Brake and another (Respondents) v Chedington Court Estate Ltd (Appellant)

Case ID: 2021/0010

Case summary

Issue

Does a bankrupt have standing under section 303(1) of the Insolvency Act 1986 to challenge transactions entered by their trustee in bankruptcy in situations where the relief sought would have no impact on their position within the bankruptcy?

Facts

The Brakes were made bankrupt in 2015. Their trustee in bankruptcy entered into a number of transactions to dispose of the bankrupt estate. The Brakes sought to challenge the propriety of these transactions under section 303(1) Insolvency Act 1986, which provides for the trustee's exercise of discretion to be challenged on the application of "dissatisfied" persons. At the Court of Appeal, it was found that the Brakes had sufficient standing to make an application under section 303(1) as bankrupts in their own capacity on the basis that they had a direct interest in the relief sought.

The Chedington Court Estate Ltd now appeals to the Supreme Court on the ground that bankrupts cannot have standing to interfere in the conduct of their bankruptcies where the relief sought would have no impact on their position within the bankruptcy and/or where other relief is available to them in the general law.

Judgment appealed

[2020] EWCA Civ 1491

Parties

Appellant(s)

Chedington Court Estate Ltd

Respondent(s)

- (1) Nihal Mohammed Kamal Brake
- (2) Andrew Young Brake

Appeal

Justices

Lord Briggs, Lord Hamblen, Lord Leggatt, Lady Rose, Lord Richards

Hearing start date

1 November 2022

Hearing finish date

1 November 2022

Watch hearing

1 November 2022 Morning session Afternoon session