



Department for the

Economy

An Roinn

Geilleagair

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Insolvency Service

**Annual Report and
Account for year
ended 31 March 2022**

DEPARTMENT FOR THE ECONOMY

The Insolvency Service Annual Report and Account

for the year ended 31 March 2022

The Accounting Officer authorised these
financial statements for issue
on 20 March 2024

Laid before the Northern Ireland Assembly on 22 March 2024 in accordance with Articles 372 and 358(4)
of the Insolvency (Northern Ireland) Order 1989 by the Department for the Economy

An Equal Opportunities Organisation

REPORT BY THE DEPARTMENT FOR THE ECONOMY ON MATTERS WITHIN THE INSOLVENCY (NORTHERN IRELAND) ORDER 1989

The Department for the Economy is required to prepare an annual general report under Article 372 of the Insolvency (Northern Ireland) Order 1989 on matters within the Insolvency Order. The Department is also required to prepare an account in such form and manner as the Department of Finance may direct, of sums credited and debited to the Insolvency Account during the year. The present report and account cover the year ended 31 March 2022.



Ian Snowden

Permanent Secretary
Department for the Economy

Date: 20 March 2024

STATUTORY BACKGROUND

The Bankruptcy Amendment (Northern Ireland) Order 1980¹ (“the 1980 Order”) and the relevant winding up provisions contained in the Companies (Northern Ireland) Order 1986² (“the 1986 Order”) were repealed and replaced by the Insolvency (Northern Ireland) Order 1989³ (“the 1989 Order”) and subordinate legislation made thereunder including the Insolvency Regulations (Northern Ireland) 1991⁴ (“the 1991 Regulations”), all of which came into operation on 1 October 1991, and the Insolvency Regulations (Northern Ireland) 1996⁵ which came into operation on 31 January 1997 and replaced and repealed the 1991 Regulations.

Under the 1989 Order the Department for the Economy (“the Department”) is charged with administrative duties in relation to the insolvency of individuals, partnerships and companies being wound up by the High Court.

The Insolvency Account is kept pursuant to Article 358(1) of the 1989 Order. Trustees in bankruptcy and liquidators of companies wound up by the High Court must pay the money received by them as trustees or liquidators into the Insolvency Account kept at a bank agreed by the Department and the Department of Finance.

1 S.I. 1980/561 (N.I. 4)

2 S.I. 1986/1032 (N.I. 6)

3 S.I. 1989/2405 (N.I. 19) (Amended by S.I. 2002/3152 (N.I. 6) and by S.I. 2005/1455 (N.I.10) and by c.16(N.I.) and by 2016 c.2(N.I.)

4 S.R. 1991 No. 388

5 S.R. 1996 No. 574 (Amended by S.I. 2004 No 335 and by S.R 2006 No 461 and by S.R. 2006 No 23 and by S.R.2006 No 461 and by S.R. 2009 No 202)

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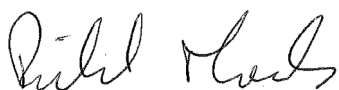
**Performance
Report**

FOREWORD BY THE DIRECTOR OF INSOLVENCY



1. It gives me great pleasure to present this report on the work of the Insolvency Service, including that of the Official Receiver, for the year ended 31 March 2022.
2. This report has been prepared primarily for the information of the Northern Ireland Assembly but will also be of interest to users of the Insolvency Service, its staff and the wider public.
3. As with most organisations, the impact of the coronavirus pandemic had a significant impact on the operations of the NI Insolvency Service. Our offices remained closed except for essential work and maintenance and the majority of our staff worked exclusively from home.
4. In terms of activity, the total number of new personal and corporate insolvency cases received from the High Court by the Insolvency Service increased during the year, compared to 2020/21. It should be noted, however, that the numbers of cases remain significantly lower than before the pandemic. For comparison, in 2019/20 there were a total of 834 insolvencies. In 2020/21, this dropped to 110 and has now risen to 159 new cases received in 2021/22.
5. Further analysis of the 2021/22 figures indicates that there was a modest increase in bankruptcies of 18% from 104 in 2020/21 to 123 in 2021/22 and a more marked increase in corporate insolvencies (compulsory liquidations) by 500% from 6 in the previous year to 36 in 2021/22.
6. The main cause of the continuing low numbers of cases was the reduced capacity of the High Court to accommodate face to face hearings. In addition, the Corporate Insolvency and Governance Act 2020 contained permanent and temporary measures to protect businesses and allow them to trade through the pandemic. These measures included a virtual prohibition on the presentation of winding-up petitions and the making of winding-up orders during the pandemic.
7. As is normally the case, the largest proportion of bankruptcies were represented by consumer bankruptcies. These result, chiefly, from individuals' getting into financial difficulty as a result of unforeseen events such as losing their job, divorce or a bereavement, or through other factors, such as gambling. This will impact their ability to meet their financial obligations and so lead to bankruptcy. This category made up 58% of total bankruptcies received during the year with the balance representing individuals who were involved in trading.
8. In 2021/22, 193 individuals took advantage of the Debt Relief Scheme which came into operation during 2011/12. This represented a decrease of 23% on the previous year (251). Debt Relief Orders are not made through the court system, but are administered by the Official Receiver. They are a form of bankruptcy designed for individuals who have lower levels of debt, are unable to meet the cost of petitioning for their own bankruptcy and who meet certain eligibility criteria.
9. Whilst the number of new cases received by the Insolvency Service continues to be lower than previous years, the focus of our staff has been the administration and closure of ongoing cases. As a result, the number of live cases has reduced from 1,797 at the end of 20/21 to 1,192 at the end of 21/22. This is the lowest number of live cases since 2006/07.

10. Another of the key responsibilities of the Insolvency Service is its enforcement operations to protect the public. This includes applying for bankruptcy restriction orders against individuals who have acted dishonestly or recklessly before or after they were made bankrupt. Similarly, directors of companies can be disqualified from being a company director if it was found that they did not meet their legal responsibilities. In the most serious cases, where a criminal offence is suspected, the Insolvency Service will refer matters to the Police Service of Northern Ireland or the Director of Public Prosecutions.
11. Details of all main operational matters and key provisions of primary and subordinate legislation currently being developed, along with the key facts and figures relating to the work of the Insolvency Service during the year, are set out within the Statement of Purpose and Activities, Performance Summary and Performance Analysis sections of the report.
12. Overall, therefore, our focus has remained on our customers. In the continuing challenging environment in which we work, I remain thankful to all the staff within the Insolvency Service for their continued endeavour, dedication and support throughout the year and the high quality and professional service they continue to provide to all our customers, many of whom are in difficult and vulnerable circumstances.



Richard Monds

Insolvency Service
Director of Insolvency
Fermanagh House
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PERFORMANCE SUMMARY

PERFORMANCE SUMMARY

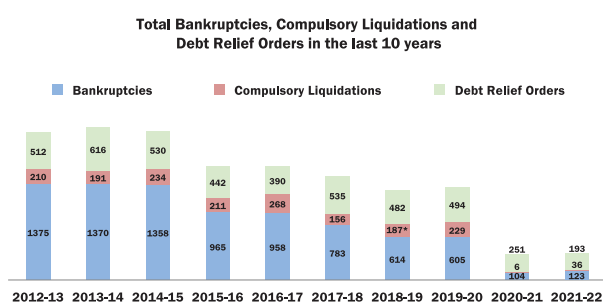
1. This section summarises the key areas of work of the Insolvency Service for the period 1 April 2021 to 31 March 2022.

RESOURCES

2. In 2021/22, the Insolvency Service employed 89 staff made up of 42 specialist grades, mainly examiner staff within the Official Receiver's office and 47 administrative grades.

NUMBER OF INSOLVENCIES

3. The number of compulsory winding up orders, bankruptcy orders and debt relief orders made in each of the last 10 years is shown below.



4. The total number of bankruptcy orders, winding-up orders and debt relief orders made during the year was 352 (2020/21: 361). This represents a small overall decrease on the prior year of 2.5% and reflects the ongoing restrictions resulting from the reduced capacity within the NI courts and emergency legislation which put in place a virtual prohibition on the presentation of winding-up petitions and the making of winding-up orders.

CASE ADMINISTRATION

5. With the continuing reduced numbers of new cases being received, the focus of the Official Receiver and his staff has been on the finalisation and closure of existing cases. The table below shows that, as of 31 March 2022, the Official Receiver was dealing with a total of 1,192 cases in respect of compulsory liquidations, bankruptcies and estates of deceased insolvents. These cases were at various stages of administration and investigation and represent a decrease of approximately 34% on the previous year's caseload of 1,797. This represents the lowest number of open live cases since 2007.

Total Number of Cases Administered in 2021/22

	2021/22
Total Open cases at the beginning of the year	1,797
New bankruptcy cases	123
New company cases	36
Closed cases which were re-opened	22
Less	
Cases appointed via contract	(175)
Cases completed	(611)
Total open cases at year end	1,192

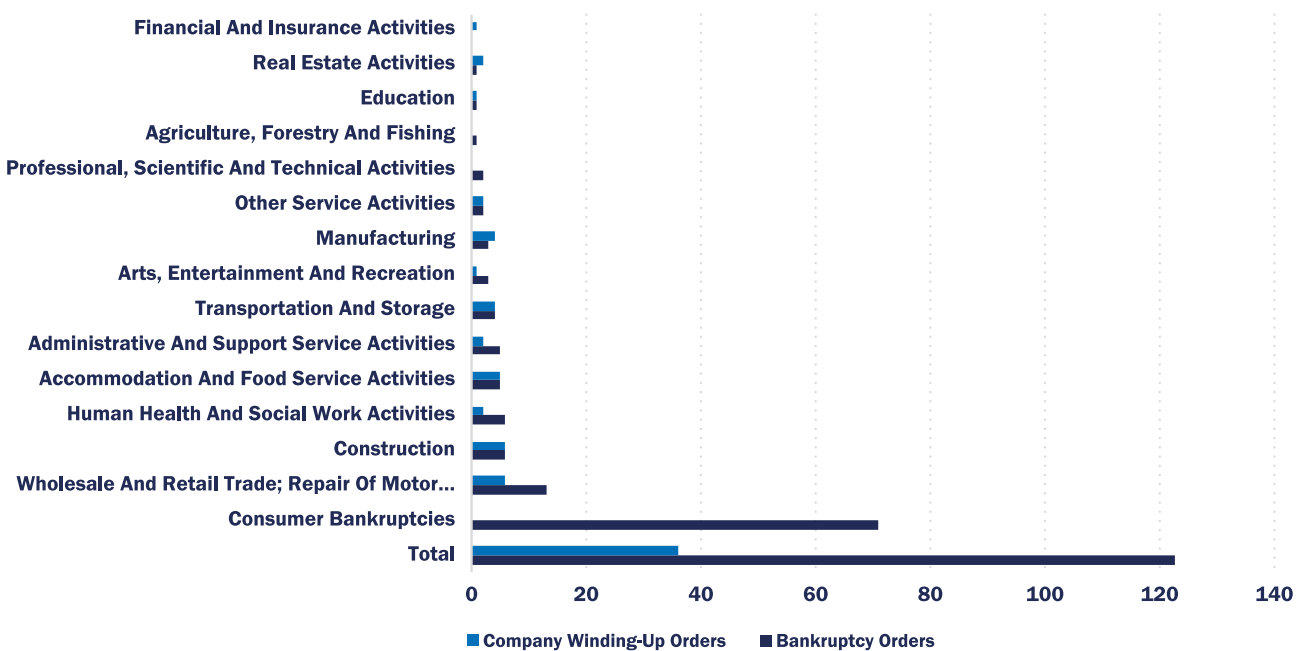
BUSINESS SECTOR ANALYSIS

6. An analysis of the orders made during the year, classified according to their business sector, is set out below. The complete table is set out at Appendix IV of this report.

- **Companies;** In 2021/22, the greatest number of failures occurred in the Wholesale and Retail Trade and Construction sectors with 6 cases each. In 2020/21, the greatest number of failures occurred in the Wholesale Distribution sector with 2 cases.

- **Bankruptcies;** In 2021/22, the greatest number of failures occurred in the Consumer Bankruptcy⁶ sector, with 71 cases followed by the Wholesale and Retail Trade sector with 13 cases. In 2020/21, the greatest number of failures occurred in the Consumer Bankruptcy sector with 93 cases.

