

## CBL Corporation Limited (Administrators Appointed) ('the Company')

Company No. 3888838

20 September 2018 | 90011

## Introduction

Neale Jackson and Brendon Gibson were appointed joint and several Administrators of the Company and nine of its subsidiaries on 23 February 2018 in accordance with Section 239I of the Companies Act 1993. All ten of the companies in administration are non-trading holding companies.

The watershed meeting for CBL Corporation was held on 18 May 2018, but was adjourned to be held on a date no later than 2 July 2018. On the application of the Administrators, the High Court has subsequently granted successive orders to further adjourn that watershed meeting. The watershed meeting for CBL Corporation has now been adjourned until 17 November 2018 (or any date prior by giving all creditors no less than five working days' notice). In addition, certain of CBL Corporation's creditors (the Industrial and Commercial Bank of China (New Zealand) Limited, and the Bank of China (New Zealand) Limited) have applied to the Court for orders putting CBL Corporation into liquidation. A hearing date for that application has not yet been scheduled. With respect to the remaining companies in administration, the convening period for the watershed meeting has also been extended (by successive orders of the Court, on the application of the Administrators) until 17 November 2018, or any date prior by giving all creditors no less than five working days' notice.

These applications sought to allow the Administrators to evaluate properly a proposal to restructure CBL Corporation (and the subsidiaries). This proposal may be significantly affected by the status of one of CBL's largest subsidiaries, CBL Insurance Ltd (currently in interim liquidation). A hearing to determine whether CBL Insurance is to be placed into liquidation has been set down for 12 November 2018.

This report covers the voluntary administration period from 23 February 2018 to 22 August 2018 ("the period"). Through the period the Administrators have:

- concluded the sale of the UK-based PFP business and progressed the various other asset realisation processes that are running across the CBL Group;
- advanced their review of events between the Company's IPO and the Voluntary Administration;
- continued with work relating to, and analysis of, the directors' restructuring proposal. The outcome for CBL Insurance is a key consideration in assessing the potential options for the group, including the restructuring plan that is being proposed by two of CBL's directors. The position of CBL Insurance also impacts on CBL Insurance Europe, another of CBL Corporation's subsidiaries, as is explained in our watershed report; and
- continued to work through the legal and regulatory issues inherent in a cross-border insolvency with multiple insolvency professionals and differing jurisdictions.

## Restrictions

This report has been prepared by us in accordance with and for the purposes of Section 239ACZ of the Companies Act 1993 ('the Act'). It is prepared for the sole purpose of reporting the Administrators' receipts and payments for the period.

In compiling this report, we have relied on the accuracy of all relevant information provided by the Company. While all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.

Amounts are in NZD unless specified.

## 1 Details of Administrators

Date of appointment: 23 February 2018

Names: Neale Jackson and Brendon Gibson

Address: Level 16, 45 Queen Street, Auckland Central, Auckland 1010



## 2 Details of accounts

Are the accounts final:	No
Date of vacation of office:	N/A
Accounts and statements made up from:	23 February 2018 to 22 August 2018

## 3 Payments to creditors

### Estimate of total creditors at the date of this account (22 August 2018)

Estimated number of priority creditors	4
Estimated value	\$48,475
Estimated number of secured creditors	NIL
Estimated value	NIL
Estimated number of unsecured creditors	18
Estimated value	\$172,750,881
Estimated number of deferred	NIL
Estimated value	NIL

Unsecured creditors include inter-company liabilities of \$26,195,740.

The indebtedness to the bank lenders to CBL Corporation is guaranteed by a number of the other subsidiaries in administration.

### Payments made to creditors from the date of appointment to the date of this account (22 August 2018)

#### **Priority Creditors**

Date Paid:	NIL
Total Paid:	NIL
Rate of payment (cents in the \$):	N/A

#### **Secured Creditors**

Date Paid:	NIL
Total Paid:	NIL
Rate of payment (cents in the \$):	N/A

#### **Unsecured Creditors**

Date Paid:	NIL
Total Paid:	NIL
Rate of payment (cents in the \$):	N/A

#### **Deferred Creditors**

Date Paid:	NIL
Total Paid:	NIL
Rate of payment (cents in the \$):	N/A

## 4 Secured lenders

There are no secured lenders.



## 5 Summary of professional fees

Remuneration paid to us during the administration period: \$1,128,205

Amount received by us in respect of expenses during the administration period: \$41,985

## 6 Account of receipts and payments since the date of appointment

Statement of Administrators' receipts and payments from 23 February 2018 to 22 August 2018

	\$
<b>Receipts</b>	
Cash on hand at date of appointment	197,017
Debtor receipts	55,003
Funding received	3,444,293
Interest received	332
<b>Total receipts</b>	<b>3,696,645</b>
<b>Payments</b>	
Administrators disbursements	41,985
Administrators fees	1,128,205
Interest paid	81,145
Legal costs	1,221,263
Rent	68,974
Salaries, wages and contractors	663,356
Sale related costs	482,850
Sundry payments	8,866
<b>Total payments</b>	<b>3,696,645</b>
<b>Net cash flow</b>	<b>-</b>

At the date we were appointed the Company had no money available to fund the administration. In order to undertake the administration, we made arrangements for funding with existing bankers of the Company.

Sale related costs are attributable to the realisation of offshore subsidiaries, the proceeds of which have yet to be received.

Certain costs are recharged to other group subsidiaries. These recharges will be reflected in future reports.

## 7 Reconciliation of money held

Reconciliation of money held at 22 August 2018

	\$
<b>Cash in hand</b>	<b>-</b>
Credit as per bank statement	-
Less unrepresented cheques	-
Plus outstanding deposits	-
<b>Equals cash at bank</b>	<b>-</b>
Amounts invested and not converted to cash	-
<b>Total balance of money held</b>	<b>-</b>



## 8 Verification of this account and statement

We declare that the statements below are correct.

- The information given in the statement is true to the best of our knowledge and belief at the date of signing.
- The account of receipts and payments set out in Section 6 contains a full and true account of our receipts and payments in this period and we have not, nor has any other person by our order or for our use during that period, received or paid any money on account of the company other than and except for the items mentioned and specified in that account.

Signed by:



Neale Jackson  
Joint Administrator

Date: 20 September 2018

