have effect in accordance with reg. 1(4) of the amending S.I.) by [The Bank Recovery and Resolution \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1350\)](#), regs. 1(4), [120](#) (with reg. 108)
- C1** Sch. B1 modified by S.R. 1995/225, art. 6, [Sch. 2](#) (as modified (28.12.2020 until IP completion day when the amending provision ceases to have effect in accordance with reg. 1(4) of the amending S.I.) by [The Bank Recovery and Resolution \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1350\)](#), regs. 1(4), [122\(3\)](#) (with reg. 108))
- C2** Sch. B1 applied (with modifications) (4.1.2024) by S.I. 2021/716, [Sch. 2A para. 6](#) (as inserted by [The Payment and Electronic Money Institution Insolvency \(Amendment\) Regulations 2023 \(S.I. 2023/1399\)](#), reg. 1(2), [Sch. 2](#))

PROCESS OF ADMINISTRATION

Announcement of administrator's appointment

- 47.**—(1) This paragraph applies where a person becomes the administrator of a company.
- (2) As soon as is reasonably practicable the administrator shall—
- send a notice of his appointment to the company, and
 - publish a notice of his appointment in the prescribed manner.
- (3) As soon as is reasonably practicable the administrator shall—
- obtain a list of the company's creditors, and
 - send a notice of his appointment to each creditor of whose claim and address he is aware.
- (4) The administrator shall send a notice of his appointment to the registrar before the end of the period of 7 days beginning with the date specified in sub-paragraph (6).
- (5) The administrator shall send a notice of his appointment to such persons as may be prescribed before the end of the prescribed period beginning with the date specified in sub-paragraph (6).
- (6) The date for the purpose of sub-paragraphs (4) and (5) is—
- in the case of an administrator appointed by administration order, the date of the order,

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- (b) in the case of an administrator appointed under paragraph 15, the date on which he receives notice under paragraph 21, and
 - (c) in the case of an administrator appointed under paragraph 23, the date on which he receives notice under paragraph 33.
- (7) The High Court may direct that sub-paragraph (3)(b) or (5)—
- (a) shall not apply, or
 - (b) shall apply with the substitution of a different period.
- (8) A notice under this paragraph must—
- (a) contain the prescribed information, and
 - (b) be in the prescribed form.
- (9) An administrator commits an offence if he fails without reasonable excuse to comply with a requirement of this paragraph.

Modifications etc. (not altering text)

- C1** Sch. B1 para. 47 applied (with modifications) (4.1.2024) by S.I. 2021/716, reg. 37A (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 12)

Statement of company's affairs

48.—(1) As soon as is reasonably practicable after appointment the administrator of a company shall by notice in the prescribed form require one or more relevant persons to provide the administrator with a statement of the affairs of the company.

- (2) The statement must—
- (a) be verified by affidavit,
 - (b) be in the prescribed form,
 - (c) give particulars of the company's property, debts and liabilities,
 - (d) give the names and addresses of the company's creditors,
 - (e) specify the security held by each creditor,
 - (f) give the date on which each security was granted, and
 - (g) contain such other information as may be prescribed.
- (3) In sub-paragraph (1) “relevant person” means—
- (a) a person who is or has been an officer of the company,
 - (b) a person who took part in the formation of the company during the period of one year ending with the date on which the company enters administration,
 - (c) a person employed by the company during that period, and
 - (d) a person who is or has been during that period an officer or employee of a company which is or has been during that year an officer of the company.
- (4) For the purpose of sub-paragraph (3) a reference to employment is a reference to employment through a contract of employment or a contract for services.

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Modifications etc. (not altering text)

- C3** Sch. B1 para. 48 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)
- C4** Sch. B1 para. 48 applied (with modifications) (4.1.2024) by S.I. 2021/716, **Sch. 2A para. 6** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), reg. 1(2), **Sch. 2**)

49.—(1) A person required to submit a statement of affairs must do so before the end of the period of 11 days beginning with the day on which he receives notice of the requirement.

(2) The administrator may—

- (a) revoke a requirement under paragraph 48(1), or
- (b) extend the period specified in sub-paragraph (1) (whether before or after expiry).