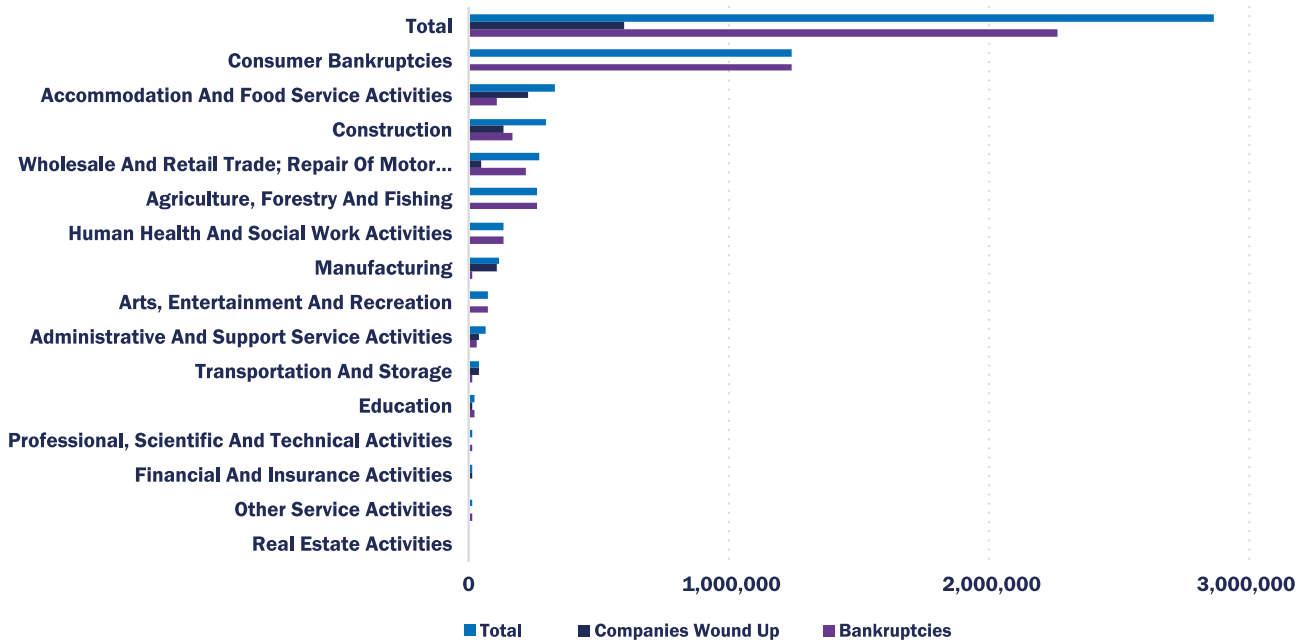
Number of Insolvencies per Industry during 2021/22



6 “Consumer bankruptcies” are defined to include persons who are in employment, those with no occupation or who are unemployed, individuals whose occupation is unknown, and directors and promoters of companies whose bankruptcy has arisen through personal indebtedness.

7. As a result of the work of the Insolvency Service, £2.86m of assets were identified for realisation and return to creditors. The figures for each industry type is shown in the chart below.

Total Estimated Assets Identified for Return to Creditors in Bankruptcies and Companies Wound up in 2021/22



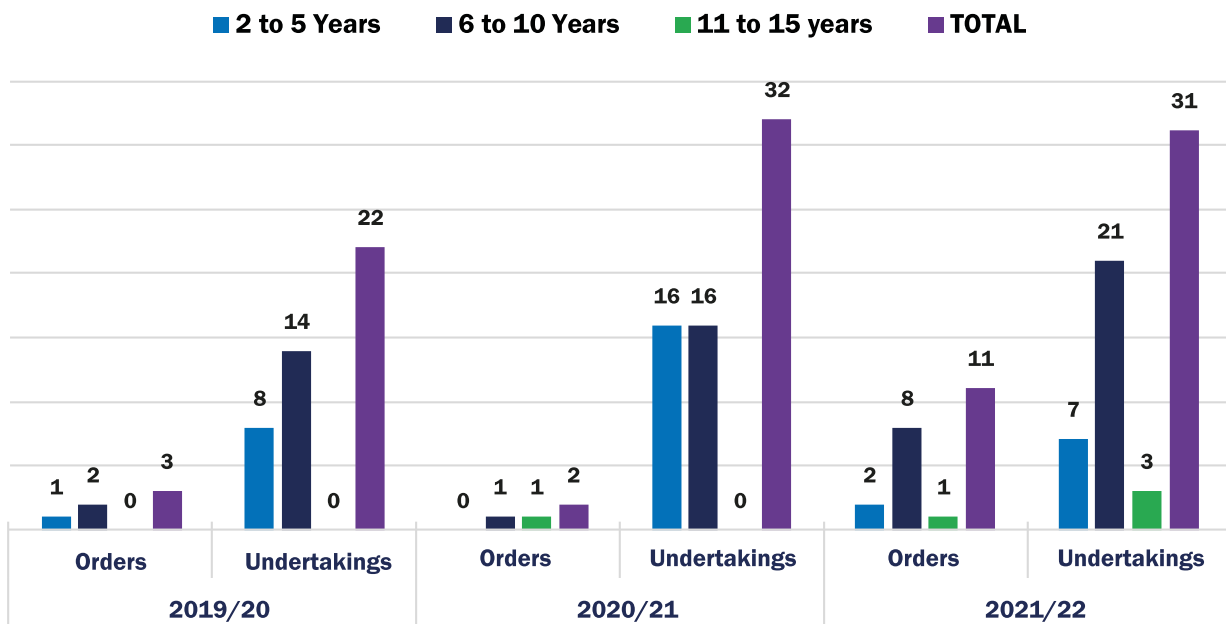
LEGISLATION

8. Work on drafting an insolvency bill, which will modernise Northern Ireland’s insolvency legislation in line with changes made to that applying in England & Wales, had to be largely suspended during the year. This was because the legislation team had to continue working on legislation which needed to be made urgently in connection with the coronavirus pandemic.

DIRECTORS DISQUALIFICATION AND BANKRUPTCY RESTRICTION ORDERS

9. During the year, the Directors Disqualification Unit accepted 31 disqualification undertakings and the High Court made 11 disqualification orders. In addition, 2 bankruptcy restriction orders were made at the High Court and 1 bankruptcy restrictions undertaking was accepted. The periods are set out below compared to previous years.

Number of Director Disqualifications and Bankruptcy Restrictions Orders made / Undertakings Accepted in the last 3 Years



PERFORMANCE ANALYSIS FOR 2021/22

PERFORMANCE AGAINST TARGETS IN 2021/22

Key Target/Indicator	Target	2021/22 Achieved
To report to creditors on assets and liabilities within 12 weeks of the Order being made	100%	90%
To convene creditors' meetings within 12 weeks of the Order when it is considered appropriate that a meeting should be held	100%	100%
To complete the finalisation of 90% of Official Receiver bankruptcy cases within twelve months of receipt	90%	83% ¹
To complete the finalisation of 90% of Official Receiver company cases within twelve months of receipt	90%	96% ¹
To submit all disqualification cases to the Departmental Solicitor for prospective proceedings within 2 years of relevant date	100%	100%
To submit all disqualification returns/reports to the Disqualification Unit within 3 months of the Order	100%	100%
To refer all identified prosecution cases to the PSNI within six months of receipt of a completed report	100%	100%

- 1 Targets were missed due to lockdowns because of Covid. New and inexperienced staff were working from home and the office was only open for limited periods for staff to attend to print out Reports for issue.

STATEMENT OF PURPOSE AND ACTIVITIES

1. OUR PURPOSE

1.1 In all modern developed economies, businesses will be constantly striving for continued growth and improved returns on their investments. Often, this will involve taking a measure of risk with the ultimate possibility that the business will fail and, as a result, suffer financial difficulty and distress.

1.2 On an individual level, there will also be those who, either through overstretching themselves or as a result of some unforeseen or unexpected event, find themselves in a difficult financial position where they will require formal debt relief.

1.3 The Insolvency Service (the Service) provides a range of services to those who suffer financial distress or failure and, by doing so, helps to promote and maintain the integrity and working of the market place.

1.4 In practice, this is done by:

- providing a means for dealing with financial failure through the sensitive and impartial administration and investigation of the affairs of bankrupts and companies in compulsory liquidation;
- realising and returning funds to creditors, as quickly as possible;
- tackling fraud, misconduct and wrong-doing which might otherwise undermine confidence in the working of the market by ensuring that abuses of the system are dealt with as effectively as possible; and
- administering an efficient and effective debt relief system for those individuals with low level debts through the making of Debt Relief Orders.

1.5 The principal functions and objectives of the Service are, therefore:

- to preserve and protect assets and carry out the initial stage in the administration of all bankruptcies and compulsory liquidations;

- to investigate the conduct of bankrupts and directors of insolvent companies;
- to deal with the disqualification of directors in all corporate failures and consider applications for Bankruptcy Restrictions Orders;
- to act as trustee and liquidator in compulsory insolvencies where no private sector insolvency practitioner is appointed;
- to formulate policy and provide advice to the Department and the Minister;
- to operate the Insolvency Account;
- to prepare insolvency legislation; and
- to monitor and oversee the recognised professional bodies.

1.6 The Service essentially comprises five inter-linked functions. They are:

- **Official Receiver** – on the making of a Court Order the Official Receiver and his staff deal with the administration and investigation of all bankruptcies and compulsory corporate insolvencies and the making of Debt Relief Orders;
- **Enforcement** – dealing with reports of possible criminality and misconduct (arising out of bankruptcies, debt relief orders, compulsory liquidations, voluntary liquidations, administrative receiverships and administrations);
- **Insolvency Practitioner Regulation** - overseeing and monitoring the regulatory framework for recognised professional bodies and insolvency practitioners;
- **Banking** – maintaining the insolvency account and providing a banking service to its users; and
- **Legislation** – responsibility for drafting insolvency legislation and overseeing its passage through the NI Assembly.

OUR RELATIONSHIP WITH OUR USERS

1.7 These executive functions each work with one, or more, of the Service's users. Principally these are:

- **Bankrupts and directors of failed companies** - who are required to provide information for the Official Receiver's enquiries into the causes of failure and financial affairs of the individuals or companies;
- **Creditors (and contributories in failed companies)** - who receive a report on the insolvency, are called upon to assist the Official Receiver in his enquiries and have the opportunity to appoint a private sector insolvency practitioner in appropriate cases;
- **Banks, solicitors, accountants and other parties** - who have dealings with the bankrupt or failed company and are also called upon to assist the Service to resolve issues arising out of the failure;
- **Insolvency Practitioners** - who may be appointed by the creditors or the Department as trustee or liquidator and may take over the administration of an insolvency from the Official Receiver;
- **Department and Ministers** - providing advice and support to the Department and Ministers on insolvency issues; and
- **The High Court** - where insolvency petitions are presented, orders made and enforcement proceedings instituted.

1.8 There is a wide range of other users of the Service, specifically agencies which deal with prosecution and regulation, as well as other branches and agencies within the Department and other government departments.

1.9 The public has a general interest in the efficiency and effectiveness of the Service, for example, in providing protection for consumers from the activities of unfit directors.

STATUTORY AUTHORITY

1.10 The main pieces of legislation that underpin the work of the Service are the Insolvency (Northern Ireland) Order 1989 and the Company Directors Disqualification (Northern Ireland) Order 2002. The statutory instruments listed in Appendix II to this report provide a more complete legal framework for the administration of insolvencies in Northern Ireland.

EQUAL OPPORTUNITIES

1.11 The Service is committed to the Department's equal opportunities policy. The Department undertakes yearly surveys on the Service's commitment to the above policy.

HEALTH AND SAFETY

1.12 The Service continued to comply with the Department's Health and Safety policy. The physical security guide was updated and issued to staff in December 2021.

INSOLVENCY SERVICE AUDIT SECTION

1.13 The Service's audit section audits a sample of all cases and highlights areas of concern in regular reports to management.

INFORMATION TECHNOLOGY

1.14 A new bespoke IT system was developed and launched within the Insolvency Service in December 2019 for use by both staff and Insolvency Practitioners. The system allows the management of casework and finance within the Insolvency Service whilst also facilitating the work of Insolvency Practitioners. The system also provides online facilities for members of the public to pay insolvency deposits.

STAFFING REPORT

1.15 The Insolvency Service is a division in the Management Services and Regulation Group within the Department for the Economy and details of its remuneration policy is included within the Department's resource accounts. A summary of the staff levels and running costs is as follows:-

Resources	2021/22	2020/21
Staff Costs	£3.676M	£3.817M
Staff in post at 31 March comprising:		
Specialist grades	42	45
Administrative grades	47	44
	89	89

2. OUR ACTIVITIES

OFFICIAL RECEIVER OPERATIONS

STATUS AND RESPONSIBILITY

2.1 The Official Receiver is a civil servant and an officer of the High Court with responsibility for administering and investigating bankruptcies and companies wound up by the High Court. Since 30 June 2011 he is also responsible for the approval of Debt Relief Orders.

ADMINISTRATION

2.2 There are several types of insolvency procedures which operate within Northern Ireland. Compulsory liquidations, bankruptcies and Debt Relief Orders are supervised by the Official Receiver operating within the Insolvency Service. Other insolvency events are supervised by private sector insolvency practitioners which include company administrations and voluntary liquidations, company voluntary arrangements and individual voluntary arrangements.

