



# Profile

## Corporate Recovery



# Corporate Recovery

## How to protect your Company from extinction?

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Crowe Advisory Zimbabwe



### Overview

The overall aim and objective of a corporate recovery is to avoid the company from becoming extinct due to a liquidation process, by implementing plans to restructure an organisation.

Corporate Recovery is necessary when a company is under financial distress and requires the assistance of a professional to develop a plan to improve their financial situation. It can be hard dealing with financial difficulties whilst running a business, which is why Crowe Advisory Zimbabwe is here for you with professionals at hand to assist in navigating the company through trying times.

### Our Approach to Corporate Recovery

At Crowe, our specialists engage with the management of a business, to consider all aspects of the business and identify key factors that could generate improvements in cash flow and profits. During our meetings, we discuss all the important financial aspects of the business, to form a plan that will consist of positive and practical steps to restore the business to health and profitability.

We are very realistic when presenting a variety of options, such as of corporate reconstruction, that are suited to improving your current financial situation. We don't make unrealistic plans that your company would never be able to achieve. Instead, we offer our support in ensuring you are happy with the recovery process, we conceive a plan for your company, and thoroughly explain the methods behind the process to keep you in the loop at all times.

Our specialists will engage with the management of your company and ensure that the right action is taken and that the company fully understand the process they are committing to, in order to improve the fortunes of the company.

We understand that directors and owners of a company seeking corporate recovery may find themselves very stressed and in a difficult situation. Which is why we are very open and honest with our proposals, as we want to improve your financial situation and prevent you requiring corporate recovery in the future.

### Why Choose Crowe for Insolvency?

Our team of specialists are qualified to assist you resolve the issues in your company to ensure a successful turnaround. They are trained to deal with complex matters regarding financial, operational, and other challenges in a company and therefore can offer the best advice and solutions for whatever problems your company is facing.

No company wants to be in a position where they have to undergo a corporate recovery, but the benefits of the process are having specialists identify the underlying issues, present suitable solutions, and then have them implemented to get your company back on track.

With Crowe, you can be assured of peace of mind that the specialists' advice you receive will give you enough clarity to make **smart decisions that have a lasting value** thus benefiting the interests of all stakeholders.

We also understand that oftentimes corporate distress can impact your personal life, therefore we will always do the best for you and your company. Where a turnaround is not feasible, Crowe will utilize highly innovative and imaginative insolvency procedures, such as liquidation arrangements in order to achieve a positive outcome for the benefit of all parties involved.

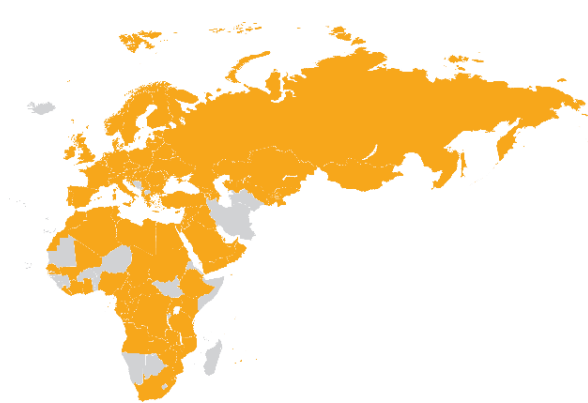
# Brief Profile of the firm

## Zimbabwe

The Firm was formed and registered by the Public Accountants and Auditors Board (PAAB), the regulator of Public Accountants and Auditors in Zimbabwe, on 1 October 2011 as Welsa International Chartered Accountants. The Firm joined the Crowe Network on 1 October 2014 and changed its name to Crowe Horwath Welsa Chartered Accountants with effect from 1 April 2015 under certificate of registration number Z10009. On the 1 of July 2018, the Firm changed its trading name to Crowe Chartered Accountants (Zimbabwe) under the international strategy of conformity and consistence on the utilization of the brand. Crowe Advisory was formed in 2019 as a standalone entity to separate corporate advisory from audit work.

## Crowe Global

Crowe Global is ranked among the **TOP 10** (Second tier) global accounting networks, consists of more than 200 independent accounting and advisory services firms in more than 130 countries around the world. 'Size', however, has never been on our agenda – "Service Delivery comes first".



Crowe's member firms are committed to impeccable quality service, highly integrated service delivery processes and a common set of core values that guide our decisions daily. Each firm is well established as a leader in its national business community and is staffed by nationals, thereby guaranteeing a knowledge of local laws and customs which is important to clients undertaking new ventures or expanding into other countries.

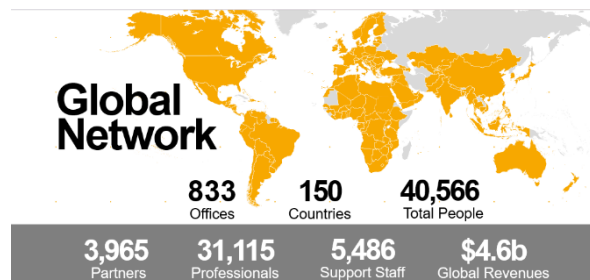
Crowe Global Member firms are known for their personal service to privately and publicly-held businesses in all sectors and have built an international reputation in the areas of audit, accounting, tax, risk and advisory services. The strategy of Crowe Zimbabwe is to be ranked number 8<sup>th</sup> in the country by 2020 and 7<sup>th</sup> by 2023 through a combination of acquisitions and organic growth strategies.



