

Checklist for the Preparation of a Liquidator's Release Report

The purpose of this checklist is to provide guidance on the preparation of a release report and what it should contain. Though it sets out comprehensively what a report should cover, it is not an exhaustive list, and the report should be drafted according to the facts and circumstances of each case.

1 Legislation the application for winding up was made under

- (a) Companies Act (Cap. 50, 2006 Rev. Ed.), or
- (b) Insolvency, Restructuring and Dissolution Act 2018 ("IRDA").

2 Application details and liquidator appointment(s)

- (a) Name of the applicant, relationship to the company and whether the applicant was a creditor.
- (b) Date of the winding up order and appointment of liquidator(s).
- (c) Names(s) of the appointed liquidator(s), the date of their appointment and if more than one liquidator was appointed, whether they were appointed joint and several liquidators.

3 Company profile and company officers(s) details

- (a) Year of incorporation.
- (b) Principal activities.
- (c) Registered office and any business premises address(es).
- (d) Share capital, name(s) of shareholder(s) and their shareholdings.
- (e) Name(s) of director(s) and secretary and dates of their appointment.

4 Preliminary investigations conducted

- (a) Details of the visit to the registered office and business premises, if any, and the findings e.g. observation of the premises, whether any assets and books and papers were seized and person(s) present at the time whom the liquidator(s) or his/ her representative dealt with. If no visit was made, the reason(s) why.
- (b) Whether the books and records of the company were handed over to the liquidator(s) and if so, when, where and by whom, and a brief description of the books and papers.

- (c) If books and records were not handed over, to provide details of any follow-up actions taken (e.g. report non-compliance to ACRA, OR, etc) and to state the outcome of the referral.

5 Statement of affairs (SA) & statement of concurrence (SC)

- (a) Whether the SA was filed with the liquidator(s), if so, to provide the following details:
 - (i) Names of the person(s) who submitted the SA and their appointment i.e. director or secretary of the company etc;
 - (ii) Date of filing;
 - (iii) State briefly, the cause(s) of the winding up as mentioned in the SA; and
 - (iv) To provide a summary of the amount of assets (as a whole) and liabilities (as a whole) of the company as set out in the SA, and any other important information of note.
- (b) If there was a delay in the filing of the SA, to provide a brief account of the circumstances of the delay, including any correspondence with the director(s) of the company on the requirement to file the SA, and details of any follow-up actions taken (e.g. report of non-compliance to OR, etc) and the outcome.
- (c) If the SA was not filed, to provide a brief account of the correspondence with the director(s) of the company on the requirement to file SA, and details of any follow-up actions taken (e.g. report of non-compliance to OR, etc) and the outcome.
- (d) [For IRDA cases] Whether the SC was filed, if so, to provide the details:
 - (i) Names of the person(s) who filed the SC;
 - (ii) Date of filing; and
 - (iii) Qualification remarks in the statement, if any e.g. the Filer of the SC is not in agreement with some parts of the SA.

6 Assets of the company

- (a) Details of assets disclosed in the SA, including and not limited to the following:
 - (i) Brief description of the asset(s) and their ascertained/ estimated value, where the asset is a sundry debt, the name of the debtor and the type of debt, and where the asset is of any other type, the person(s) who were or were said to be holding, in possession of or

having custody of the asset, and the inquiries into/ attempts to locate and recover the asset(s).

- (ii) Details of realisation of assets, including auctions, private treaties, etc., the cost of the realisation, if any, and the net asset value realised.
 - (iii) Where assets are not realisable, to state work done in any attempts to do so, and the relevant approvals obtained, if any, for not pursuing the realisation further.
- (b) Details of assets not disclosed in the SA but discovered through information received from third parties, to include the details set out in (a) above.
- (c) Details of funding or attempts to obtain funding, if any, to pursue the recovery of assets(s).
- (d) Details of any litigated recoveries, including matters in arbitration or in court, the outcome(s) and costs of the litigation, whether the litigation succeeded, and the net value of any recovery made. To include details of approvals obtained for the appointment of solicitor to commence litigation.
- (e) To provide the gross realised value of assets with the costs of the realisation and the net realised value after deduction of costs and payment of any debts/ liabilities, including a nil net value for all assets realised by the liquidator(s) and assets realised by a secured/execution creditor. Where there are realisation costs incurred by the liquidator(s), to reflect these as a payment or expense in the statement of receipts and payments in the winding up.