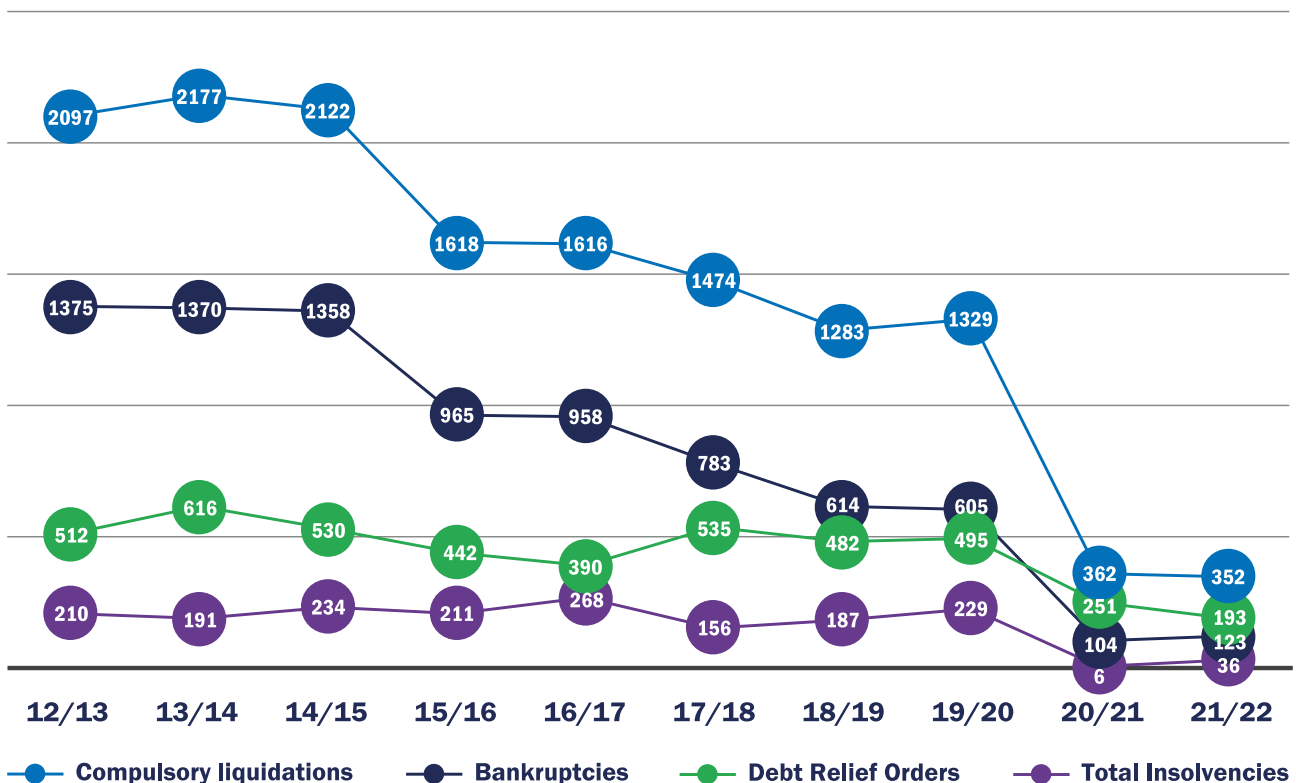
2.3 The Official Receiver becomes receiver and manager on the making of a bankruptcy order or first liquidator on the making of a winding up order and is responsible for the protection of the insolvent's assets.

2.4 In cases where there are assets or recoveries of any material value the Official Receiver normally will seek the appointment of a private sector insolvency practitioner either by calling a creditors' meeting or by applying to the Department for an appointment from a rota.

2.5 Where an insolvency practitioner is not appointed, the Official Receiver remains as trustee/liquidator to undertake any realisations and distributions to creditors and complete the administration of the estate.

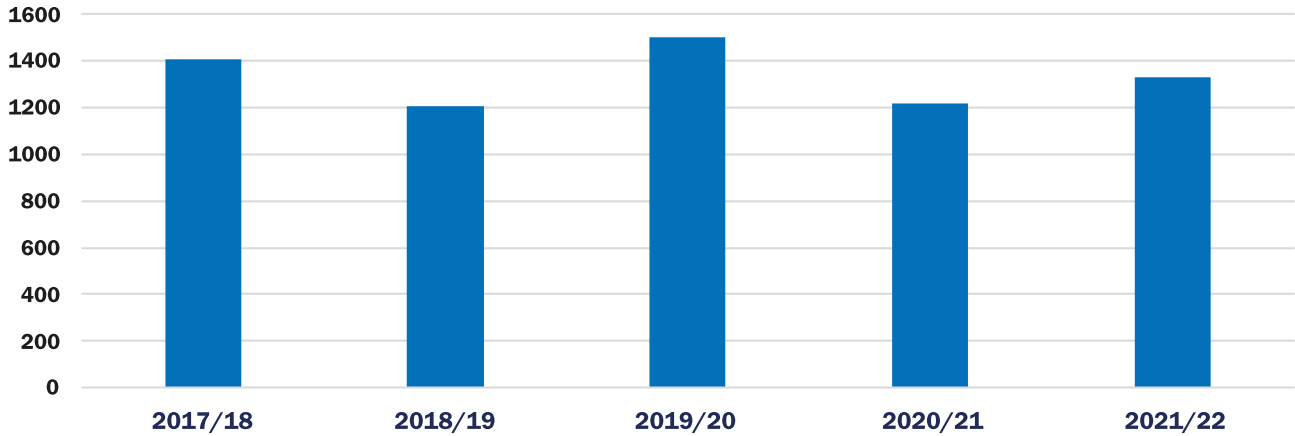
2.6 Due to the pandemic, there was an 87% decrease in the total number of new bankruptcy and liquidation cases administered by the Insolvency Service during 2020/21. This continued into 2021/22 which saw an increase in cases from 110 in 2020/21 to 159 in 2021/22. There was a decrease of 23% in Debt Relief Orders, with 193 in 2021/22 against 251 in 2020/21.

Insolvency Service cases received from 2012/13 to 2021/22



- 2.7 In 2021/22, 58% of bankruptcies occurred in the consumer bankruptcy sector (71 out of 123 in total). Consumer bankruptcies are defined to include persons who are in employment, those with no occupation or who are unemployed, individuals whose occupation is unknown, and directors and promoters of companies whose bankruptcy has arisen through personal indebtedness.
- 2.8 The next largest group of bankruptcies was in the Transport and Communication (3) sector. Transport and Communication comprises air transport, other transport and communications, road transport, shipping and travel agents.
- 2.9 With regard to companies, the largest groups of winding up orders were in the Wholesale Distribution sector. Wholesale Distribution comprises motor vehicle wholesalers, other wholesale, wholesale of food and drink and wholesale of textiles and clothing.
- 2.10 During the year, 193 individuals took advantage of the Debt Relief Scheme which came into operation during 2011/12. Debt Relief Orders are made by the Official Receiver and are a form of bankruptcy designed for individuals with lower levels of debt who are unable to meet the cost of petitioning for their own bankruptcy and who meet certain eligibility criteria in order to obtain an order from the Official Receiver.

No of IVAs 2017/18 - 2021/22



2.11 Worthy of note also are the number of individuals who took advantage of the Individual Voluntary Arrangement (IVA) Scheme. This is an insolvency process whereby indebted individuals reach a voluntary agreement with their creditors to pay back a portion of what they owe in settlement of their debts. The Service plays no role in the administration of these cases, however, they are an important means for individuals to deal with problem debt. The number of individuals entering IVAs in 2021/22 increased to 1,327 (2020/21: 1,219) which represents a 9% increase on the previous year.

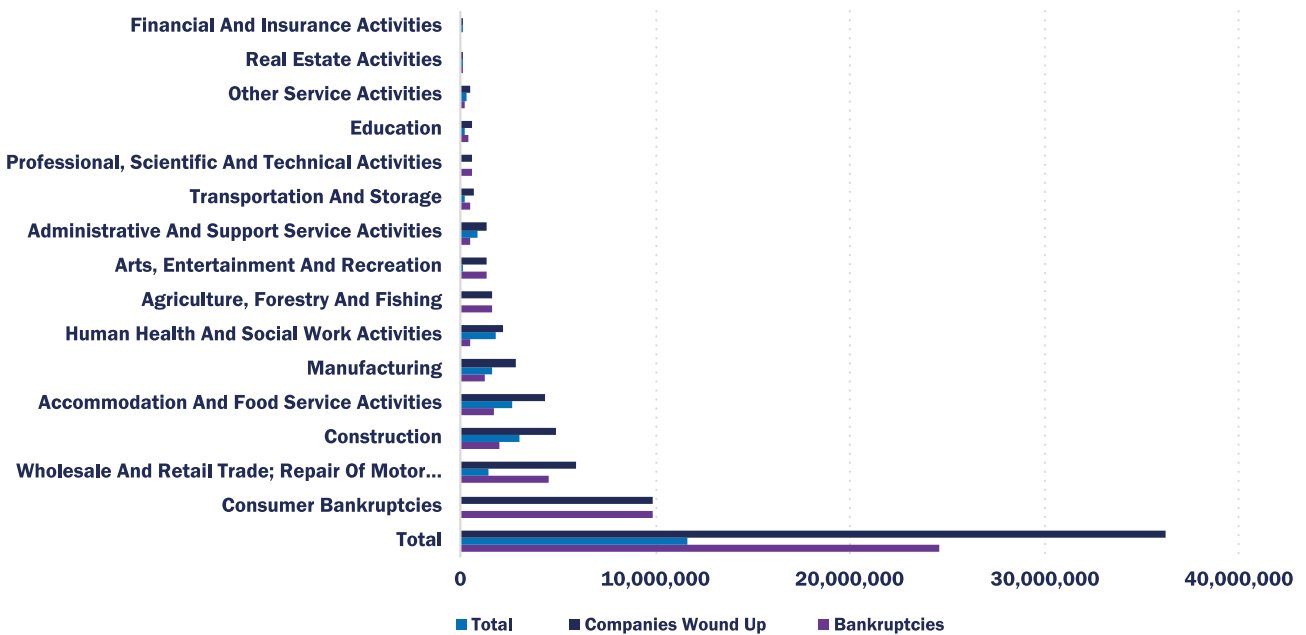
2.12 In total, therefore, some 1,643 (2020/21: 1,574) individuals in Northern Ireland took advantage of a personal insolvency process during 2021/22 through bankruptcy, debt relief order or IVA. This represents a 4% increase on the previous year.

AVERAGE DEFICIENCY OF ASSETS AND LIABILITIES

2.13 An analysis of the average deficiency values of assets and liabilities during the year, classified according to business sector, is given in the chart below. The largest average deficiency for bankruptcies occurred in the Finance and Business Services sector which comprises accounting and legal services, real estate, computer services, management services and other business services. The largest average deficiency for companies occurred in the “Other Services” sector which comprises of recreational services, medical services, educational services, repair of consumer goods, laundry, hairdressing, beauty parlours and other services. Further details can be found in Appendix IV.

- **Companies;** the estimated total liabilities of companies which went into compulsory liquidation in the year amounted to £11.8m and the estimated total assets were £0.6m, leaving an overall deficiency of £11.2m. This represents an average deficiency of approximately £311k per case.
- **Bankruptcies;** the estimated total liabilities of cases in which bankruptcy orders were made in the year amounted to £23.9m, and the estimated total assets were £2.3m, leaving an overall deficiency of £21.6m. This represents an average deficiency of approximately £176k per case.

