

Chapter 8

Obligations & Process



8.14 Administration

- 8.14.1** G Administration is a procedure which allows a company to reorganise or to realise its assets (whether solvent or insolvent) under the protection of a statutory moratorium. A statutory moratorium means that creditors cannot take action to enforce any claim they have against the company during the administration process. Administration is available to societies in a similar way to companies. It is not available to regulated housing associations.
- 8.14.2** G For societies in England and Wales, any charges registered after 6 April 2014 will be subject to administration procedures rather than administrative receivership. If there are conditions for receivership under the charge and the lender chooses to exercise their power then an administrator can be appointed.
- 8.14.3** G The power, role and procedures followed by the qualified insolvency practitioner appointed as an administrator are defined by the Insolvency Act 1986 as applied by The Co-operative and Community Benefit Society (Arrangements, Reconstructions and Administration) Order 2014, SI 2014/229.
- 8.14.4** G Societies may wish to take appropriate professional advice if they are considering using this procedure.