

*These notes refer to the Scotland Act 1998 (c.46)
which received Royal Assent on 19th November 1998*

SCOTLAND ACT 1998

EXPLANATORY NOTES

SCHEDULES

[Schedule 5](#)

Part II: Preliminary paragraphs

Head C: Trade and Industry

Section C2: Insolvency

General

Most matters relating to the insolvency and winding up of business associations are reserved. However, where there are substantial differences in insolvency law and practice between England and Wales on the one hand and Scotland on the other affecting certain matters (as for example, in the case of matters relating to receiverships or the process of winding up), these matters are excepted from the general reservation.

A limited number of matters relating to the insolvency of all persons (and not only to the insolvency of business associations) are also reserved under this Section. These are the reservations relating to preferred or preferential debts, regulation of insolvency practitioners and co-operation of insolvency courts.

Paragraph 23 of Schedule 8 also provides for certain non-reserved functions of the Registrar of Companies in Scotland and the Assistant Registrar of Friendly Societies for Scotland to be transferred to the Accountant in Bankruptcy who is an office-holder in the Scottish Administration. This means that functions relating to the devolved aspects of insolvency in Scotland are concentrated in a single office-holder appointed by and accountable to the Scottish Ministers. The Registrar of Companies and Assistant Registrar of Friendly Societies will be left with their functions and will be accountable only to the UK Government and Parliament.