
STATUTORY INSTRUMENTS

1994 No. 2507

The Insolvency Regulations 1994

**RECORDS TO BE MAINTAINED BY TRUSTEES
AND THE PROVISION OF INFORMATION**

Financial records

24.—(1) The trustee shall prepare and keep—

- (a) separate financial records in respect of each bankrupt; and
- (b) such other financial records as are required to explain the receipts and payments entered in the records described in sub-paragraph (a) above or regulation 26 below, including an explanation of the source of any receipts and the destination of any payments;

and shall, subject to regulation 26 below as to trading accounts, from day to day enter in those records all the receipts and payments made by him.

(2) The trustee shall obtain and keep bank statements relating to any local bank account in the name of the bankrupt.

(3) The trustee shall submit financial records to the creditors' committee when required for inspection.

(4) If the creditors' committee is not satisfied with the contents of the financial records submitted under paragraph (3) above it may so inform the Secretary of State, giving the reasons for its dissatisfaction and the Secretary of State may take such action as he thinks fit.

Provision of information by trustee

25. The trustee shall, within 14 days of the receipt of a request from any creditor or the bankrupt for a statement of his receipts and payments as trustee, supply free of charge to the person making the request, a statement of his receipts and payments as trustee during the period of one year ending on the most recent anniversary of his becoming trustee which preceded the request.

Trustee carrying on business

26. Subject to paragraph (2) below, where the trustee carries on any business of the bankrupt, he shall—

- (a) keep a separate and distinct account of the trading, including, where appropriate, particulars of all local bank account transactions; and
- (b) incorporate in the financial records required to be kept under regulation 24 above the total weekly amounts of the receipts and payments made by him in relation to the account kept under paragraph (a) above.

Retention and delivery of records

27.—(1) All records kept by the trustee under regulations 24 and 26 and any such records received by him from a predecessor in that office shall be retained by him for a period of 6 years following—

- (a) his vacation of office, or
 - (b) in the case of the official receiver, his release as trustee under section 299,
- unless he delivers them to another trustee who succeeds him in office.

(2) Where the trustee is succeeded in office by another trustee, the records referred to in paragraph (1) above shall be delivered to that successor forthwith, unless the bankruptcy is for practical purposes complete and the successor is the official receiver, in which case the records are only to be delivered to the official receiver if the latter so requests.

Provision of accounts by trustee and audit of accounts

28.—(1) The trustee shall, if required by the Secretary of State at any time, send to the Secretary of State an account of his receipts and payments as trustee of the bankrupt covering such period as the Secretary of State may direct and such account shall, if so required by the Secretary of State, be certified by the trustee.

(2) Where the trustee vacates office prior to the holding of the final general meeting of creditors under section 331, he shall within 14 days of vacating office send to the Secretary of State an account of his receipts and payments as trustee for any period not covered by an account previously so sent by him, or if no such account has been sent, an account of his receipts and payments in respect of the whole period of his office.

(3) Where:

- (a) a final general meeting of creditors has been held pursuant to section 331, or
- (b) a final general meeting is deemed to have been held by virtue of Rule 6.137(5),

the trustee shall send to the Secretary of State, in case (a), within 14 days of the holding of the final general meeting of creditors and, in case (b), within 14 days of his report to the court pursuant to Rule 6.137(5), an account of his receipts and payments as trustee which are not covered by any previous account so sent by him, or if no such account has been sent, an account of his receipts and payments in respect of the whole period of his office.

(4) Where a statement of affairs has been submitted under the Act, any account sent under this regulation shall be accompanied by a summary of that statement of affairs and shall show the amount of any assets realised and explain the reasons for any non-realisation of any assets not realised.

(5) Where a statement of affairs has not been submitted under the Act, any account sent under this regulation shall be accompanied by a summary of all known assets and their estimated values and shall show the amounts actually realised and explain the reasons for any non-realisation of any assets not realised.

(6) Any account sent to the Secretary of State shall, if he so requires, be audited, but whether or not the Secretary of State requires the account to be audited, the trustee shall send to the Secretary of State on demand any documents (including vouchers and bank statements) and any information relating to the account.

Production and inspection of records

29.—(1) The trustee shall produce on demand to the Secretary of State, and allow him to inspect, any accounts, books and other records kept by him (including any passed to him by a predecessor in office), and this duty to produce and allow inspection shall extend—

- (a) to producing and allowing inspection at the premises of the trustee; and
- (b) to producing and allowing inspection of any financial records of the kind described in regulation 24(1)(b) above prepared by the trustee before 24th October 1994 and kept by him;

and any such demand may—

- (i) require the trustee to produce any such accounts, books or other records to the Secretary of State, and allow him to inspect them—
 - (A) at the same time as any account is sent to the Secretary of State under regulation 28 above; or
 - (B) at any time after such account is sent to the Secretary of State; whether or not the Secretary of State requires the account to be audited; or
 - (ii) where it is made for the purpose of ascertaining whether the provisions of these Regulations relating to the handling of money received by the trustee in the course of carrying out his functions have been or are likely to be complied with, be made at any time, whether or not an account has been sent or should have been sent to the Secretary of State under regulation 28 above and whether or not the Secretary of State has required any account to be audited.
- (2) The trustee shall allow the Secretary of State on demand to remove and take copies of any accounts, books and other records kept by the trustee (including any passed to him by a predecessor in office), whether or not they are kept at the premises of the trustee.

Disposal of bankrupt's books, papers and other records

30. The trustee, on the authorisation of the official receiver, during his tenure of office or on vacating office, or the official receiver while acting as trustee, may at any time sell, destroy or otherwise dispose of the books, papers and other records of the bankrupt.

Payment of unclaimed or undistributed assets, dividends or other money

31. Notwithstanding anything in these Regulations, any money—

- (a) in the hands of the trustee at the date of his vacation of office, or
- (b) which comes into the hands of any former trustee at any time after his vacation of office,

representing, in either case, unclaimed or undistributed assets of the bankrupt or dividends, shall forthwith be paid by him into the Insolvency Services Account.