



Insolvency Act 1986

1986 CHAPTER 45

PART IV

WINDING UP OF COMPANIES REGISTERED UNDER THE COMPANIES ACTS

CHAPTER III

MEMBERS' VOLUNTARY WINDING UP

91 Appointment of liquidator.

- (1) In a members' voluntary winding up, the company in general meeting shall appoint one or more liquidators for the purpose of winding up the company's affairs and distributing its assets.
- (2) On the appointment of a liquidator all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

Modifications etc. (not altering text)

- C1** S. 91(1)(2) modified (S.) (6.4.2001) by [S.S.I. 2001/128, reg. 4\(2\)](#), [Sch. 3](#)
Ss. 91-93 applied (with modifications) (S.) (6.4.2001) by [S.S.I. 2001/128, reg. 4](#), [Sch. 2](#)

92 Power to fill vacancy in office of liquidator.

- (1) If a vacancy occurs by death resignation or otherwise in the office of liquidator appointed by the company, the company in general meeting may, subject to any arrangement with its creditors, fill the vacancy.
- (2) For that purpose a general meeting may be convened by any contributory or, if there were more liquidators than one, by the continuing liquidators.

Status: Point in time view as at 28/06/2016.

Changes to legislation: Insolvency Act 1986, Chapter III is up to date with all changes known to be in force on or before 08 July 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)

- (3) The meeting shall be held in manner provided by this Act or by the articles, or in such manner as may, on application by any contributory or by the continuing liquidators, be determined by the court.

Modifications etc. (not altering text)

- C2** Ss. 91-93 applied (with modifications) (S.) (6.4.2001) by [S.S.I. 2001/128, reg. 4, Sch. 2](#)
 S. 92(1)(2)(3)(4) modified (S.) (6.4.2001) by [S.S.I. 2001/128, reg. 4\(2\), Sch. 3](#)

[^{F1}92A Progress report to company ^{F2}... [^{F3}(England and Wales)]

- (1) Subject to [^{F4}sections 96 and 102][^{F4}section 96], [^{F5}[^{F6}where the company is registered in England and Wales]] the liquidator must—
- (a) for each prescribed period produce a progress report relating to the prescribed matters; and
 - (b) within such period commencing with the end of the period referred to in paragraph (a) as may be prescribed send a copy of the progress report to—
 - (i) the members of the company; and
 - (ii) such other persons as may be prescribed.
- (2) A liquidator who fails to comply with this section is liable to a fine.]

Textual Amendments

- F1** S. 92A added (6.4.2010) by [The Legislative Reform \(Insolvency\) \(Miscellaneous Provisions\) Order 2010 \(S.I. 2010/18\), art. 6\(1\)](#) (with art. 12(1))
- F2** Words in s. 92A heading omitted (26.5.2015) by virtue of [Small Business, Enterprise and Employment Act 2015 \(c. 26\), ss. 136\(2\)\(b\), 164\(3\)\(i\)\(v\)](#)
- F3** Words in s. 92A title repealed (S.) (coming into force in accordance with art. 1(3)(4) of the amending S.S.I.) by [The Public Services Reform \(Insolvency\) \(Scotland\) Order 2016 \(S.S.I. 2016/141\), art. 5\(1\)\(b\)](#) (with arts. 14, 15)
- F4** Words in s. 92A(1) substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\), s. 164\(1\), Sch. 9 para. 16; S.I. 2015/1329, reg. 3\(d\); S.I. 2016/1020, reg. 4\(e\)](#) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)
- F5** Words in s. 92A(1) repealed (S.) (coming into force in accordance with art. 1(3)(4) of the amending S.S.I.) by [The Public Services Reform \(Insolvency\) \(Scotland\) Order 2016 \(S.S.I. 2016/141\), art. 5\(1\)\(a\)](#) (with arts. 14, 15)
- F6** Words in s. 92A(1) substituted (26.5.2015) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\), ss. 136\(2\)\(a\), 164\(3\)\(i\)\(v\)](#)

93 General company meeting at each year's end [^{F7}(Scotland)]

- [^{F8}(1) Subject to [^{F9}sections 96 and 102][^{F9}section 96], in the event of the winding up [^{F10}of a company registered in Scotland] continuing for more than one year, the liquidator shall summon a general meeting of the company at the end of the first year from the commencement of the winding up, and of each succeeding year, or at the first convenient date within 3 months from the end of the year or such longer period as the Secretary of State may allow.

