

Insolvency Law: Corporate and Personal. By ANDREW KEAY and PETER WALTON.

[Harlow: Pearson Education Ltd. 2003. xcv, 577 and (Index) 18 pp.
Paperback £30.99. ISBN 0582-43719-9.]

INSOLVENCY LAW has emerged from the shadows of company and commercial law to become an academic subject in its own right. The reasons for this are not hard to fathom. Apart from the obvious social and economic need for a system of law that responds to financial distress, insolvency is a forcing ground for legal evolution (the current *locus classicus* being the debate as to the proper classification of security over book debts) and, *par excellence*, a forum in which the creative practitioner can be observed at work. However, as the study of insolvency law, at least in the United Kingdom, is still a relatively young academic discipline, the classic texts of the subject, such as Goode's *Principles of Corporate Insolvency Law* and Fletcher's *The Law of Insolvency*, tend to be oriented towards the profession and are marketed and priced accordingly. Whilst Finch's *Corporate Insolvency Law: Perspectives and Principles* undoubtedly provides a valuable theoretical account that will be of particular interest to postgraduate students, the market for an introductory text designed and written with students in mind can hardly be said to have reached saturation point. Keay and Walton's book therefore seeks to exploit the relative dearth of introductory texts in this area.

The authors' aims are modest and sensible. They seek to provide a "reasonably comprehensive and readable text" for use by law and business students studying insolvency law modules at undergraduate and postgraduate level and possibly also by practitioners who are new to the subject. The treatment is predominantly doctrinal, although theoretical issues are canvassed, with appropriate reference to the burgeoning literature, in Chapter 3. As the title indicates, both corporate and personal insolvency law are covered. Indeed, after the initial discussion of the principal insolvency regimes in Parts II to V, the book is helpfully structured so that core issues such as the administration of the insolvent estate, the distribution of assets, the treatment of the various categories of creditor and transaction avoidance are considered holistically. This enables the student to see the overlaps and the differences between corporate and personal insolvency law and to evaluate the extent to which the Insolvency Act 1986 has succeeded in harmonising these two bodies of law. In order to keep the text within manageable proportions, the authors have

adopted a domestic focus, omitting such matters as cross-border insolvency. Teachers who wish to recommend the book but also to incorporate an international dimension in their course structure will therefore need to identify other materials covering, for example, the EC Regulation on Insolvency Proceedings and the UNCITRAL model law (to which effect can now be given in domestic law by virtue of section 14 of the Insolvency Act 2000).

The structure of the book places fashionable emphasis on the rescue and rehabilitation of distressed debtors. Thus, the initial focus of the exposition (in Part II) is on the non-terminal statutory regimes: receivership, administration and voluntary arrangements. The authors cover this ground well and draw out the important aspects of the developing law in the post-Enterprise Act 2002 era. The picture is completed by some welcome discussion (Chapter 10) of non-Insolvency Act strategies such as schemes of arrangement and informal workouts. There then follows a comprehensive account of the law of company winding up – which includes useful chapters on provisional liquidation (Chapter 11) and dissolution (Chapter 18) – and the law of bankruptcy. Having discussed the available regimes, the authors consider in Parts VI to VIII (in the manner already described) various matters that overlap corporate and personal insolvency law before closing in Part IX with an account of the law's response to the misconduct of bankrupts and those most intimately connected with failed companies. This final part includes coverage of the directors' disqualification regime and the main criminal offences in the Insolvency Act. A minor point that may be worthy of consideration for a future edition is whether the material on bankruptcy restrictions orders and undertakings currently located in Chapter 24 (bankruptcy discharge) would fit more logically in Part XI given that the imposition of post-discharge bankruptcy restrictions is premised on debtor misconduct. Inevitably, the book is also the victim of the perennial occupational hazard in that its publication predated the landmark decision in *Re Leyland Daf Ltd, Buchler v. Talbot* [2004] UKHL 9, [2004] 2 W.L.R. 582 which has radically reconfigured the law concerning the treatment of liquidation expenses.

The text is clear, concise, readable and uncluttered. The balance between breadth and depth of coverage has been well struck. No point is laboured, but at the same time, there are excellent vignettes on a wide range of matters such as security, receivers' duties, the impact of default on voluntary arrangements and the funding of

insolvency litigation all of which serve to demonstrate the authors' grasp of the law and its practical context. In the opinion of this reviewer, the authors have achieved their stated objectives and, as such, the book should prove to be a popular foundational work.

ADRIAN WALTERS