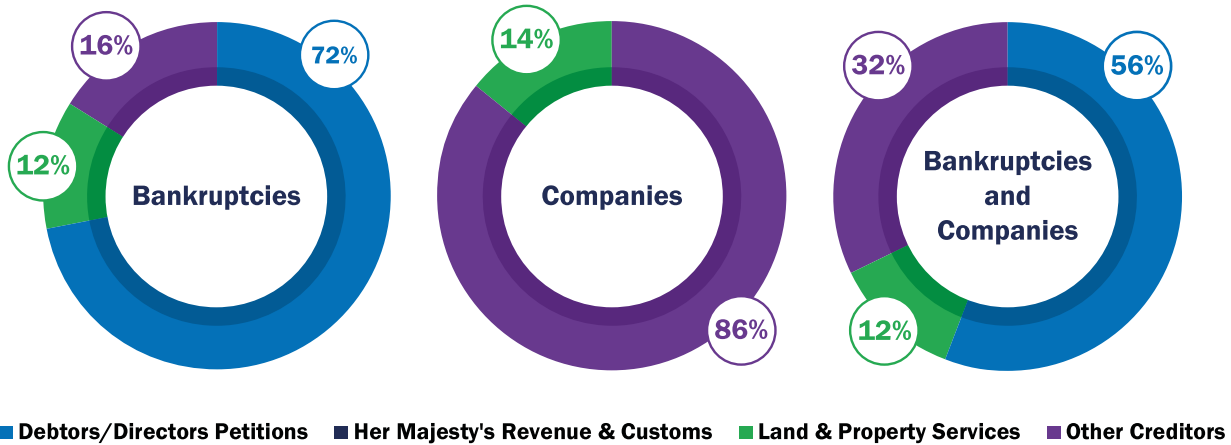
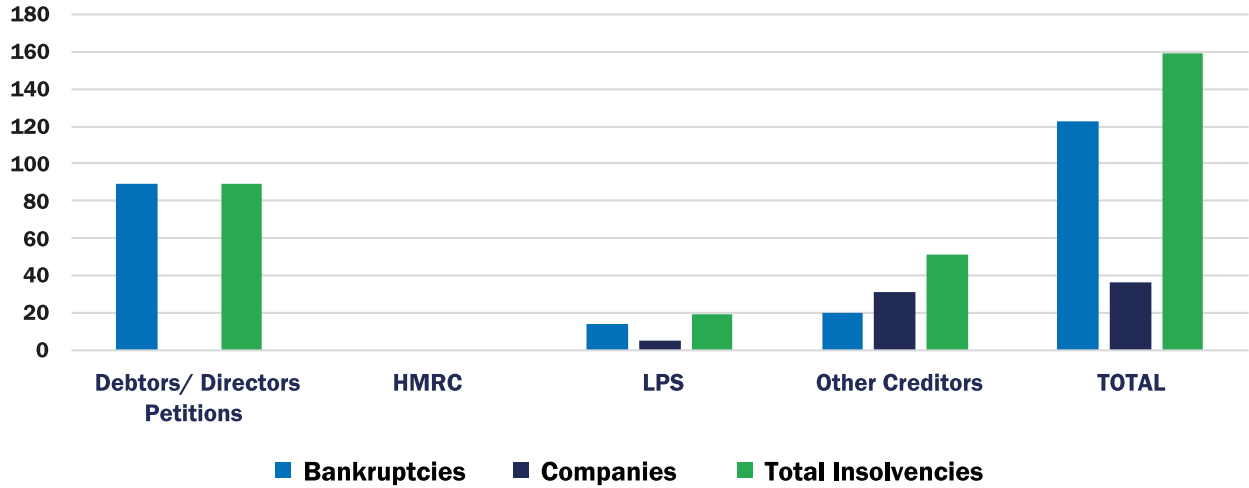
Average Deficiencies for Bankruptcies and Companies Wound up in 2021/22



INSOLVENCY PETITIONERS

2.14 An analysis of bankruptcy and winding up orders made during the year, classified according to the origin of the insolvency petition, is shown below.

Insolvency Petitioners



INVESTIGATION

- 2.15 Under Articles 112 and 262 of the Insolvency (Northern Ireland) Order 1989, the Official Receiver has a duty to investigate the affairs of bankrupts and companies in compulsory liquidation and the conduct of bankrupts and directors.
- 2.16 Under legislation, powers to require information and documentation are wide ranging, including the power to make applications to suspend automatic discharge from bankruptcy and to hold public examinations in the High Court to secure compliance and full disclosure of information.
- 2.17 Under the Company Directors Disqualification (Northern Ireland) Order 2002, the Official Receiver is required to report any unfit conduct by the directors of a company to the Insolvency Service's Directors Disqualification Unit (DDU). If, following an investigation, no unfit conduct is evident then a return of no unfit conduct must be submitted to the DDU.
- 2.18 When an investigation brings to light the possibility that criminal offences may have been committed, the Official Receiver reports the case to DDU.
- 2.19 Appendix V shows that during the year, the Official Receiver's investigation led to the making of 106 conduct returns on company directors to the DDU. The Official Receiver also applied to the High Court for:
- the suspension of automatic discharge in 1 bankruptcy; and
 - the public examinations of 4 bankrupts and 3 company directors.

DEBT RELIEF ORDERS

- 2.20 The Debt Relief scheme came into operation on 30 June 2011. The scheme is to help individuals who cannot pay their debts and who cannot afford the cost of petitioning for bankruptcy. The scheme enables such individuals to apply to the Official Receiver for an Order, similar to a Bankruptcy Order, made by the Court. There is only one fee payable on application and it is £90, which is considerably less than the £525 deposit, plus the Court fee, to petition for bankruptcy.
- 2.21 There are eligibility criteria, including a £20,000 ceiling on the total amount of debt (raised from £15,000 in November 2016), a £1,000 cap on the total value of assets (raised from £300 in November 2016) and an upper limit of £50 surplus income in the month.
- 2.22 For the year ended 31 March 2022, a total of 193 Debt Relief Orders were made.

ENFORCEMENT

PROSECUTION

- 2.23 The Official Receiver submits reports to the Insolvency Service's Directors Disqualification Unit (DDU) regarding possible criminal offences.
- 2.24 Each report is considered and if it shows admissible, substantial and reliable evidence of the alleged offence(s), it is referred to the Police Service of Northern Ireland (PSNI) (formerly to the Public Prosecution Service (PPS)).
- 2.25 The table below shows the number of reports submitted by the Official Receiver and others to the DDU regarding possible criminal offences and the number of reports and investigation files referred to the PSNI in each of the last three financial years.

Numbers of Cases Referred Relating to Possible Criminal Offences

	2021/22	2020/21	2019/20
Reports submitted by Official Receiver to the Directors Disqualification Unit	3	1	0
Reports submitted by others to the Directors Disqualification Unit	6	1	0
Reports referred by the Directors Disqualification Unit to the PSNI	3	2	0

DISQUALIFICATION

2.26 When a company goes into creditors' voluntary liquidation, is wound up by the High Court, has an administrative receiver appointed or is the subject of an administration order, the office-holder is required to report to the Department any unfit conduct by the directors (including any shadow or de-facto directors) of the company.

2.27 The Insolvency Service's Directors Disqualification Unit (DDU) considers each report submitted by insolvency practitioners and the Official Receiver and recommends whether it is in the public interest to apply to the High Court for the disqualification of a particular director. The reports and associated correspondence are confidential but are subject to discovery by the respondent(s) in disqualification proceedings. The Directors Disqualification Unit is required to file proceedings in Court within 3 years of the date of the insolvency.

2.28 Where the Court finds that there is unfit conduct, it must (under Article 9 of the Company Directors Disqualification (Northern Ireland) Order 2002) make a disqualification order for a period of between 2 and 15 years.

2.29 The Company Directors Disqualification (Northern Ireland) Order 2002, which came into effect on 5 September 2003, allows directors, with agreement of the Department, to avoid the need for a court hearing by offering an acceptable disqualification undertaking.

This has exactly the same legal effect as a disqualification order made by the Court and will usually include a schedule identifying the director's unfit conduct. The consequences of breaching a disqualification undertaking are the same as those for breaching a disqualification order.

2.30 The first disqualification order was made by the High Court on 17 November 1994 and since then a total of 983 directors have been disqualified on the Department's application or have entered into an undertaking.

2.31 This includes all disqualification orders made by Criminal Courts after conviction and also disqualification undertakings accepted by the Department. During the period 1 April 2021 to 31 March 2022, there were 11 orders made by the Criminal Courts and 31 disqualification undertakings accepted by the department.

REGISTER OF DISQUALIFICATION ORDERS AND UNDERTAKINGS

2.32 The Department is required to maintain a Register of Disqualification Orders. This includes details both of disqualification orders made by Northern Ireland courts and disqualification undertakings accepted by the Department which are currently in force and is available at the offices of the Insolvency Service, Fermanagh House, Ormeau Avenue, Belfast, BT2 8NJ. The register is also available on the Companies House website at company-information.service.gov.uk

BANKRUPTCY RESTRICTIONS ORDERS

2.33 The Official Receiver is required to carry out a statutory investigation into each bankrupt's assets and the reasons for his or her insolvency. If the Official Receiver considers that the conduct of a bankrupt has been dishonest, or blameworthy in some other way, he will report the facts to the Bankruptcy Restrictions Order (BRO) Team within the Directors Disqualification Unit. If it is deemed expedient and in the public interest, the BRO Team will make a report to the High Court asking for a Bankruptcy Restrictions Order to be made.

2.34 The court will consider this report and any other evidence brought before it and decide whether a BRO should be made. If it does decide to make an Order, the bankrupt will be subject to certain restrictions for the period stated in the Order and this will be between 2 and 15 years. Generally, the more harm a bankrupt's behaviour causes to their creditors, in the Court's opinion, the longer the BRO is likely to last.

2.35 If the bankrupt accepts the Official Receiver's allegations, he or she may offer to enter into a Bankruptcy Restrictions Undertaking (BRU). This has exactly the same effect as a BRO but does not involve the time and expense of a court hearing.

2.36 The restrictions require that the bankrupt:

- must disclose his or status to a credit provider if he or she wishes to obtain credit of more than £500;
- must disclose to those with whom they wish to do business the name (or trading style) under which he or she was made bankrupt;
- may not act as the director of a company or take part in its promotion, formation or management unless the Court's permission is obtained to do so; and
- may not act as an insolvency practitioner or as receiver or manager of the property of a company on behalf of debenture holders.

2.37 Bankruptcy Restrictions Orders/Undertakings came into effect under Schedule 2A of the Insolvency (Northern Ireland) Order 1989 on 27 March 2006. The first Bankruptcy Restrictions Undertaking was given on 14 April 2008 and since then a total of 231 Bankruptcy Restrictions Orders/Undertakings have been made by the High Court or accepted by the Department.

2.38 In the year 2021/2022, there was 2 Bankruptcy Restrictions Orders made by the High Court and 1 Bankruptcy Restrictions Undertaking accepted by the Department.

INSOLVENCY PRACTITIONER REGULATION

2.39 The Insolvency Service has, through its Insolvency Practitioner Unit (IPU), responsibility for monitoring the standards set by Recognised Professional Bodies (RPBs) which are the bodies that licence and authorise insolvency practitioners. This includes checking the effectiveness and robustness of the RPBs in their monitoring and review of the performance of their own licensees.

2.40 IPU staff attend quarterly meetings of monitoring officers chaired by a member of the Insolvency Service (E&W). These meetings are attended by monitoring officers employed by:

- each of the RPB's (Chartered Accountants Ireland, Institute of Chartered Accountants in England and Wales, Institute of Chartered Accountants in Scotland and the Insolvency Practitioners Association),
- the Insolvency Service (E&W), and
- the Insolvency Service (Northern Ireland).

2.41 The meetings are convened to allow discussion of matters noted during the course of monitoring visits carried out by any of these officers, to ensure consistency of standards in the approach to the monitoring/regulation of insolvency practitioners and to promote "best practice" issues in case administration by practitioners. The meetings also provide a forum for making representations to other bodies such as the Joint Insolvency Committee.

2.42 The Insolvency Service continues to operate a desktop monitoring process which involves monitoring insolvency practitioners for failure to report or comply with the Insolvency Rules and legislation. The table below lists the indicators and gives the number of cases in each category where IPU has informed an RPB of an IP's default under the desktop monitoring system during 2021/22.

Indicators	Triggers	No of cases referred to RPB / Investigated by the Department 2021/22	No of cases referred to RPB / Investigated by the Department 2020/21
Failure to report details of individual voluntary arrangements to the Department pursuant to Rule 5.27 of the Insolvency Rules (NI) 1991	2 failures to report	0	0
Failure to comply with provisions regarding the advertisement of meetings, appointments and dividend payments	2 failures to advertise properly	0	0
Failure to submit returns to the Department pursuant to The Insolvent Companies (Reports on Conduct of Directors) Rules (NI) 2003	1 failure to submit returns on time	0	0
Drawing Unauthorised Remuneration – Breach of SIP 9	Automatic referral	1	0
Failure to pay funds into the Insolvency Account pursuant to Regulations 5 and 20 of the Insolvency Regulations (NI) 1996	Automatic referral	0	0
Complaints from third parties	Automatic referral	4	3
Non-response to correspondence	Failure to reply to 3 letters	0	1
Inaccurate fees calculations	Submission of 3 inaccurate fees calculations	0	0
TOTAL		5	4

JOINT INSOLVENCY COMMITTEE

2.43 The Joint Insolvency Committee (JIC) is made up of representatives of all Recognised Professional Bodies (RPBs) and the Insolvency Service of England and Wales, and the Accountant for Bankruptcy, Scotland. It is a forum for the discussion of insolvency issues, promoting consistency across the profession and, in discussion with the Insolvency Service, for standard setting. It develops, improves and maintains insolvency standards from a regulatory, ethical and best practice perspective.

2.44 The Director of Insolvency and Head of the Insolvency Practitioner Unit, on behalf of the Insolvency Service Northern Ireland, are invited members of this Committee having full participatory powers and voting rights.