7 Any other investigations into the affairs of the company

- (a) To state details of any other investigations into the affairs of the company, including and not limited to undue preferences, undervalue transactions, etc., and the outcome of these investigations.
- (b) To state details of any other matters that was brought to court and the outcome/ settlement of the matter.
- (c) To state approvals of funding, if any.

8 Liabilities of the company

- (a) To state the gross value of the total liabilities disclosed in the SA.
- (b) Summary of proofs of debt received, including the number of claims setting out the preferential and ordinary claims, the total amount of each of these classes of claims, and the total amount of all claims. Whether the claims were adjudicated, and if not, the reason(s) so.

- (c) Where the proofs of debt have been adjudicated, to state a summary of the number and amount of the admitted claims, and whether they are preferential or ordinary, or both. To state whether there were objections to any Notice(s) of Rejection, with details and the related outcome.
- (d) Where applicable, to state whether tax clearance has been obtained.

9 Return to contributories

- (a) Where there are returns made to contributories, to state the details of the adjustments of the rights and the settlement of the list of contributories, the declaration of returns to contributories, including the date of the declaration and amount (both in absolute terms and per centum) for each class of shareholders and the date(s) of payment.
- (b) To state details of unclaimed monies for return to contributories that were forwarded to the OR, if any.

10 Committee of inspection (COI)

- (a) Whether a COI was appointed.
- (b) If so, to list the details of the date of appointment, the date(s) of meeting(s) to decide on the appointment of a COI and to determine its members, brief details in the outcome of the meeting, the names of the members appointed and their roles/ positions relevant to the appointment.

11 Fees and remuneration

- (a) To list all professional fees paid to the liquidator(s) and solicitor(s) in the course of the winding up administration.
- (b) Details of the approvals for such fees, where applicable.
- (c) Details of funding from creditors or related parties for the professional fees, if any.

12 Account of receipts and payments

- (a) To provide a summary of the liquidator's receipts and payments.
- (b) To list the proposed payments of the balance funds in the companies liquidation account or special bank account.

13 Others

- (a) [For IRDA cases] To include details of any meetings held by the company and its creditors, including the date(s) of the advertisements and the meeting, and whether there was a quorum, pursuant to s 148 IRDA.
- (b) [For Companies Act cases] To include the details of the notice of the liquidator's intention to apply for release and the summary of the receipts and payments in the winding up given to all creditors and contributories, including the date of the notice and any response to the notice, pursuant to rule 149 of the Companies (Winding Up) Rules.
- (c) The retention of the books and records for a period of 5 years from the date of the dissolution. The books and papers to be retained must be stated to be those of the company and of the liquidator(s) that are relevant to the affairs of the company, in accordance with s 195(2) read with s 195(1) of the IRDA/ s 320(2) read with s 320(1) of the Companies Act.

Things to consider for Final Accounts:

(Forms to be used: Form 68 under the Companies (Winding Up) Rules/ Form CIR-50 under the Insolvency, Restructuring and Dissolution (Corporate Insolvency and Restructuring) Rules 2020)

- 1 To include all receipts and payments, including all costs and expenses incurred by the liquidator(s) in the liquidator's realisation of assets.
- 2 Provisions to be made for payment out of balance funds for finalisation:
 - (a) Costs and disbursements of application for release payable to the liquidator's solicitors.
 - (b) Final payment to liquidator(s) of liquidator's fees and disbursements.
 - (c) The OR's cost of release application.
 - (d) The OR's final requisition fee for payment out of the companies liquidation account (if any).
 - (e) Document storage and destruction costs after the dissolution of the company.