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- (2) The liquidator shall lay before the meeting an account of his acts and dealings, and of the conduct of the winding up, during the preceding year.
- (3) If the liquidator fails to comply with this section, he is liable to a fine.]

Textual Amendments

- F7** Word in s. 93 heading inserted (6.4.2010) by [The Legislative Reform \(Insolvency\) \(Miscellaneous Provisions\) Order 2010 \(S.I. 2010/18\)](#), [art. 6\(2\)\(a\)](#) (with art. 12(2))
- F8** S. 93 repealed (S.) (1.4.2016 for specified purposes, 6.4.2019 in so far as not already in force) by [The Public Services Reform \(Insolvency\) \(Scotland\) Order 2016 \(S.S.I. 2016/141\)](#), arts. 1(2)-(4), [5\(2\)](#) (with arts. 14, 15) (with savings by S.S.I. 2016/141, art. 16 (as inserted (S.) (1.8.2017) by [The Public Services Reform \(Corporate Insolvency and Bankruptcy\) \(Scotland\) Order 2017 \(S.S.I. 2017/209\)](#), arts. 1(2), [8\(3\)](#)) (see S.I. 2019/816, reg. 4(a))
- F9** Words in s. 93(1) substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 9 para. 17](#); S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)
- F10** Words in s. 93(1) inserted (6.4.2010) by [The Legislative Reform \(Insolvency\) \(Miscellaneous Provisions\) Order 2010 \(S.I. 2010/18\)](#), [art. 6\(2\)\(b\)](#) (with art. 12(2))

Modifications etc. (not altering text)

- C3** Ss. 91-93 applied (with modifications) (S.) (6.4.2001) by [S.S.I. 2001/128](#), reg. 4, [Sch. 2](#)
- C4** S. 93(1) modified (S.) (6.4.2001) by [S.S.I. 2001/128](#), reg. 4(2), [Sch. 3](#)

94 [F11 Final meeting prior to dissolution.][F11 Final account prior to dissolution]

- [F11(1) As soon as the company's affairs are fully wound up the liquidator must make up an account of the winding up, showing how it has been conducted and the company's property has been disposed of.
- (2) The liquidator must send a copy of the account to the members of the company before the end of the period of 14 days beginning with the day on which the account is made up.
 - (3) The liquidator must send a copy of the account to the registrar of companies before the end of that period (but not before sending it to the members of the company).
 - (4) If the liquidator does not comply with subsection (2) the liquidator is liable to a fine.
 - (5) If the liquidator does not comply with subsection (3) the liquidator is liable to a fine and, for continued contravention, a daily default fine.]

Textual Amendments

- F11** S. 94 substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 9 para. 18](#); S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)

Modifications etc. (not altering text)

- C5** Ss. 94, 106 applied with modifications by [Building Societies Act 1986 \(c. 53, SIF 16\)](#), [ss. 54\(3\)\(a\)\(5\)](#) (a), 90, 126(3), Sch. 15 para. 56(1)

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- C6** S. 94 applied (with modifications) (S.) (6.4.2001) by [S.S.I. 2001/128, reg. 4\(1\), Sch. 2](#)
 S. 94 modified (S.) (6.4.2001) by [S.S.I. 2001/128, reg. 4\(2\), Sch. 3](#)
- C7** S. 94(3) amended (1.7.1999) by [1998 c. 46, s. 125, Sch. 8 para. 23\(1\)-\(3\)](#) (with [s. 126\(3\)-\(11\)](#)); [S.I. 1998/3178, arts. 2, 3](#) (as amended (28.6.2016) by [The Building Societies \(Floating Charges and Other Provisions\) Order 2016 \(S.I. 2016/679\), arts. 1\(1\), 6](#))

95 Effect of company's insolvency.

- (1) This section applies where the liquidator is of the opinion that the company will be unable to pay its debts in full (together with interest at the official rate) within the period stated in the directors' declaration under section 89.

[^{F12}(1A) The liquidator must before the end of the period of 7 days beginning with the day after the day on which the liquidator formed that opinion—

- (a) make out a statement in the prescribed form as to the affairs of the company, and
- (b) send it to the company's creditors.]

