ICAS

Insolvency Monitoring Helpsheet

Trust Deed Bonding

As a Trust Deed normally depends on debtor contributions, it is essential to remember that the total anticipated contributions over the entire period of the Trust Deed must be taken into account when assessing the level of bonding at the commencement of the case.

In the case of a husband and wife or partners living as such, Trust Deeds must be signed by each individual and therefore each Trust Deed must be bonded separately.

Trust Deed

Practitioners are reminded that Trust Deeds should only be accepted where there is a reasonable prospect of a worthwhile dividend to creditors.

Planning for Retirement

Closing insolvency cases always take longer than anticipated. If you intend to retire or for other reasons, not apply for a renewal of your permit at some future date, please commence closing procedures or arranging for the transfer of your cases well in advance. If not, you may incur unnecessary expense as you must have a permit and practising certificate even if you only have one remaining case that you have not been able to close.

Reports from the Accountant in Bankruptcy

You may have noticed that the Accountant in Bankruptcy is no longer automatically sending out reports showing details of the overdue accounts for sequestrations. However, you can request these reports at any time. As well as perhaps providing you with a reminder on overdue accounts, it should ensure that your records agree with the AiB.

Statements of Insolvency Practice (SIPs)

The introductory paragraph of the recently issued SIPs has been amended. It advises that they are issued to maintain standards, set out “required” practice and that departure from them “may” be considered by the practitioner’s regulatory authority for the purpose of possible disciplinary or regulatory action. It is therefore essential to make a file note as to the circumstances and reasons why they have not been adopted in a particular situation.

Business Books and Records

In order to fulfil your obligations in respect of reasonable investigations into the debtors’ affairs, it is necessary to recover the books and records of the business and to retain them for the relevant statutory periods. Due to restrictions of space, these records may be stored off site but details of all records should be kept within the case files.

The practitioners’ own records for each case must be kept in accordance with the statutory limits where appropriate in addition to keeping the “Reg. 17 Case Record” for ten years.

Case Review Checklists

ICAS case review checklists are currently being updated and a checklist for administrations is being prepared to take account of changes in the legislation. It is anticipated that these will be ready later this year at which time they will be sent to all insolvency practitioners authorised by ICAS.