



Insolvency Act 1986

1986 CHAPTER 45

PART IV

WINDING UP OF COMPANIES REGISTERED UNDER THE COMPANIES ACTS

CHAPTER VI

WINDING UP BY THE COURT

Liquidation committees

141 Liquidation committee (England and Wales).

- [^{F1}(1) This section applies where a winding up order has been made by the court in England and Wales.
- (2) If both the company's creditors and the company's contributories decide that a liquidation committee should be established, a liquidation committee is to be established in accordance with the rules.
- (3) If only the company's creditors, or only the company's contributories, decide that a liquidation committee should be established, a liquidation committee is to be established in accordance with the rules unless the court orders otherwise.
- (3A) A “liquidation committee” is a committee having such functions as are conferred on it by or under this Act.
- (3B) The liquidator must seek a decision from the company's creditors and contributories as to whether a liquidation committee should be established if requested, in accordance with the rules, to do so by one-tenth in value of the company's creditors.
- (3C) Subsection (3B) does not apply where the liquidator is the official receiver.]

Status: Point in time view as at 06/04/2017.

Changes to legislation: Insolvency Act 1986, Cross Heading: Liquidation committees is up to date with all changes known to be in force on or before 14 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)

- (4) The liquidation committee is not to be able or required to carry out its functions at any time when the official receiver is liquidator; but at any such time its functions are vested in the Secretary of State except to the extent that the rules otherwise provide.
- (5) Where there is for the time being no liquidation committee, and the liquidator is a person other than the official receiver, the functions of such a committee are vested in the Secretary of State except to the extent that the rules otherwise provide.

Textual Amendments

- F1** S. 141(1)-(3C) substituted for s. 141(1)-(3) (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. 36](#); 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)

- C1** S. 141 applied (with modifications) (1.12.1994) by S.I. 1994/2421, art. 8(3)(9), [Sch. 4 Pt. II para. 16](#)
 S. 141 amended (1.12.2001) by [2000 c. 8, s. 371\(4\)\(b\)](#); S.I. 2001/3538, [art. 2\(1\)](#)
- C2** S. 141 applied (with modifications) (17.2.2009 for certain purposes, otherwise 21.2.2009) by [Banking Act 2009 \(c. 1\), ss. 103, 263\(1\)\(2\)](#) (with s. 247); S.I. 2009/296, [arts. 2, 3, Sch. para. 2](#)
- C3** S. 141 applied (with modifications) (6.6.2013) by [The Collective Investment in Transferable Securities \(Contractual Scheme\) Regulations 2013 \(S.I. 2013/1388\), Pt. 3reg. 1, Sch. 2 paras. 3, 5 Table](#) (with reg. 24)

142 Liquidation committee (Scotland).

- [^{F2}(1) This section applies where a winding up order has been made by the court in Scotland.
- (2) If both the company's creditors and the company's contributories decide that a liquidation committee should be established, a liquidation committee is to be established in accordance with the rules.
 - (3) If only the company's creditors, or only the company's contributories, decide that a liquidation committee should be established, a liquidation committee is to be established in accordance with the rules unless the court orders otherwise.
 - (4) A liquidator appointed by the court other than under section 139(4)(a) must seek a decision from the company's creditors and contributories as to whether a liquidation committee should be established if requested, in accordance with the rules, to do so by one-tenth in value of the company's creditors.]
 - (5) Where in the case of any winding up there is for the time being no liquidation committee, the functions of such a committee are vested in the court except to the extent that the rules otherwise provide.
 - (6) [^{F3}A “liquidation committee” is a committee having the powers and duties conferred and imposed on it by this Act, and] such of the powers and duties of commissioners in a sequestration as may be conferred and imposed on such committees by the rules.

Textual Amendments

- F2** S. 142(1)-(4) 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.](#)

Status: Point in time view as at 06/04/2017.

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37(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)

- F3** Words in s. 142(6) 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. 37(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)

Modifications etc. (not altering text)

- C4** S. 142 amended (1.12.2001) by **2000 c. 8, s. 371(4)(b)**; S.I. 2001/3538, **art. 2(1)**
S. 142 applied (with modifications) (S.) (6.4.2001) by S.S.I. 2001/128, reg. 4(1), **Sch. 2**
- C5** S. 142 applied (with modifications) (17.2.2009 for certain purposes, otherwise 21.2.2009) by **Banking Act 2009 (c. 1), ss. 103, 263(1)(2)** (with s. 247); S.I. 2009/296, **arts. 2, 3**, Sch. para. 2
- C6** S. 142 applied (with modifications) (6.6.2013) by **The Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (S.I. 2013/1388), Pt. 3reg. 1, Sch. 2 paras. 3, 5 Table** (with reg. 24)

Status:

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