(2) [^{F13}[^{F14}In the case of the winding up of a company registered in Scotland, the liquidator] shall—

- (a) summon a meeting of creditors for a day not later than the 28th day after the day on which he formed that opinion;
- (b) send notices of the creditors' meeting to the creditors by post not less than 7 days before the day on which that meeting is to be held;
- (c) cause notice of the creditors' meeting to be advertised once in the Gazette and once at least in 2 newspapers circulating in the relevant locality (that is to say the locality in which the company's principal place of business in Great Britain was situated during the relevant period); and
- (d) during the period before the day on which the creditors' meeting is to be held, furnish creditors free of charge with such information concerning the affairs of the company as they may reasonably require;]

and the notice of the creditors' meeting shall state the duty imposed by paragraph (d) above.

[^{F15}(2A) [^{F13}In the case of the winding up of a company registered in England and Wales, the liquidator—

- (a) shall summon a meeting of creditors for a day not later than the 28th day after the day on which he formed that opinion;
- (b) shall send notices of the creditors' meeting to the creditors [^{F16}by post] not less than 7 days before the day on which that meeting is to be held;
- (c) shall cause notice of the creditors' meeting to be advertised once in the Gazette;
- (d) may cause notice of the meeting to be advertised in such other manner as he thinks fit; and
- (e) shall during the period before the day on which the creditors' meeting is to be held, furnish creditors free of charge with such information concerning the affairs of the company as they may reasonably require;

and the notice of the creditors' meeting shall state the duty imposed by paragraph (e) above.]]

(3) [^{F13}The liquidator shall also—

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- (a) make out a statement in the prescribed form as to the affairs of the company;
 - (b) lay that statement before the creditors' meeting; and
 - (c) attend and preside at that meeting.]
- (4) The statement as to the affairs of the company^{F17} . . . shall show—
- (a) particulars of the company's assets, debts and liabilities;
 - (b) the names and addresses of the company's creditors;
 - (c) the securities held by them respectively;
 - (d) the dates when the securities were respectively given; and
 - (e) such further or other information as may be prescribed.
- [^{F18}(4A) The statement as to the affairs of the company shall be [^{F19}verified by the liquidator]—
- (a) in the case of a winding up of a company registered in England and Wales [^{F20}be verified by the liquidator] , by a statement of truth; and
 - (b) in the case of a winding up of a company registered in Scotland, [^{F21}by affidavit][^{F21}contain a statutory declaration by the liquidator] .]
- [^{F22}(4B) The company's creditors may in accordance with the rules nominate a person to be liquidator.
- (4C) The liquidator must in accordance with the rules seek such a nomination from the company's creditors.]
- (5) [^{F23}Where the company's principal place of business in Great Britain was situated in different localities at different times during the relevant period, the duty imposed by subsection (2)(c) applies separately in relation to each of those localities.]
- (6) [^{F23}Where the company had no place of business in Great Britain during the relevant period, references in subsections (2)(c) and (5) to the company's principal place of business in Great Britain are replaced by references to its registered office.]
- (7) [^{F23}In this section “the relevant period” means the period of 6 months immediately preceding the day on which were sent the notices summoning the company meeting at which it was resolved that the company be wound up voluntarily.]
- (8) If the liquidator without reasonable excuse fails to comply with [^{F24}this section][^{F24}subsections (1) to (4A)] , he is liable to a fine.

Textual Amendments

- F12** S. 95(1A) inserted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 9 para. 19\(2\)](#); [S.I. 2015/1329](#), reg. 3(d); [S.I. 2016/1020](#), reg. 4(e) (with reg. 5) (as amended by [S.I. 2017/363](#), reg. 3)
- F13** S. 95(2)-(3) omitted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by virtue of [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 9 para. 19\(3\)](#); [S.I. 2015/1329](#), reg. 3(d); [S.I. 2016/1020](#), reg. 4(e) (with reg. 5) (as amended by [S.I. 2017/363](#), reg. 3)
- F14** Words in s. 95(2) substituted (6.4.2009) by [The Legislative Reform \(Insolvency\) \(Advertising Requirements\) Order 2009 \(S.I. 2009/864\)](#), [art. 3\(1\)\(a\)](#) (with art. 4)
- F15** S. 95(2A) inserted (6.4.2009) by [The Legislative Reform \(Insolvency\) \(Advertising Requirements\) Order 2009 \(S.I. 2009/864\)](#), [art. 3\(1\)\(b\)](#) (with art. 4)
- F16** Words in s. 95(2A)(b) omitted (E.W.) (6.4.2010) by virtue of [The Legislative Reform \(Insolvency\) \(Miscellaneous Provisions\) Order 2010 \(S.I. 2010/18\)](#), [art. 7](#) (with art. 12(3))