2.45 It is incumbent on the Director of Insolvency and Head of the Insolvency Practitioner Unit and the Northern Ireland RPBs represented on the committee to ensure that these standards are complied with by all NI practitioners. During the year, 5 meetings of the Committee were held.

STATEMENTS OF INSOLVENCY PRACTICE (SIPS)

2.46 These provide practitioners with guidance on required practice and are directed at ensuring a high and consistent standard is maintained by all practitioners.

2.47 A total of fifteen SIPS have now been adopted and issued to licensees. The matters dealt with by these SIPS are as follows:

- SIP 1** An Introduction to Statements of Insolvency Practice;
- SIP 2** Investigations by Officeholders in Administrations and Insolvent Liquidation and Submissions of Conduct Reports by Officeholders;
- SIP 3** Voluntary Arrangements;
- SIP 4** Disqualification of Directors;
- SIP 7** Presentation of Financial Information in Insolvency Proceedings;
- SIP 8** Summoning and Holding of Meetings of Creditors Convened Pursuant to Article 84 of the Insolvency (Northern Ireland) Order 1989;
- SIP 9** Payments to Insolvency Office Holders and their Associates from an Estate;
- SIP 10** Proxy Forms;
- SIP 11** The Handling of Funds in Formal Insolvency Appointments;
- SIP 12** Records of Meetings in Formal Insolvency Proceedings;
- SIP 13** Disposal of Assets to Connected Parties in an Insolvency Process;
- SIP 14** A Receivers Responsibility to Preferential Creditors;
- SIP 15** Reporting and Providing Information on their Functions to Committees and Commissioners;
- SIP 16** Pre-packaged Sales in Administrations; and
- SIP 17** An Administrator Receiver's Responsibility for the Company Records.

INTERNATIONAL ASSOCIATION OF INSOLVENCY REGULATORS

2.48 The Insolvency Service is a member of the International Association of Insolvency Regulators (IAIR) which is an international body that offers the opportunity to explore and benefit from other Regulators' approaches to insolvency policy, legislation, operations and management.

2.49 Current membership/Associated membership comprises Australia (Australian Securities & Investment Commission and Australian Financial Security Authority), Barbados, Bermuda, British Virgin Islands, Canada, Chile, Czech Republic, Finland, Hong Kong, India (Insolvency and Bankruptcy Board of India and Ministry of Corporate Affairs India), Ireland (Insolvency Service of Ireland and Office of the Director of Corporate Enforcement Ireland), Jersey, Kenya, Malta, Mauritius, New Zealand, Peru, Poland, Romania, Serbia, Singapore, South Africa, Thailand, Trinidad and Tobago, Uganda, United Arab Emirates, USA and the UK (The NI Insolvency Service, together with the Insolvency Service of England and Wales and the Accountant in Bankruptcy, Scotland).

2.50 As a result of the pandemic, all activity of the IAIR was carried out on-line and included a number of events aimed at assisting its membership through the challenges of the pandemic. Full details of the work of IAIR can be found at its website: <http://www.insolvencyreg.org/>

APPOINTMENTS REQUIRING INSOLVENCY PRACTITIONER AUTHORISATION

2.51 Under the Insolvency (Northern Ireland) Order 1989, only authorised persons may act as insolvency practitioners. Authorisation may be granted by a professional body recognised by the Department. The bodies currently recognised, together with the numbers of their members who take cases in Northern Ireland, are:

	2021/22	2020/21
Law Society of Northern Ireland	3	3
Insolvency Practitioners Association	592	615
Institute of Chartered Accountants in England and Wales	812	820
Chartered Accountants Ireland	47	46
Institute of Chartered Accountants in Scotland	90	87
Total	1,544	1,571

2.52 The number of bodies which licence and regulate insolvency practitioners has been reduced with the ending of insolvency practitioner authorisation by the Secretary of State for Business, Innovation and Skills (effective from 30 September 2016), the ending of insolvency practitioner authorisation by the Department, (effective from 31 March 2017) and the ending of insolvency practitioner authorisation by the Association of Chartered Certified Accountants (effective from 1 January 2022).

REGISTER OF INDIVIDUAL VOLUNTARY ARRANGEMENTS

2.53 The Department is required to maintain a register of individual voluntary arrangements which is open to public inspection.

2.54 During the year ended 31 March 2022, 1,327 voluntary arrangements were reported to the Department for registration which represented a 9% increase on the corresponding figure for the previous year of 1,219. The register can be accessed via our website at:

<https://www.economy-ni.gov.uk/services/individual-voluntary-arrangement-register>

2.55 The Department is also required:

- to keep a register of Debt Relief Orders, Debt Relief Restrictions Orders and Debt Relief Restrictions Undertakings; and
- to keep registers of Bankruptcy Restrictions Orders, interim Bankruptcy Restrictions Orders and Bankruptcy Restrictions Undertakings.

These can be accessed via our website at:

<https://www.economy-ni.gov.uk/articles/insolvency-service-do-it-online>

BANKING

CENTRAL ACCOUNTING UNIT AND THE INSOLVENCY ACCOUNT

- 2.56 The Central Accounting Unit has responsibility for insolvency estate banking within the Service.
- 2.57 Trustees and liquidators, including the Official Receiver for Northern Ireland, must pay all funds from the realisation of the assets of bankrupts or companies wound up by the High Court into the Insolvency Account which is maintained by the Department.
- 2.58 Details of receipts and payments into that account are set out from page 38 of the report. The funds held at 31 March 2022 in the Account amounted to £21,299,494.
- 2.59 Any monies standing to credit of bankruptcy and liquidation estate accounts are entitled to interest received in respect of those accounts. The remaining interest earned on funds in the Insolvency Account is paid to the Department.

INSOLVENCY LEGISLATION

2.60 The Service's Legislation Unit is responsible for:

- making legislation needed to update the Insolvency (Northern Ireland) Order 1989 and the Company Directors Disqualification (Northern Ireland) Order 2002 and related subordinate legislation;
- carrying out equality and rural impact screening and privacy and regulatory impact assessments on proposed legislation and considering any human rights implications;
- producing consultation documents for proposed changes to insolvency legislation and considering any replies received;
- carrying out procedures required for the production of primary legislation, including preparing policy memoranda, drafting instructions to Counsel and preparing explanatory memoranda;

- preparing Executive papers to seek approval to carry out consultation, have draft bills prepared and introduce bills in the Assembly;
- taking forward Legislative Consent Motions for insolvency related matters to be dealt with in Westminster legislation;
- preparing draft subordinate legislation and carrying out Departmental procedures to make it;
- advising other Departments on the insolvency implications of their legislation;
- considering the insolvency aspects of other legislation including other legislation dealing with international matters; and
- preparing information about legislation for insolvency practitioners.

PRIMARY LEGISLATION

New Bill to amend Insolvency and Disqualification legislation

2.61 During the year, an updated Regulatory Impact Assessment was prepared for the new Bill.

Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Act

2.62 The Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Act 2021 was made at Westminster and received Royal Assent on 15 December 2021.

2.63 Amendments to the Company Directors Disqualification (Northern Ireland) Order 2002 corresponding to amendments made to the Company Directors Disqualification Act 1986, applying in GB, were included. These amendments will enable investigation of companies, which have been dissolved without having been wound up, to take place and their directors disqualified where there is evidence of misconduct.

2.64 The Legislation Unit prepared drafting instructions to Legislative Counsel for these amendments and carried out the necessary procedure to have a Legislative Consent Motion passed by the Northern Ireland Assembly to enable them to be included in the Act.

SUBORDINATE LEGISLATION

2.65 A total of six further pieces of subordinate legislation were made to extend temporary provisions in the Corporate Insolvency and Governance Act 2020. All have since lapsed. They were:

- The Corporate Insolvency and Governance Act 2020 (Coronavirus) (Change of Expiry Date in section 32(1) Regulations (Northern Ireland) 2021, S.R. 2021 No. 104, made on 14 April 2021;
- The Corporate Insolvency and Governance Act 2020 (Suspension of Liability for Wrongful Trading) Regulations (Northern Ireland) 2021, S.R. 2020 No. 106, made on 21 April 2021;
- The Corporate Insolvency and Governance Act 2020 (Coronavirus) (Amendment of Certain Relevant Periods) (No. 2) Regulations (Northern Ireland) 2021, S.R. 2021 No. 165, made on 16 June 2021;
- The Corporate Insolvency and Governance Act 2020 (Coronavirus) (Amendment of Relevant Period in Schedule 8) (No. 2) Regulations (Northern Ireland) 2021, S.R. 2021 No. 258, made on 21 September 2021;
- The Corporate Insolvency and Governance Act 2020 (Coronavirus) (Amendment of Schedule 11) Regulations (Northern Ireland) 2021, S.R. 2021 No. 259, made on 21 September 2021; and
- The Corporate Insolvency and Governance Act 2020 (Coronavirus) (Early Termination of Part 2 of Schedule 8) Regulations (Northern Ireland) 2022, S.R. 2022 No. 4, made on 11 January 2022.

2.66 The Administration (Restrictions on Disposal etc to Connected Persons) Regulations (Northern Ireland) 2021, S.R. 2021 No. 174 were made on 23 June 2021, using powers in provisions inserted into Schedule B1 to the Insolvency (Northern Ireland) Order 1989 by section 9 of the Corporate Insolvency and Governance Act 2020. The regulations regulate the sale of property to connected persons during administrations.

2.67 Three orders were made relating to recognition of regulatory bodies for insolvency practitioners. Following requests from two of the bodies to have their recognition revoked, the Insolvency Practitioners (Recognised Professional Bodies) (Revocation of Recognition) Order (Northern Ireland) 2021, S.R. 2021 No. 304, was made on 18 November 2021.

2.68 Following a decision by one of the bodies that they wanted to have the revocation of their recognition cancelled, the Insolvency Practitioners (Recognised Professional Bodies) (Revocation of Recognition) (Revocation) Order (Northern Ireland) 2022, S.R. 2022 No. 2, was made on 23 December 2021. This had the effect of reinstating both bodies as recognised professional bodies. Accordingly, the remaining body had its recognition cancelled by the Insolvency Practitioners (Recognised Professional Bodies) (Revocation of Recognition) Order 2022, S.R. 2022 No. 34, which was made on 9 February 2022.

2.69 The Insolvency (Amendment) (2016 Act) (Consequential Amendments and Revocations) Order (Northern Ireland) 2021, S.R. 2021 No. 140, was made on 27 May 2021.

2.70 The Postal Administration Rules. These Rules were made on 9 September 2021 and came into operation on 11 October 2021. They set out a special administration regime to ensure that the objective of the administrator is to secure the continued provision of the universal postal service, should a universal service provider be at risk of entering insolvency proceedings.

2.71 Work continued during the year on these other pieces of legislation.

- An order to replicate for Northern Ireland the Insolvency Act 1986 (Prescribed Part) (Amendment) Order 2020, S.I. 2020/211 was drafted and an explanatory memorandum prepared.
- Departmental Solicitors began their scrutiny of draft Insolvency Practitioners (Amendment) Regulations.
- Provision to establish a new moratorium procedure for companies in financial difficulty was inserted into primary legislation by the Corporate Insolvency and Governance Act 2020. The Act also included a set of ancillary rules to apply on a temporary basis. During the year work continued on a set of permanent rules to replace these, including updating the draft to take account of changes made to the corresponding rules applying in GB and settling the draft with Departmental Solicitors.
- An Order to enable co-operative and community benefit societies and credit unions to enter a company arrangement or administration and which will now include provisions to allow co-operative and community benefit societies to avail of the moratorium provisions in the Corporate Governance and Insolvency Act 2020. A draft Order has been prepared and agreed with the Departmental Solicitor's Office. The Order was referred to the Office of Legislative Counsel for approval.

2.72 The Legislation Unit contributed to legislation made by HM Treasury. Amendments to the Insolvency (Northern Ireland) Order 1989 which have been included in the Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021, S.I. 2021/1376, were agreed.

The unit corresponded with HM Treasury and Departmental Solicitors about amendment to the Insolvency (Northern Ireland) Order 1989 which have been included in what became the Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2022, S.I. 2022/838.

2.73 The eligibility limits for the debt relief scheme in England and Wales have been increased. Legislation raising the limits on the amount of debt which a person can have, the value of their assets, the value of a vehicle for domestic use and their monthly surplus income came into effect on 29 June 2021. During the year the Legislation Unit prepared a consultation document and impact assessments for corresponding increases to the limits under the Northern Ireland scheme and carried out a consultation. The responses are being considered but it will not be possible to make any changes to the Northern Ireland scheme until the Assembly is in operation.

2.74 The consolidated Insolvency Rules, to bring NI in line with those in England and Wales, are being drafted but cannot be made until the proposed Insolvency Bill has become law.