(3) If the administrator refuses a request to act under sub-paragraph (2)—

- (a) the person whose request is refused may apply to the High Court, and
- (b) the Court may take action of a kind specified in sub-paragraph (2).

(4) A person commits an offence if he fails without reasonable excuse to comply with a requirement under paragraph 48(1).

Modifications etc. (not altering text)

- C5** Sch. B1 para. 49 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)

Administrator's proposals

50.—(1) The administrator of a company shall make a statement setting out proposals for achieving the purpose of administration.

(2) A statement under sub-paragraph (1) must, in particular—

- (a) deal with such matters as may be prescribed, and
- (b) where applicable, explain why the administrator thinks that the objective mentioned in paragraph 4(1)(a) or (b) cannot be achieved.

(3) Proposals under this paragraph may include—

- (a) a proposal for a voluntary arrangement under Part II of this Order (although this paragraph is without prejudice to Article 17(3));
- (b) a proposal for a compromise or arrangement to be sanctioned under Part 26 or 26A of the Companies Act 2006 (arrangements and reconstructions).

(4) The administrator shall send a copy of the statement of his proposals—

- (a) to the registrar,
- (b) to every creditor of the company of whose claim and address he is aware, and
- (c) to every member of the company of whose address he is aware.

(5) The administrator shall comply with sub-paragraph (4)—

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- (a) as soon as is reasonably practicable after the company enters administration, and
 - (b) in any event, before the end of the period of 8 weeks beginning with the day on which the company enters administration.
- (6) The administrator shall be taken to comply with sub-paragraph (4)(c) if he publishes in the prescribed manner a notice undertaking to provide a copy of the statement of proposals free of charge to any member of the company who applies in writing to a specified address.
- (7) An administrator commits an offence if he fails without reasonable excuse to comply with sub-paragraph (5).
- (8) A period specified in this paragraph may be varied in accordance with paragraph 108.

- F2** Words in Sch. B1 para. 50(3)(b) substituted (6.4.2008) by Companies Act 2006 (Consequential Amendments etc) Order 2008 (S.I. 2008/948), arts. 2(2), 3(1)(b), **Sch. 1 para. 166(a)** (with arts. 6, 11, 12)
- F3** Words in Sch. B1 para. 50(3)(b) inserted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 9 para. 10(2)** (with ss. 2(2), 5(2))

Modifications etc. (not altering text)

- C6** Sch. B1 para. 50 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)
- C7** Sch. B1 para. 50 applied (with modifications) (4.1.2024) by S.I. 2021/716, **Sch. 2A para. 6** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), reg. 1(2), **Sch. 2**)
- C8** Sch. B1 para. 50(1)-(3) excluded (4.1.2024) by S.I. 2021/716, **reg. 38(6)** (as substituted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **13**)
- C9** Sch. B1 para. 50(4)-(8) applied (4.1.2024) by S.I. 2021/716, **reg. 39(8)** (as amended by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **14(c)**)

Creditors' meeting

51.—(1) In this Schedule “creditors' meeting” means a meeting of creditors of a company summoned by the administrator—

- (a) in the prescribed manner, and
 - (b) giving the prescribed period of notice to every creditor of the company of whose claim and address he is aware.
- (2) A period prescribed under sub-paragraph (1)(b) may be varied in accordance with paragraph 108.
- (3) A creditors' meeting shall be conducted in accordance with the rules.

Modifications etc. (not altering text)

- C10** Sch. B1 para. 51 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)

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Requirement for initial creditors' meeting

52.—(1) Each copy of an administrator's statement of proposals sent to a creditor under paragraph 50(4)(b) must be accompanied by an invitation to a creditors' meeting (an “initial creditors' meeting”).

(2) The date set for an initial creditors' meeting must be—

- (a) as soon as is reasonably practicable after the company enters administration, and
- (b) in any event, within the period of 10 weeks beginning with the date on which the company enters administration.

(3) An administrator shall present a copy of his statement of proposals to an initial creditors' meeting.

(4) A period specified in this paragraph may be varied in accordance with paragraph 108.

(5) An administrator commits an offence if he fails without reasonable excuse to comply with a requirement of this paragraph.

