



# PROVISIONAL LIQUIDATOR

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MAY 2017

Collas Crill recently obtained the Royal Court appointment of a provisional liquidator to a Guernsey company, the first time such an appointment is believed to have been made in Guernsey.

In what was described by the Bailiff as "*a very unusual situation*", the company was a joint venture vehicle intended to conduct a property development in central London. Due to a unique issue involving one of the shareholders, the development of the property did not go ahead, the lender appointed a fixed charge receiver over the property, the directors of the company resigned and its bankers closed its accounts.

With the receiver's sale of the property imminent, and significant funds expected to flow back into the company as a result, swift action had to be taken.

The appointment of a provisional liquidator to the company will ensure that its affairs can be attended to and the financial interests of the company's shareholders secured.

The Collas Crill team comprised of partner and insolvency specialist [Michael Adkins](#) and associate [Quentin Bregg](#).

[Michael](#) said: " Whilst provisional liquidators are common in other jurisdictions, and clearly contemplated within our Companies Law, it is believed this is the first time such an appointment has been made.

"This is a great example of the flexibility of Guernsey insolvency law and the willingness of the Guernsey Royal Court to make full use of that flexibility to find practical solutions to the issues before it."

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