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- F17** Words in s. 95(4) omitted (6.4.2010) by virtue of [The Legislative Reform \(Insolvency\) \(Miscellaneous Provisions\) Order 2010 \(S.I. 2010/18\)](#), **art. 5(2)(a)**
- F18** S. 95(4A) inserted (6.4.2010) by [The Legislative Reform \(Insolvency\) \(Miscellaneous Provisions\) Order 2010 \(S.I. 2010/18\)](#), **art. 5(2)(b)**
- F19** Words in s. 95(4A) repealed (S.) (coming into force in accordance with art. 1(3)(4) of the amending S.S.I.) by [The Public Services Reform \(Insolvency\) \(Scotland\) Order 2016 \(S.S.I. 2016/141\)](#), **art. 8(a)** (with arts. 14, 15)
- F20** Words in s. 95(4A)(a) inserted (S.) (coming into force in accordance with art. 1(3)(4) of the amending S.S.I.) by [The Public Services Reform \(Insolvency\) \(Scotland\) Order 2016 \(S.S.I. 2016/141\)](#), **art. 8(b)** (with arts. 14, 15)
- F21** Words in s. 95(4A)(b) substituted (S.) (coming into force in accordance with art. 1(3)(4) of the amending S.S.I.) by [The Public Services Reform \(Insolvency\) \(Scotland\) Order 2016 \(S.S.I. 2016/141\)](#), **art. 8(c)** (with arts. 14, 15)
- F22** S. 95(4B)(4C) inserted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), **Sch. 9 para. 19(4)**; S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)
- F23** S. 95(5)-(7) omitted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by virtue of [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), **Sch. 9 para. 19(3)**; S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)
- F24** Words in s. 95(8) substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), **Sch. 9 para. 19(5)**; S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)

Modifications etc. (not altering text)

- C8** S. 95 applied (with modifications) (S.) (6.4.2001) by [S.S.I. 2001/128](#), reg. 4(1), **Sch. 2**
 S. 95 applied (with modifications) (S.) (6.4.2001) by [S.S.I. 2001/128](#), reg. 4(1), **Sch. 2**

96 Conversion to creditors' voluntary winding up.

- [^{F25}(1) The winding up becomes a creditors' voluntary winding up as from the day on which—
- (a) the company's creditors under section 95 nominate a person to be liquidator, or
 - (b) the procedure by which the company's creditors were to have made such a nomination concludes without a nomination having been made.
- (2) As from that day this Act has effect as if the directors' declaration under section 89 had not been made.
- (3) The liquidator in the creditors' voluntary winding up is to be the person nominated by the company's creditors under section 95 or, where no person has been so nominated, the existing liquidator.
- (4) In the case of the creditors nominating a person other than the existing liquidator any director, member or creditor of the company may, within 7 days after the date on which the nomination was made by the creditors, apply to the court for an order either—
- (a) directing that the existing liquidator is to be liquidator instead of or jointly with the person nominated by the creditors, or
 - (b) appointing some other person to be liquidator instead of the person nominated by the creditors.

[The “existing liquidator” is the person who is liquidator immediately before the ^{F26}(5) winding up becomes a creditors' voluntary winding up.]]

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Textual Amendments

- F25** S. 96 substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 9 para. 20\(1\)](#); [S.I. 2015/1329](#), reg. 3(d); [S.I. 2016/1020](#), reg. 4(e) (with [reg. 5](#)) (as amended by [S.I. 2017/363](#), reg. 3)
- F26** S. 96(4A) inserted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 9 para. 20\(2\)](#); [S.I. 2015/1329](#), reg. 3(d); [S.I. 2016/1020](#), reg. 4(e) (with [reg. 5](#)) (as amended by [S.I. 2017/363](#), reg. 3)

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