Modifications etc. (not altering text)

C11 Sch. B1 para. 52 applied (with modifications) (4.1.2024) by S.I. 2021/716, reg. 37A (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 12)

C12 Sch. B1 para. 52 excluded (4.1.2024) by S.I. 2021/716, reg. 38(6) (as substituted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 13)

53.—(1) Paragraph 52(1) shall not apply where the statement of proposals states that the administrator thinks—

- (a) that the company has sufficient property to enable each creditor of the company to be paid in full,
- (b) that the company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Article 150A(2)(a), or
- (c) that neither of the objectives specified in paragraph 4(1)(a) and (b) can be achieved.

(2) But the administrator shall summon an initial creditors' meeting if it is requested—

- (a) by creditors of the company whose debts amount to at least 10 per cent. of the total debts of the company,
- (b) in the prescribed manner, and
- (c) in the prescribed period.

(3) A meeting requested under sub-paragraph (2) must be summoned for a date in the prescribed period.

(4) The period prescribed under sub-paragraph (3) may be varied in accordance with paragraph 108.

Business and result of initial creditors' meeting

54.—(1) An initial creditors' meeting to which an administrator's proposals are presented shall consider them and may—

- (a) approve them without modification, or

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- (b) approve them with modification to which the administrator consents.
- (2) After the conclusion of an initial creditors' meeting the administrator shall as soon as is reasonably practicable report any decision taken to—
 - (a) the High Court,
 - (b) the registrar, and
 - (c) such other persons as may be prescribed.
- (3) An administrator commits an offence if he fails without reasonable excuse to comply with sub-paragraph (2).

Modifications etc. (not altering text)

- C13** Sch. B1 para. 54 excluded (4.1.2024) by S.I. 2021/716, reg. 38(6) (as substituted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 13)
- C14** Sch. B1 para. 54 applied (with modifications) (4.1.2024) by S.I. 2021/716, reg. 37A (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 12)

Revision of administrator's proposals

- 55.**—(1) This paragraph applies where—
- (a) an administrator's proposals have been approved (with or without modification) at an initial creditors' meeting,
 - (b) the administrator proposes a revision to the proposals, and
 - (c) the administrator thinks that the proposed revision is substantial.
- (2) The administrator shall—
- (a) summon a creditors' meeting,
 - (b) send a statement in the prescribed form of the proposed revision with the notice of the meeting sent to each creditor,
 - (c) send a copy of the statement, within the prescribed period, to each member of the company of whose address he is aware, and
 - (d) present a copy of the statement to the meeting.
- (3) The administrator shall be taken to have complied with sub-paragraph (2)(c) if he publishes a notice undertaking to provide a copy of the statement free of charge to any member of the company who applies in writing to a specified address.
- (4) A notice under sub-paragraph (3) must be published—
- (a) in the prescribed manner, and
 - (b) within the prescribed period.
- (5) A creditors' meeting to which a proposed revision is presented shall consider it and may—
- (a) approve it without modification, or
 - (b) approve it with modification to which the administrator consents.
- (6) After the conclusion of a creditors' meeting the administrator shall as soon as is reasonably practicable report any decision taken to—
- (a) the High Court,

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- (b) the registrar, and
- (c) such other persons as may be prescribed.

(7) An administrator commits an offence if he fails without reasonable excuse to comply with sub-paragraph (6).

Modifications etc. (not altering text)

- C15** Sch. B1 para. 55 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)
- C16** Sch. B1 para. 55 excluded (4.1.2024) by S.I. 2021/716, **reg. 38(6)** (as substituted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **13**)
- C17** Sch. B1 para. 55 applied (4.1.2024) by S.I. 2021/716, **reg. 41(2)** (as amended by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **15**)

Failure to obtain approval of administrator's proposals

- 56.—**(1) This paragraph applies where an administrator reports to the High Court that—
- (a) an initial creditors' meeting has failed to approve the administrator's proposals presented to it, or
 - (b) a creditors' meeting has failed to approve a revision of the administrator's proposals presented to it.
- (2) The Court may—
- (a) provide that the appointment of an administrator shall cease to have effect from a specified time;
 - (b) adjourn the hearing conditionally or unconditionally;
 - (c) make an interim order;
 - (d) make an order on a petition for winding up suspended by virtue of paragraph 41(1)(b);
 - (e) make any other order (including an order making consequential provision) that the Court thinks appropriate.