2.75 The first draft on a set of Insolvency Rules to establish a special administration regime for transmission and distribution electricity licence holders has been completed. The objective of the energy administration process is to secure the company's network, together with the functions carried out by the company, so that they are maintained, ensuring services to customers are not adversely affected. The Rules cannot be made until Energy Regulations are made.

MEETING THE NEEDS OF OUR USERS

WHO ARE OUR USERS?

2.76 The Service's principal users are:

- individuals that have been declared bankrupt or that have applied for debt relief;
- directors of companies in liquidation who are required to provide information to the Official Receiver about their own, or their company's financial affairs;
- creditors who receive reports on the insolvency; and
- insolvency practitioners who may be appointed, by creditors or the Department, as trustee or liquidator to take over the administration of an insolvency from the Official Receiver.

2.77 Other users include Ministers, elected representatives, the wider Department for the Economy and other government departments, the High Court and advice organisations. The Service seeks to ensure that:

- information about processes and procedures is as comprehensive as possible;
- plain language is used in both written and oral communication;
- flexibility is offered where possible (e.g. appointment times); and
- it responds efficiently and effectively to matters raised by users.

USER SURVEYS

2.78 The Service carries out quarterly postal, appointment and telephone surveys. The results of these surveys are as follows:

Target	% Achieved
All correspondence to be answered within 11 working days of receipt. If this is not possible, acknowledgement to be sent within 5 working days of receipt.	100%
All callers to office to be seen within 9 minutes of any appointment time which has been made for them.	100%
All telephone calls to be answered within 9 seconds.	100%

PUBLISHED STANDARD

2.79 The Service's "Published Standard" gives details of the standards of service which can be expected by its users. It also gives details of the Service's complaints procedure. It is available in leaflet form and is published on our website at: <https://www.economy-ni.gov.uk/publications/insolvency-service-published-standard> (large print versions are also available).

INSOLVENCY SERVICE CHARTER

2.80 The Service's "Charter" sets out for users what the Insolvency Service does and what they can expect from it together with our complaints procedure. The Charter is published on our website at: <https://www.economy-ni.gov.uk/publications/insolvency-service-charter-0>.

Large print versions are also available.

GUIDES TO INSOLVENCY

2.81 The Insolvency Service has produced a series of guidance leaflets. The leaflets address some of the concerns, and seek to remove or reduce some of the negative perceptions, surrounding bankruptcy and company liquidation. They address, for example, the main questions that a bankrupt or debtor will wish to have answered about the administration of a bankruptcy case and can be accessed via our website at: <https://www.economy-ni.gov.uk/articles/insolvency-guidance>.

2.82 Some of the leaflets currently on our website are:-

- [A guide to bankruptcy](#)
- [A guide to debt relief orders](#)
- [A guide to debt relief restrictions orders](#)
- [A guide for creditors](#)
- [A guide for directors](#)
- [Alternatives to bankruptcy](#)
- [Insolvency Service Registers](#)
- [What will happen to my home?](#)
- [What will happen to my bank account?](#)
- [What will happen to my pension?](#)
- [What will happen to my motor vehicle?](#)
- [Can my bankruptcy be cancelled?](#)
- [When will my bankruptcy end?](#)
- [Bankruptcy restrictions orders](#)
- [Fast-track voluntary arrangements](#)
- [In debt - dealing with your creditors](#)
- [How to petition for your own bankruptcy](#)
- [How to make someone bankrupt](#)
- [How to wind-up your own company](#)
- [How to wind-up a partnership](#)
- [How to wind-up a company that owes you money](#)

PUBLICATIONS

2.83 The following guidance notes are available for our customers:

- Completion of Statement of Affairs - Debtors Bankruptcy Petition
- Insolvency Service Charter
- Guidance to Insolvency Practitioners

2

Accountability Report

STATEMENT OF THE RESPONSIBILITIES OF THE DEPARTMENT FOR THE ECONOMY AND THE ACCOUNTING OFFICER

Under Article 358(3) of the 1989 Order the Department is required to prepare an account for each financial year in a form and on a basis approved by the Department of Finance. The account is prepared on a cash basis and must properly present the receipts and payments of the Insolvency Account in the financial year and the balances at the year end.

The Department is required to send the account to the Comptroller and Auditor General for Northern Ireland, who is required to examine and certify it under Article 358(4) of the 1989 Order.

The Permanent Secretary of the Department for the Economy is the Accounting Officer for the Insolvency Account. His relevant role and duties as an Accounting Officer, including his responsibility for ensuring the regularity and proper recording of financial transactions and for keeping of proper records, are set out in the Accounting Officers' Memorandum issued by the Department of Finance and published in *Managing Public Money Northern Ireland*.

INSOLVENCY SERVICE - GOVERNANCE STATEMENT 2021/22

INTRODUCTION

1. The Governance Statement sets out the governance structures, the risk management and internal control arrangements for the Insolvency Service during the 2021/22 financial year. It also provides details of future actions planned by the Insolvency Service to mitigate risks and to address any internal control weaknesses that have been identified.
2. The Insolvency Service is a division within the Department for the Economy's (DfE), Management Services and Regulation Group, formerly Infrastructure and Regulation Group. DfE's Governance Statement is published in its Resource Accounts and reflects the overall governance, risk management and internal control environment in which the Insolvency Service operates.

THE GOVERNANCE FRAMEWORK

3. Corporate Governance refers to the way in which organisations are directed and controlled. DfE's governance framework, which ensures the effectiveness of the direction and control of the Department, is set out in detail in its governance statement which the Insolvency Service follows.

INDIVIDUAL RESPONSIBILITIES

THE DfE MINISTER

4. The DfE Minister leads the Department and is responsible and accountable to the Northern Ireland Assembly for the policies, programmes and actions of the Department. From 3 February 2022 until 3 February 2024 no DfE Minister was in place due to the collapse of Stormont.

THE ACCOUNTING OFFICER

5. The Permanent Secretary, as the Departmental Accounting Officer, is responsible for the overall organisation, management and staffing of the Department and for ensuring that there is a high standard of financial management in the Department as a whole. He is accountable to the Minister and the Assembly.

ORGANISATION AND STRUCTURES

6. The key organisational structures which support the delivery of corporate governance in the Department are the:
 - Departmental Board;
 - Departmental Audit and Risk Assurance Committee;
 - Leadership Team;
 - Senior Management Team;
 - Casework Committee;
 - Delivery Committee; and
 - Resource & People Committee.

MANAGEMENT TEAM

7. The Insolvency Service Management Team meets monthly to discuss ongoing operational issues. It is chaired by the Director of Insolvency and membership comprises the Official Receiver and deputy Official Receivers; the Principal Examiner and Senior Examiners responsible for Directors Disqualification and Bankruptcy Restriction Orders, Insolvency Practitioner Unit, Finance and Central Accounting Unit; the IT Project Manager and the Deputy Principals responsible for legislation.

RISK MANAGEMENT

8. The Department places significant emphasis on risk management. Risk management is viewed as an essential element of the Department's Corporate Governance Framework, and is managed at corporate and divisional levels.
9. Corporate risks are managed collectively by the Departmental Board.
10. Risks relating to the Insolvency Service are reflected in their divisional risk register. Insolvency divisional risks being managed at 31 March 2022 related to:
 - Delivery of our commitments
 - Governance standards
 - Financial management
 - Information management
 - Service standards of our suppliers
11. Controls were in place and action taken to mitigate the above risks.

SIX-MONTHLY ASSURANCE STATEMENTS

12. Each Deputy Secretary and NDPB Chief Executive is required to provide six-monthly Assurance Statements to the Permanent Secretary as Departmental Accounting Officer. The statements provide important assurances about the efficacy of the systems of internal control within their areas of responsibility and, where appropriate, draw the attention of the Permanent Secretary to any significant internal control issues. The Insolvency Service had no internal control disclosures during the 2021/22 year.

DATA SECURITY

13. The Insolvency Service is fully committed to complying with Data Protection regulation (UKGDPR) and the Data Protection Act 2018 and follows the departmental guidance on data sharing and the data breach management plan.

During the reporting period the Director of the Insolvency Service reviewed information security compliance in the six-monthly assurance statements. The Insolvency Service had 3 data security breaches during the year. None of these breaches represented a risk to the rights and freedoms of the individuals concerned and therefore none of these required to be reported to the Information Commissioner's Office.

BUSINESS CONTINUITY MANAGEMENT (BCM)

14. The Department has in place a Business Continuity Management (BCM) process, whereby each Branch/Division and Departmental building has a dedicated and managed Business Continuity Plan (BCP). All Branch/Divisional BCPs are reported on in the six-monthly Assurance statement and the BCM process is subject to an annual review by Internal Audit Service. The BCP for Fermanagh House is updated on a regular basis, when required.

INTERNAL AUDIT

15. Internal Audit Service's main remit is to provide the Accounting Officer with an independent and objective opinion on the overall adequacy and effectiveness of the Department's risk management, control and governance processes. The Internal Audit Annual Opinion and Report is a key element of the framework of assurance that the Accounting Officer needs to inform this Governance Statement. Internal Audit Service operates in accordance with HM Treasury's Public Sector Internal Audit Standards.
16. During 2021/22, the departmental Internal Audit team completed one review, within the Insolvency Service, of the Insolvency Practitioner Unit (IPU). The review concluded with a satisfactory audit opinion.

17. The Insolvency Service has its own Audit Section which audits, on a compliance and risk basis, a sample of those cases administered internally by the Official Receiver as well as cases which are administered by private sector insolvency practitioners.
18. During 2021/22, Audit Section continued to raise queries with examiners on cases. Audit Section also issued monthly reports for the attention of all unit heads and an annual report was produced, setting out the main issues arising during the year which included:
 - Bankruptcy Restriction Orders not being pursued due to excessive workload;
 - Income Payment Agreements not being calculated within time limit.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

19. Within Northern Ireland, Departments are required to operate under the “Corporate Governance in Central Government Departments: Code of Good Practice NI 2013”. The Code outlines a model Board Operating Framework that can be used to document a Departmental Board’s roles and responsibilities. It also sets out departmental responsibilities in the oversight of Sponsored Bodies. Departments are required to either comply with the Code or explain any significant departures from it.

QUALITY OF DATA USED BY THE DEPARTMENTAL BOARD

20. The Departmental Board uses information based on a number of data sources. The standard of information, particularly financial and performance information, presented to the Board is consistently good quality. Data relating to financial information and performance is derived from NICS-wide systems such as Account NI and HR Connect. The Departmental Board takes assurance on the quality of this data from the internal controls in place in the

Department and the scrutiny of the Account NI and HR Connect systems by Department of Finance’s Internal Audit Service.

MINISTERIAL DIRECTIONS

21. No Ministerial Directions were issued during the 2021/22 financial year relating to the Insolvency Service.

CONCLUSION

22. DfE’s Insolvency Service has a rigorous system of corporate governance on which I, as Permanent Secretary and Accounting Officer, rely to form an opinion on the probity and use of public funds, as detailed in Managing Public Money Northern Ireland.
23. Having considered the accountability framework within the Department in general, and the Insolvency Service in particular, and in conjunction with assurances given to me by the Departmental Audit and Risk Committee, I am content that a sound system of internal governance has been in operation during the period 2021/22 and up to the date of this statement.



Ian Snowden
Permanent Secretary
Department for the Economy

Date: 20 March 2024

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

OPINION ON FINANCIAL STATEMENTS

I certify that I have audited the financial statements of the Insolvency Service for the year ended 31 March 2022 under the Insolvency (Northern Ireland) Order 1989. The financial statements comprise: the Receipts and Payments Account, Statement of Balances; and the related notes including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them.

In my opinion the financial statements:

- properly present the receipts and payments of the Insolvency Service for the year then ended and the balances as held at 31 March 2022; and
- have been properly prepared in accordance with the Insolvency (Northern Ireland) Order 1989 and Department of Finance's directions issued thereunder.

OPINION ON REGULARITY

In my opinion, in all material respects the receipts and payments recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

BASIS FOR OPINIONS

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of Insolvency Service in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and my audit certificate and report. The Accounting Officer is responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

OPINION ON OTHER MATTERS

In my opinion the information given in the Foreword, Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH I REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Insolvency Service and its environment obtained in the course of the audit, I have not identified material misstatements in the Foreword, Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or

- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of the Responsibilities of the Department for the Economy and the Accounting Officer, the Accounting Officer is responsible for:

- the preparation of the financial statements and for being satisfied that they properly present the receipts and payments during the year; and
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My responsibility is to examine and certify the financial statements in accordance with the Insolvency (Northern Ireland) Order 1989.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Insolvency Service through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Insolvency (Northern Ireland) Order 1989, the Insolvency Regulations (Northern Ireland) 1996, the Company Directors Disqualification (Northern Ireland) Order 2002, The Debt Relief Act (Northern Ireland) 2010 and the Insolvency (Amendment) Act (Northern Ireland);
- making enquires of management and those charged with governance on Insolvency Service's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Insolvency Service's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in management override of controls (posting of unusual journals);
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud.

