

R3 HELPSHEETS

PROGRESS REPORTS

BANKRUPTCY

Period to be covered

Generally	The report must cover the period of 1 year from the date on which the trustee is appointed and every subsequent period of 1 year, or the period until the trustee ceases to act.	r.6.78A(3)
Where trustee ceases to act	The period to be covered by a progress report ends on the date when a trustee ceases to act, and the period to be covered by each subsequent progress report is each successive period of 1 year beginning immediately after that date.	r.6.78A(4)
Trustee's resignation	The report must cover the period commencing with the later of the trustee's appointment or the date of the last progress report, and ending with the date of the meeting to receive the trustee's resignation.	r.6.126(2)
Where final meeting convened	A progress report is not required for any period which ends after the trustee has sent out his draft final report to creditors under Rule 6.78B – see below.	r.6.78A(5)

When report to be sent

Generally	The report must be sent within 2 months of the end of the period which it covers.	r.6.78A(6)
Court may extend period	On the application of the trustee, the court may extend the period of 2 months.	r.6.78A(7)
Trustee's resignation	The report must be sent with the notice summoning the meeting to receive the trustee's resignation.	r.6.126(2)
Final report to creditors and bankrupt	A draft final report must be sent out at least 8 weeks before holding a final meeting in accordance with section 331. The trustee may not send a draft final report to creditors before giving notice – • of intention to declare a final dividend (Rule 11.2), or • that no dividend or further dividend will be declared (Rule 11.7).	r.6.78B(1) r.6.78B(3)

Those to whom report to be sent

Generally	A copy of the progress report must be sent to creditors	r.6.78A(6)
Final report	The final report must be sent to the creditors and the bankrupt.	r.6.78B

Matters to be included

Generally	The progress report is a report must include: • details of the court and the proceedings; • the bankrupt's name; • the title of the proceedings; • details of the trustee; • details of the basis fixed for the remuneration of the trustee (or if not fixed at the date of the report, the steps taken during the period of the report to fix it); • if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report); • if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report; • a statement of the expenses incurred by the trustee during the period of the report, irrespective of whether payment was actually made during that period; • details of progress during the period of the report; • an abstract of the trustee's receipts and payments for the period of the report; • details of unrealised assets; • a statement of the creditors' rights to request further information, as explained below, and their right to challenge the trustee's remuneration and expenses; • any other relevant information	r.6.78A
Final report	The final report must include: • a summary of the trustee's receipts and payments, including remuneration charged and expenses incurred; • details of the basis fixed for the trustee's	

remuneration;

- a statement by the trustee that he has reconciled his account with that held by the Secretary of State; and r.6.137(2)
- a statement of the creditors' rights to request further information, as explained below, and their right to challenge the trustee's remuneration and expenses. Where the trustee has sent a previous progress report in accordance with rule 6.78A (see above), the final report must also include: r.6.78B(2)
- an abstract showing receipts and payments during the period since the last progress report;
- details of remuneration charged and expenses incurred during that period; and
- a description of the things done by the trustee during that period in respect of which the remuneration was charged and the expenses incurred. Where the basis of the trustee's remuneration had not been fixed by the date to which the last progress report was made up, the abstract referred to above must also include details of the remuneration charged in the period of any preceding progress report in which details of remuneration were not included. Where the basis of remuneration has been fixed as a set amount, it is sufficient for the trustee to state the amount which has been set and to supply details of the expenses charged within the period in question. r.6.137(2A)

r.6.137(2B)

r.6.137(2C)

Request for further information

Within 21 days of After receipt of a progress report a creditor may request the trustee to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

r.6.78C(1)

The request must be made –

- within 7 business days of receipt of the progress report where it is sent with notice of a meeting to receive the trustee's resignation, and
- within 21 days of receipt of the report or draft report in any other case. r.6.78C(2)

The trustee must provide the requested information within 14 days, unless he considers that:

- the time or cost involved in preparing the information would be excessive, or

- disclosure would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
- the trustee is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information.

r.6.78C(3)

Any creditor may apply to the court within 21 days of the trustee's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

r.6.78C(4)



taken in its preparation, this guide sheet is intended for general guidance only, and does not constitute legal advice.