



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

142 Liquidation committee (Scotland).

[^{F1}(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.

[A "liquidation committee" is a committee having such functions as are conferred on ^{F2}(3A) it by or under this Act.]

(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.

Changes to legislation: Insolvency Act 1986, Section 142 is up to date with all changes known to be in force on or before 19 April 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

- (6) [^{F3}[^{F4}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

- F1** 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, 6.4.2019 for S. 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\(2\)](#); 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); S.I. 2019/816, reg. 4(c) (with reg. 5)
- F2** S. 142(3A) inserted (S.) (1.10.2017 for specified purposes) by [The Public Services Reform \(Corporate Insolvency and Bankruptcy\) \(Scotland\) Order 2017 \(S.S.I. 2017/209\), arts. 1\(3\), 4\(a\)](#)
- F3** S. 142(6) repealed (S.) (1.10.2017 for specified purposes) by [The Public Services Reform \(Corporate Insolvency and Bankruptcy\) \(Scotland\) Order 2017 \(S.S.I. 2017/209\), arts. 1\(3\), 4\(b\)](#)
- F4** 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, 6.4.2019 for S. 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); S.I. 2019/816, reg. 4(c) (with reg. 5)

Modifications etc. (not altering text)

- C1** 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](#)
- C2** 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](#) (as amended (13.3.2018) by [The Small Business, Enterprise and Employment Act 2015 \(Consequential Amendments, Savings and Transitional Provisions\) Regulations 2018 \(S.I. 2018/208\), regs. 1\(3\), 5\(3\)](#))
- C3** S. 142 applied (with modifications) (6.6.2013) by [The Collective Investment in Transferable Securities \(Contractual Scheme\) Regulations 2013 \(S.I. 2013/1388\), Pt. 3 reg. 1, Sch. 2 paras. 3, 5 Table](#) (with reg. 24)
- C4** [Ss. 142-146](#) applied (with modifications) (4.1.2024) by S.I. 2021/716, [Sch. 1 para. 3](#) (as amended by [The Payment and Electronic Money Institution Insolvency \(Amendment\) Regulations 2023 \(S.I. 2023/1399\), regs. 1\(2\), 20](#))

Changes to legislation:

Insolvency Act 1986, Section 142 is up to date with all changes known to be in force on or before 19 April 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.

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

- Act amendment to earlier affecting provision S.I. 1986/1999, art. 3, Sch. 1 Pt. 2 by [S.I. 2017/1119 Sch. 3 para. 1](#)
- Act savings and transitional provisions for amendments by S.I. 2022/1166 by [S.I. 2022/1172 Regulations](#)

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

- s. 41HB(2) words substituted by [2018 c. 14 s. 1\(3\)\(b\)](#)