These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;

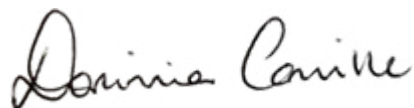
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments; and
 - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the receipts and payments recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

REPORT

I have no observations to make on these financial statements.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

22 March 2024

3

Financial Statements

STATEMENT OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 31 MARCH 2022

Prepared under Article 358(3) of the Insolvency (Northern Ireland) Order 1989 in respect of Company Liquidations, Bankruptcies and Estates of Deceased Insolvents, including Arrangements under the control of the Court up to 30 September 1991.

RECEIPTS	Notes	2021-22 £	2020-21 £
Sums received in respect of realisation of company assets etc (Article 503(2) of the 1986 Order and Regulation 5(1) of the 1996 Regulations)	1	1,504,881	607,712
Sums received in respect of realisation of estates of bankrupts etc (Article 6(1) of the 1980 Order and Regulation 20(1) of the 1996 Regulations)	2	7,161,007	4,435,329
Interest credited to individual accounts under Articles 611(2) of the 1986 Order, 7(2) of the 1980 Order and regulations 9 and 24 of the 1996 Regulations	3	19,991	50,915
Unclaimed dividends and undistributed balances paid to the Dept. Under Articles 595(1) of the 1986 Order, 6(2) of the 1980 Order and Regulations 18 and 32 of the 1996 Regulations	4	89,747	184,779
Sums received to which the Official Receiver does not have clear title	5	1,452	71,655
Sums received in respect of prescribed fees	6	170,179	191,865
		8,947,257	5,542,255

PAYMENTS	Notes	2021-22 £	2020-21 £
Sums paid in respect of expenses and distributions under Article 502(3) of the 1986 Order, Regulations 7(2) and 22(1) of the 1996 Regulations and Article 361(2a) of the 1989 Order			
Company liquidations		£724,742	
Bankruptcy		£6,026,339	
	7	6,751,081	5,590,095
Fees and remuneration charged and appropriated in aid of the Dept. for the Economy	8	1,892,071	1,915,914
Unclaimed dividends and undistributed balances surrendered to consolidated fund under Articles 595(3) of the 1986 Order, 24(3) of the 1980 Order and 358(5) of the 1989 Order	9	98,142	408,654
Unclaimed dividends ordered to be refunded under Articles 595(2) of the 1986 Order, 24(2) of the 1980 Order and Regulation 33 of the 1996 Regulations	10	23,964	20,143
Sums paid to parties with clear title	11	588	69,840
Sums surrendered to the Crown Solicitor under Article 605(1) of the 1986 Order and Section 1012(1) of the Companies Act 2006	12	1,043	19,773
		8,766,889	8,024,419
Excess of receipts over payments for the financial year		180,368	-2,482,164

STATEMENT OF BALANCES AS AT 31 MARCH 2022

	Notes	2021-22 £	2020-21 £
Balance at beginning of financial year in respect of:			
Liquidations: cash at bank and in hand		8,121,112	9,026,282
Bankruptcies: cash at bank and in hand		12,998,014	14,575,008
		21,119,126	23,601,290
Excess of receipts over payments for the financial year		180,368	-2,482,164
Balance at end of financial year in respect of:	13	21,299,494	21,119,126
Liquidations: cash at bank and in hand		8,685,136	8,121,112
Bankruptcies: cash at bank and in hand		12,614,358	12,998,014
	13	21,299,494	21,119,126

The notes on pages 40-44 form part of the account.

Ian Snowden

Ian Snowden
Accounting Officer
Department for the Economy

DATE 20 March 2024

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

The account is prepared in accordance with Article 358(3) of the Insolvency (Northern Ireland) Order 1989 and is in a form approved by the Department of Finance (DoF). The account is prepared on a cash basis and must properly present the receipts and payments for the financial year and the cash balances at the year end.

RECEIPTS

1. REALISATION OF COMPANY ASSETS, ETC.

Sums received during the period (other than fees fixed by Regulations) can be summarised as follows:

	2021-22	2020-21
	£	£
Realisation of assets etc.		
Company Liquidations	1,478,086	593,732
Deposits paid by Petitioners	26,795	13,980
	1,504,881	607,712

2. REALISATION OF ESTATES OF BANKRUPTS, ETC.

Sums received during the period (other than fees fixed by Regulations) can be summarised as follows:

	2021-22	2020-21
	£	£
Realisation of assets etc in the Estate of bankrupts, arranging debtors and deceased insolvents	7,111,832	4,367,954
Deposits paid by Petitioners	49,175	67,375
	7,161,007	4,435,329

3. INTEREST CREDITED

The total amount of interest received in respect of funds in the Insolvency Account during the year was £31,762 (previous year £61,337). During the year £19,991 (previous year £50,915) has been credited to the Insolvency Account and has been allocated as follows:

	2021-22	2020-21
	£	£
Amounts credited to Companies in liquidation	7,522	18,615
Amounts credited to Estates of bankrupts, arranging debtors and deceased insolvents	12,469	32,300
	19,991	50,915

Of the balance of interest received on the funds in the Insolvency Account during the year £3,500 is due to be surrendered to the Department. Interest amounting to £8,271 was received at the end of the financial year and had yet to be allocated by 31 March 2022.

4. UNCLAIMED DIVIDENDS ETC.

Sums received during the period can be summarised as follows:

	2021-22	2020-21
	£	£
Unclaimed dividends etc. in respect of company estates	41,308	85,409
Unclaimed dividends in respect of bankruptcy estates	48,439	99,370
	89,747	184,779

5. SUMS RECEIVED WITHOUT CLEAR TITLE

A separate suspense sub-account is kept of such receipts which, when clear title is established, are either placed to the credit of the appropriate insolvent or paid to the party who has title. During 2021-22, £1,452 (previous year £71,655) was received in respect of receipts where clear title was not yet established.

6. PRESCRIBED FEES

The sum of £170,179 (previous year £191,865) does not represent the total of fees charged by the Official Receiver but consists only of fees taken in cash. This figure represents fees paid on the registration of Individual Voluntary Arrangements (Article 4 of the Insolvency (Fees) Order (Northern Ireland) 2006⁷) fees paid on the application for the renewal of the authorisation to act as an insolvency practitioner and RPB maintenance payments (The Insolvency Practitioners and Insolvency Account (Fees) Order (Northern Ireland) 2006⁸) and fees paid on the application for a Debt Relief Order (The Insolvency (Fees) Order (Northern Ireland) 2006⁹).

7 S.R. 2006 No.54 (Amended by S.R. 2009 No 201)

8 S.R. 2006 No.53 (Amended by S.R. 2009 No 204, S.R. 2009 No 402 and S.R 2011 No 389)

9 S.R. 2006 No 54 (Amended by S.R. 2011 No 14)

PAYMENTS

7. EXPENSES AND DISTRIBUTIONS

The authority for the making of payments out of the Insolvency Account in connection with the administration of the estates of bankrupts and the winding up of companies are set out in Regulations 7(2) and 22(1) of the 1996 Regulations and for the Debt Relief Scheme, Article 361(2a) of the 1989 Order. Payments made during the period can be summarised as follows:

	2021-22		2020-21	
	Companies £	Bankruptcy £	Companies £	Bankruptcy £
Costs & expenses	495,212	4,419,342	850,322	3,282,643
Dividend distribution	223,700	1,519,644	188,059	1,145,686
Income tax & Corporation tax	5,830	82,457	39,592	75,824
Debt relief expenses	0	4,896	0	7,969
	724,742	6,026,339	1,077,973	4,512,122

The figure for bankruptcy distributions includes undistributable balances of £6,997. In 2020-21 this balance equated to £14,050.

8. PRESCRIBED FEES

	2021-22 £	2020-21 £
Companies	226,740	402,617
Bankruptcy	1,534,131	1,360,892
Registration of voluntary arrangements	21,780	17,025
Renewal of IP licences by DfE and RPB maintenance payments	94,440	98,400
Debt relief scheme	13,000	35,000
Other	1,980	1,980
	1,892,071	1,915,914

The total figure for fees charged to estate accounts and taken in cash includes £6,514 Value Added Tax for which the Department is accountable (previous year £1,305).

During the 2021-22 financial year, write-off approval was received in relation to the loss of fees totalling £257,842 in 270 bankruptcy and 92 company estates (previous year £230,952 in 273 bankruptcy and 67 company estates). These sums are not included in the total figure for fees.

9. TRANSFERS TO CONSOLIDATED FUND

Article 358(5) of the 1989 Order provides for unclaimed dividends, and unapplied or undistributed balances which have remained unclaimed for a period of two years from the date of lodgement to the Insolvency Account, to be transferred to the Consolidated Fund.

	2021-22	2020-21
	£	£
Companies	38,089	120,561
Bankruptcy	60,053	288,092
	98,142	408,653

10. UNCLAIMED DIVIDENDS REFUNDED

Payments made during the year to persons establishing title to unclaimed dividends or unapplied or undistributed balances previously lodged in the Insolvency Account can be summarised as follows:

	2021-22	2020-21
	£	£
Companies	116	15,755
Bankruptcy	23,848	4,388
	23,964	20,143

11. SUMS PAID TO PARTIES WITH CLEAR TITLE

Payments totalling £588 (previous year £69,840) were made to parties who established title to monies held in the Insolvency Account or who, already having title, were traced.

12. SUMS SURRENDERED TO THE CROWN SOLICITOR

Section 1012(1) of the Companies Act 2006 states that all property and rights of a dissolved company shall be deemed to be bona vacantia and accordingly belong to the Crown or to the Duchy of Lancaster or to the Duke of Cornwall for the time being.

	2021-22	2020-21
	£	£
Companies	0	0
Bankruptcy	1,043	19,773
	1,043	19,773

13. BALANCE AT YEAR END

	2021-22	2020-21
	£	£
Cash at Bank and in hand	21,299,494	21,119,126
	<u><u>21,299,494</u></u>	<u><u>21,119,126</u></u>
Represented by:		
Amounts received from Insolvency Practitioners and the Official Receiver in respect of company unclaimed dividends or unapplied or undistributed balances but not yet transferred to the Consolidated Fund (Article 358(5))	110,215	107,113
Amounts received from Insolvency Practitioners and the Official Receiver in respect of bankruptcy unclaimed dividends, or unapplied or undistributed balances but not yet transferred to the Consolidated Fund (Article 358(5))	106,316	141,778
Net funds held in the Insolvency Account in respect of companies in which a final dividend has not yet been paid	8,574,921	8,013,999
Net funds held in the Insolvency Account in respect of bankruptcy estates in which a final dividend has not yet been paid	12,508,042	12,856,236
	<u><u>21,299,494</u></u>	<u><u>21,119,126</u></u>

Note:

This balance does not include £2,500 in the Insolvency Service's separate interest account. Interest from the main account is paid monthly. At quarter end the interest due to the estate accounts is calculated and paid into the main bank account. A contingency of £2,500 has been retained for several years to cover banking fees. This will eventually be payable to DfE and should not be considered as part of the Insolvency Service accounts.