Modifications etc. (not altering text)

- C18** Sch. B1 para. 56 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)
- C19** Sch. B1 para. 56 excluded (4.1.2024) by S.I. 2021/716, **reg. 38(6)** (as substituted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **13**)
- C20** Sch. B1 para. 56 applied (4.1.2024) by S.I. 2021/716, **reg. 41(2)** (as amended by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **15**)

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Further creditors' meetings

- 57.**—(1) The administrator of a company shall summon a creditors' meeting if—
- (a) it is requested in the prescribed manner by creditors of the company whose debts amount to at least 10 per cent. of the total debts of the company, or
 - (b) he is directed by the High Court to summon a creditors' meeting.
- (2) An administrator commits an offence if he fails without reasonable excuse to summon a creditors' meeting as required by this paragraph.

Modifications etc. (not altering text)

C21 Sch. B1 para. 57 applied (with modifications) (4.1.2024) by S.I. 2021/716, reg. 37A (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 12)

Creditors' committee

- 58.**—(1) A creditors' meeting may establish a creditors' committee.
- (2) A creditors' committee shall carry out functions conferred on it by or under this Order.
- (3) A creditors' committee may require the administrator—
- (a) to attend on the committee at any reasonable time of which he is given at least 7 days' notice, and
 - (b) to provide the committee with information about the exercise of his functions.

Modifications etc. (not altering text)

C22 Sch. B1 para. 58 applied (with modifications) (4.1.2024) by S.I. 2021/716, reg. 37A (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 12)

Correspondence instead of creditors' meeting

- 59.**—(1) Anything which is required or permitted by or under this Schedule to be done at a creditors' meeting may be done by correspondence between the administrator and creditors—
- (a) in accordance with the rules, and
 - (b) subject to any prescribed condition.
- (2) A reference in this Schedule to anything done at a creditors' meeting includes a reference to anything done in the course of correspondence in reliance on sub-paragraph (1).
- (3) A requirement to hold a creditors' meeting is satisfied by conducting correspondence in accordance with this paragraph.]

Modifications etc. (not altering text)

C23 Sch. B1 para. 59 applied (with modifications) (4.1.2024) by S.I. 2021/716, reg. 37A (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 12)

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Changes and effects yet to be applied to :

- Instrument amended by [1998 c. 11 s. 23 Sch. 5 Pt.1 Ch. 3 para. 40](#)
- Instrument amended (prosp) by [S.I. 1994/279 \(N.I.\) art. 26\(1\)Sch. 2 para. 15](#)

Changes and effects yet to be applied to the whole Order associated Parts and Chapters:

Whole provisions yet to be inserted into this Order (including any effects on those provisions):

- Sch. 9 Pt. 2 para. 66 revoked by [1996 c. 23 s. 107\(2\)Sch. 4](#) (Amendment could not be applied. The relevant affected text is not available on [legislation.gov.uk](#))
- art. 2B inserted by [2016 c. 2 \(N.I.\) s. 2\(1\)](#)
- art. 208ZA applied (with modifications) by S.I. 2021/716, reg. 37A (as inserted) by [S.I. 2023/1399 reg. 12](#) (This amendment not applied to [Legislation.gov.uk](#). S. 208ZA is inserted by the Insolvency (Amendment) Act (Northern Ireland) 2016 (c. 2), s. 1(1) which is currently prospective.)
- art. 208ZA-208ZB inserted by [2016 c. 2 \(N.I.\) s. 1\(1\)](#)
- art. 208ZB applied (with modifications) by S.I. 2021/716, reg. 37A (as inserted) by [S.I. 2023/1399 reg. 12](#) (This amendment not applied to [Legislation.gov.uk](#). S. 208ZB is inserted by the Insolvency (Amendment) Act (Northern Ireland) 2016 (c. 2), s. 1(1) which is currently prospective.)
- art. 345A-345B inserted by [2016 c. 2 \(N.I.\) s. 1\(2\)](#)