



Insolvency Act 1986

1986 CHAPTER 45

PART V

WINDING UP OF UNREGISTERED COMPANIES

221 Winding up of unregistered companies.

- (1) Subject to the provisions of this Part, any unregistered company may be wound up under this Act; and all the provisions of this Act ^{F1} . . . about winding up apply to an unregistered company with the exceptions and additions mentioned in the following subsections.
- (2) If an unregistered company has a principal place of business situated in Northern Ireland, it shall not be wound up under this Part unless it has a principal place of business situated in England and Wales or Scotland, or in both England and Wales and Scotland.
- (3) For the purpose of determining a court's winding-up jurisdiction, an unregistered company is deemed—
 - (a) to be registered in England and Wales or Scotland, according as its principal place of business is situated in England and Wales or Scotland, or
 - (b) if it has a principal place of business situated in both countries, to be registered in both countries;and the principal place of business situated in that part of Great Britain in which proceedings are being instituted is, for all purposes of the winding up, deemed to be the registered office of the company.
- (4) No unregistered company shall be wound up under this Act voluntarily [^{F2}, except in accordance with the [^{F3}EU Regulation]].
- (5) The circumstances in which an unregistered company may be wound up are as follows—
 - (a) if the company is dissolved, or has ceased to carry on business, or is carrying on business only for the purpose of winding up its affairs;

Changes to legislation: Insolvency Act 1986, Section 221 is up to date with all changes known to be in force on or before 18 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

- (b) if the company is unable to pay its debts;
 - (c) if the court is of opinion that it is just and equitable that the company should be wound up.
- (6) A petition for winding up a trustee savings bank may be presented by the Trustee Savings Banks Central Board or by a commissioner appointed under section 35 of the ^{M1}Trustee Savings Banks Act 1981 as well as by any person authorised under Part IV of this Act to present a petition for the winding up of a company.

On such day as the Treasury appoints by order under section 4(3) of the ^{M2}Trustee Savings Banks Act 1985, this subsection ceases to have effect and is hereby repealed.

- (7) In Scotland, an unregistered company which the Court of Session has jurisdiction to wind up may be wound up by the court if there is subsisting a floating charge over property comprised in the company's property and undertaking, and the court is satisfied that the security of the creditor entitled to the benefit of the floating charge is in jeopardy.

For this purpose a creditor's security is deemed to be in jeopardy if the court is satisfied that events have occurred or are about to occur which render it unreasonable in the creditor's interests that the company should retain power to dispose of the property which is subject to the floating charge.

Textual Amendments

- F1** Words in s. 221(1) omitted (1.10.2009) by virtue of The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009, (S.I. 2009/1941) arts. 2(1), 8, {Sch. 1 para. 76(3)} (with art. 10, Sch. 1 para. 84)
- F2** Words in s. 221(4) inserted (31.5.2002) by S.I. 2002/1240, **reg. 9**
- F3** Words in s. 221(4) substituted (26.6.2017) by **The Insolvency Amendment (EU 2015/848) Regulations 2017** (S.I. 2017/702), **reg. 1, Sch. para. 13** (with regs. 3, 4)

Modifications etc. (not altering text)

- C1** S. 221 applied (with modifications) by S.I. 1986/2142, **arts. 1(2)**, 8(1), 12, 15
 S. 221 applied (with modifications) by S.I. 1986/2142, arts. 1(2), 7, 15, **Sch. 1 para. 2**
 S. 221 applied (with modifications) (1.11.1994) by S.I. 1994/2759, **reg. 3, Sch. 3 para. 91A(4)**
 S. 221 applied (with modifications) (1.12.1994) by S.I. 1994/2421, art. 9(a), **Sch. 5**
 S. 221 applied (with modifications) (1.12.1994) by S.I. 1994/2421, art. 10(1)(a), **Sch. 6 para. 4**
 Ss. 220-223 applied (with modifications) (1.12.1994) by S.I. 1994/2421, arts. 7(1)(2), 9, **Sch. 3 Pt. I**
- C2** S. 221 restricted (20.4.2003) by **The Insurers (Reorganisation and Winding Up) Regulations 2003** (S.I. 2003/1102), **reg. 4(1)(a)** (with **reg. 3**)
- C3** S. 221 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**)
- C4** S. 221(1) applied (10.8.2005) by **The Insurers (Reorganisation and Winding Up) (Lloyd's) Regulations 2005** (S.I. 2005/1998), **regs. 2(3), 29(2)**
- C5** S. 221(5)(b) extended (1.4.1992) by S.I. 1992/613, **reg. 49(2)**
- C6** S. 221(5)(b) modified (6.4.2010) by **The Community Infrastructure Levy Regulations 2010** (S.I. 2010/948), **reg. 105(2)**
- C7** S. 221(5)(b) restricted (retrospective to 27.4.2020) by **Corporate Insolvency and Governance Act 2020** (c. 12), **Sch. 10 para. 6(1)-(3)(4)** (with ss. 2(2), 5(2))

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Marginal Citations

M1 1981 c. 65.

M2 1985. c. 58.

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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\(3\)\(b\)](#)