APPENDIX I

ABBREVIATIONS USED IN REPORT

DDU	Directors Disqualification Unit
De facto director	Any person occupying the position of a director
Department	Department for the Economy from 9 May 2016 Department for Enterprise, Trade and Investment until 8 May 2016
High Court	Northern Ireland High Court
IAIR	International Association of Insolvency Regulators
ATI	Accounting Technicians in Ireland
IPU	Insolvency Practitioner Unit
Minister	Up until 14 October 2002 the Minister for Enterprise, Trade and Investment in the Northern Ireland Assembly. From 15 October 2002 until 7 May 2007 the Northern Ireland Office Minister with responsibility for Enterprise, Trade and Investment. From 8 May 2007 until 7 May 2016 the Minister for Enterprise, Trade and Investment in the Northern Ireland Assembly. From 8 May 2016 until 16 January 2017 the Minister for the Economy. There was no Minister from 17 January 2017 until 10 January 2020 From 11 January 2020 the Minister for the Economy.
PDP	Personal Training and Development Plan
CPS	Crown Prosecution Service
RPB	Recognised Professional Body
Service	Insolvency Service
Shadow director	A person in accordance with whose directions or instructions the directors of the company are accustomed to act
SIP	Statement of Insolvency Practice

APPENDIX II

PRIMARY LEGISLATION IN EXISTENCE AT 31 MARCH 2022:

- The Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405 (N.I. 19))¹⁰
- The Insolvency (Northern Ireland) Order 2002 (S.I. 2002/3152 (N.I. 6))
- The Insolvency (Northern Ireland) Order 2005 (S.I. 2005/1455 (N.I. 10))
- The Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/ 3150 (N.I. 4))
- The Company Directors Disqualification (Amendment) (Northern Ireland) Order 2005 (S.I. 2005/1454 (N.I. 9))
- The Debt Relief Act (Northern Ireland) 2010 (Chapter 16)
- The Insolvency (Amendment) Act (Northern Ireland) 2016 (Chapter 2)

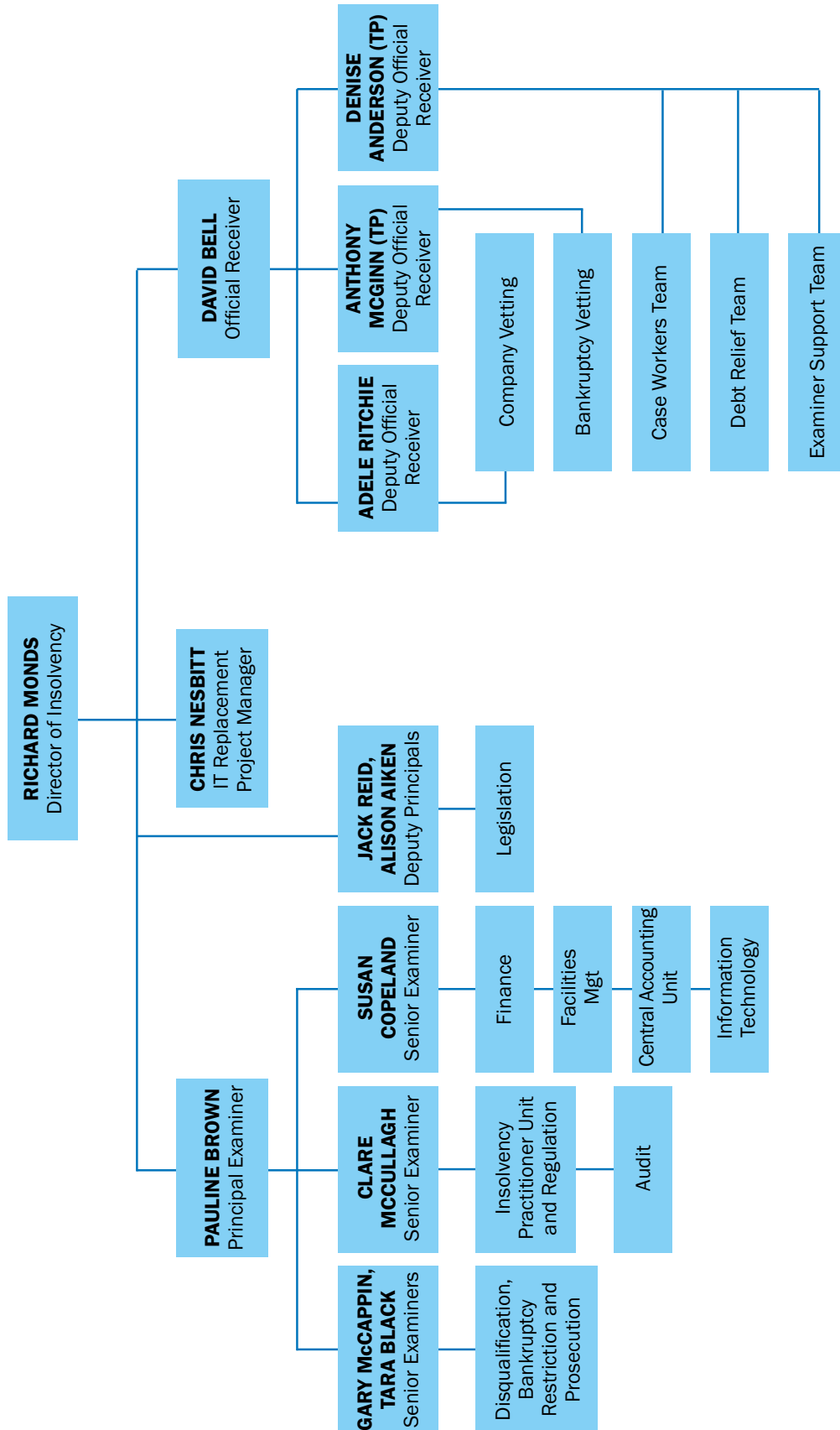
¹⁰ This Order was amended during 1994 by two U.K. wide Acts

- The Insolvency Act 1994 (c.7)

- The Insolvency (No. 2) Act 1994 (c.12)

APPENDIX III MANAGEMENT STRUCTURE

MANAGEMENT STRUCTURE



APPENDIX IV

NUMBER, ESTIMATED LIABILITIES, ESTIMATED TO REALISE/REALISED ASSETS, OF COMPANIES WOUND UP AND FAILURES IN PRINCIPAL TRADES AND OCCUPATIONS DURING THE YEAR 2021-22

	Bankruptcy Orders and Orders for Administration of Estates of Deceased Insolvents			Company Winding-Up Orders		
	No.	Liabilities £	Assets £	No.	Liabilities £	Assets £
Accommodation and Food Service Activities						
Accommodation	0			1	2,281,924.96	214,000.00
Beverage serving activities	1	83,448.00		1	97,062.84	0.00
Restaurants and mobile food service activities	4	1,593,306.15	106,281.50	3	246,593.90	13,410.00
Total						
Accommodation and Food Service Activities Total	5	1,676,754.15	106,281.50	5	2,625,581.70	227,410.00
Administrative and Support Service Activities						
Office administrative, office support and other business support activities	3	414,012.70	27,969.59	1	56,998.32	2,217.87
Rental and leasing activities	0			1	739,765.34	35,408.41
Security and investigation activities	1	54,487.00		0		
Services to buildings and landscape activities	1	9,267.64		0		
Total						
Administrative and Support Service Activities Total	5	477,767.34	27,969.59	2	796,763.66	37,626.28
Agriculture, Forestry And Fishing						
Crop and animal production, hunting and related service activities	1	1,567,907.40	263,988.00	0		
Total						
Agriculture, Forestry and Fishing Total	1	1,567,907.40	263,988.00	0	0.00	0.00
Arts, Entertainment and Recreation						
Arts, Entertainment and Recreation	3	1,295,500.69	72,386.65	1	25,678.12	
Total						
Arts, Entertainment and Recreation Total	3	1,295,500.69	72,386.65	1	25,678.12	0.00

APPENDIX IV (Cont)

NUMBER, ESTIMATED LIABILITIES, ESTIMATED TO REALISE/REALISED ASSETS, OF COMPANIES WOUND UP AND FAILURES IN PRINCIPAL TRADES AND OCCUPATIONS DURING THE YEAR 2021-22

	Bankruptcy Orders and Orders for Administration of Estates of Deceased Insolvents			Company Winding-Up Orders		
	No.	Liabilities £	Assets £	No.	Liabilities £	Assets £
Construction						
Building completion and finishing	1	215,401.04	16,600.28	2	366,951.17	140.49
Civil engineering	0			1	110,476.80	
Construction of residential and non-residential buildings	0			2	2,074,380.56	109,392.00
Electrical, plumbing and other construction installation activities	2	184,525.04	119,056.00	0		
Other specialised construction activities	3	1,540,820.41	40,844.00	1	373,740.02	20,726.00
Total						
Construction Total	6	1,940,746.49	176,500.28	6	2,925,548.55	130,258.49
Education						
Education	1	377,990.48	17,108.14	1	131,349.69	5,487.00
Total						
Education Total	1	377,990.48	17,108.14	1	131,349.69	5,487.00
Employees						
Directors and promoters of companies	1	411,036.09	10,529.60	0		
Employees	39	4,892,791.46	113,914.70	0		
No occupation or unemployed	27	3,690,019.50	1,022,099.08	0		
Occupation unknown	4	236,702.15	96,541.61	0		
Total						
Employees Total	71	9,230,549.20	1,243,084.99	0	0.00	0.00
Financial and Insurance Activities						
Financial and Insurance Activities	0			1	35,562.48	234.92
Total						
Financial and Insurance Activities Total	0	0.00	0.00	1	35,562.48	234.92

APPENDIX IV (Cont)

NUMBER, ESTIMATED LIABILITIES, ESTIMATED TO REALISE/REALISED ASSETS, OF COMPANIES WOUND UP AND FAILURES IN PRINCIPAL TRADES AND OCCUPATIONS DURING THE YEAR 2021-22

	Bankruptcy Orders and Orders for Administration of Estates of Deceased Insolvents			Company Winding-Up Orders		
	No.	Liabilities £	Assets £	No.	Liabilities £	Assets £
Human Health and Social Work Activities						
Human Health and Social Work activities	6	453,386.39	134,973.60	2	1,711,337.64	1,000.00
Total						
Human Health and Social Work Activities Total	6	453,386.39	134,973.60	2	1,711,337.64	1,000.00
Manufacturing						
Manufacture of fabricated metal products, except machinery and equipment	0			1	881,027.72	67,719.61
Manufacture of food products	1	1,079,186.26	4,000.00	0		
Manufacture of motor vehicles, trailers and semi-trailers	1	24,198.73	480.00	0		
Manufacture of rubber and plastic products	0			1	293,112.86	728.53
Other manufacturing	1	76,549.36	250.00	2	390,053.00	42,571.92
Total						
Manufacturing Total	3	1,179,934.35	4,730.00	4	1,564,193.58	111,020.06
Other Service Activities						
Hairdressing and other beauty treatment	1	75,639.71		1	112,532.86	0.00
Other personal service activities n.e.c.	1	98,399.71	203.25	0		
Physical well-being activities	0			1	114,784.67	
Total						
Other Service Activities Total	2	174,039.42	203.25	2	227,317.53	0.00

APPENDIX IV (Cont)

NUMBER, ESTIMATED LIABILITIES, ESTIMATED TO REALISE/REALISED ASSETS, OF COMPANIES WOUND UP AND FAILURES IN PRINCIPAL TRADES AND OCCUPATIONS DURING THE YEAR 2021-22

	Bankruptcy Orders and Orders for Administration of Estates of Deceased Insolvents			Company Winding-Up Orders		
	No.	Liabilities £	Assets £	No.	Liabilities £	Assets £
Professional, Scientific and Technical Activities						
Activities of head offices; management consultancy activities	1	250,224.05		0		
Architectural and engineering activities; technical testing and analysis	1	307,466.96	4,000.00	0		
Total						
Professional, Scientific and Technical Activities Total	2	557,691.01	4,000.00	0	0.00	0.00
Real Estate Activities						
Real Estate Activities	1	32,977.96		2	49,567.72	100.00
Total						
Real Estate Activities Total	1	32,977.96	0.00	2	49,567.72	100.00
Transportation and Storage						
Land transport and transport via pipelines	2	351,997.16	48.60	2	97,229.90	
Postal and courier activities	1	53,119.12	145.60	0		
Warehousing and support activities for transportation	1	47,142.24		2	176,524.19	44,000.00
Total						
Transportation and Storage Total	4	452,258.52	194.20	4	273,754.09	44,000.00

APPENDIX IV (Cont)

NUMBER, ESTIMATED LIABILITIES, ESTIMATED TO REALISE/REALISED ASSETS, OF COMPANIES WOUND UP AND FAILURES IN PRINCIPAL TRADES AND OCCUPATIONS DURING THE YEAR 2021-22

	Bankruptcy Orders and Orders for Administration of Estates of Deceased Insolvents			Company Winding-Up Orders		
	No.	Liabilities £	Assets £	No.	Liabilities £	Assets £
Wholesale And Retail Trade; Repair Of Motor Vehicles and Motorcycles						
Retail sale in non-specialised stores	3	2,124,952.46	53,550.80	0		
Retail sale of food, beverages and tobacco in specialised stores	5	1,449,864.24	49,184.30	1	678,711.58	
Retail sale of other goods in specialised stores	2	36,792.28	74,550.00	3	458,813.15	46,176.84
Retail sale of other household equipment in specialised stores	2	681,766.40	66,388.09	1	245,806.49	1.19
Wholesale and retail trade and repair of motor vehicles and motorcycles	1	150,680.18		1	5,012.41	
Total						
Wholesale And Retail Trade; Repair Of Motor Vehicles and Motorcycles Total	13	4,444,055.56	243,673.19	6	1,388,343.63	46,178.03
GRAND TOTAL	123	23,861,558.96	2,295,093.39	36	11,754,998.39	603,314.78

APPENDIX V

OFFICIAL RECEIVER'S INVESTIGATION WORK

	2021/22	2020/21
Prosecution - Reports of Possible Offences		
Main Offence per Report:-		
• Credit Offences	0	0
• Removal of property	0	0
• Acting as a director whilst disqualified by bankruptcy	0	0
• Failure to pay monies to OR	0	0
Total Prosecution Reports	0	0
Disqualification		
Total Conduct Reports on Company Directors	106	118
Applications to suspend bankrupt's automatic discharge	1	40
Applications for public examination		
• Bankruptcies	4	1
• Liquidations	3	14
Total applications for public examination	7	15



Department for the

Economy

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