

## EXPLANATORY NOTE

*(This note is not part of the Rules)*

These Rules amend the Insolvency (Scotland) Rules 1986 (S.I. 1986/1915).

As a result of the changes made to the law on administration by the Enterprise Act 2002 (c. 40) a company can move between administration and liquidation. The amendments in Rules 3 and 4 enable creditors to make their claim as at the date of the administration. The amendments provide that the relevant date is the date of the commencement of the administration.

Rule 5 inserts a new Rule 7.36 into the Insolvency (Scotland) Rules 1986. This rule allows a creditor or, where a company is involved, a director or contributor to request details of time spent on a liquidation or receivership from an insolvency practitioner. These details are the number of hours spent on the case, the grades and wages of the staff involved and the hours spent on the case by each grade of staff.

Rule 6 provides that the report of a final meeting in a Creditors' Voluntary Winding Up is to be reported to the Accountant in Bankruptcy instead of the registrar of companies.

Rule 7 provides that these changes only have effect as regards companies which have gone into liquidation on or after the commencement date.