## Vision

**Enhancing value through transformation, leadership and growth benefiting our clients, our people and society.**

The vision of the firm describes the overall direction the organization is headed and the ultimate picture of what it is continually trying to become. The words contained within this vision were carefully chosen to embrace technology, clients, our people professionals globally and the society at large. The business market served by member firms including Crowe is looking for alternatives to the traditional auditing, tax and advisory services. As this market considers its alternatives, they wish to ensure that their needs will be met by a firm that is linked by a common brand recognized for its quality and capability.



**Is your company facing financial distress and you require assistance in protecting assets. Then look no further and get in touch with us to assist you to make smart decisions that have a lasting value.**

## Meet the team



**Mr. R. B. Sibanda**  
*Insolvency Practitioner*

MBA, BSc (Hons), CPA,  
Registered Estate Administrator  
Registered Public Accountant  
Member of the Council of Estate Administrators  
Member of the Insolvency and Restructuring Association of Zimbabwe



**Dr. O. Mtasa**  
*Insolvency Practitioner*

Chartered Accountant (Zimbabwe)  
MBA, DBA  
Registered Estate Administrator  
Member of the Council of Estate Administrators  
Member of the Insolvency and Restructuring Association of Zimbabwe



**Mr. D. Chirengwa**  
*Corporate Advisor*

MBA, BSc (Hons), FCCA  
Member of the Institute of Directors Zimbabwe  
Member of the Council of Estate Administrators  
Member of the Insolvency and Restructuring Association of Zimbabwe



**Mr. Z. Kumwenda**  
*Corporate Advisor*

FCA(Z), CIMA, B. Acc Hons,  
Post-Grad Accounting  
Chartered Accountant (Zimbabwe)  
Corporate Finance Certificate (ICAZ)

### The team is assisted by:

- Legal practitioners
- Business Analysts
- Human Resources practitioners
- Digital transformation experts
- Forensic auditors
- Other business-related consultants

**The firm has professionals under our Corporate Recovery division that offer the following services to clients:**

**1**

### Business process reengineering

A process of realigning business processes to the business strategies or objectives.



**2**

### Corporate Rescue

A judicial process that protects a financially distressed company from possible litigation and liquidation that can threaten its



**3**

### Liquidation

A judicial process that is meant to bury an insolvent company. Last resort.



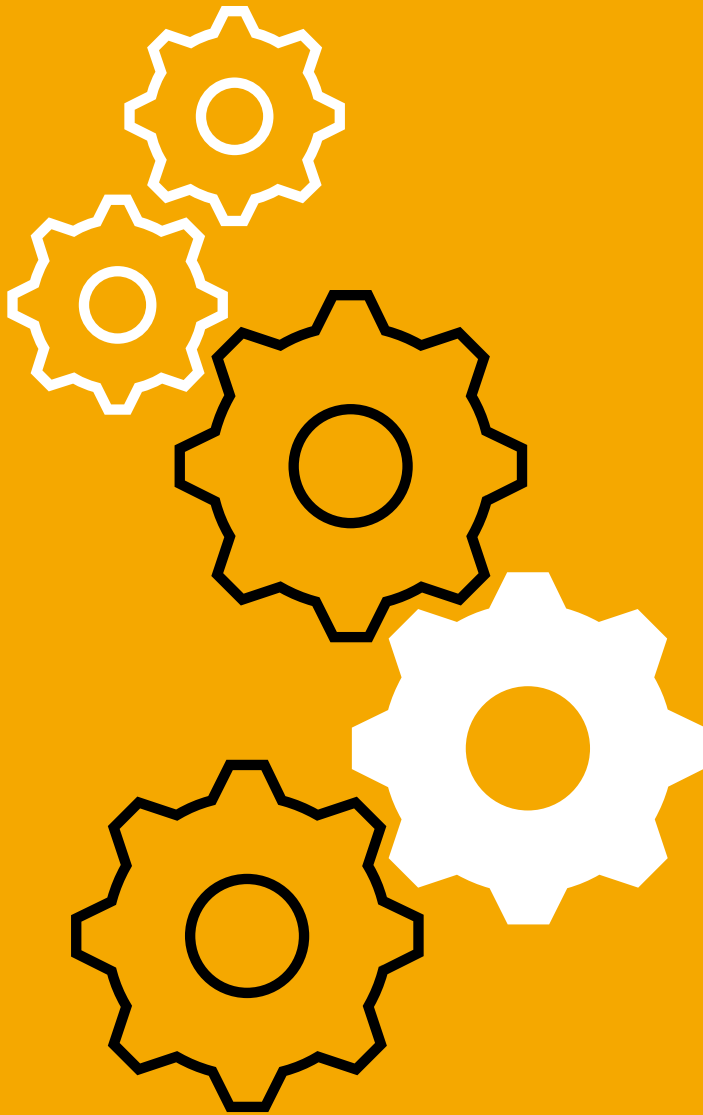


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# Business Process Reengineering

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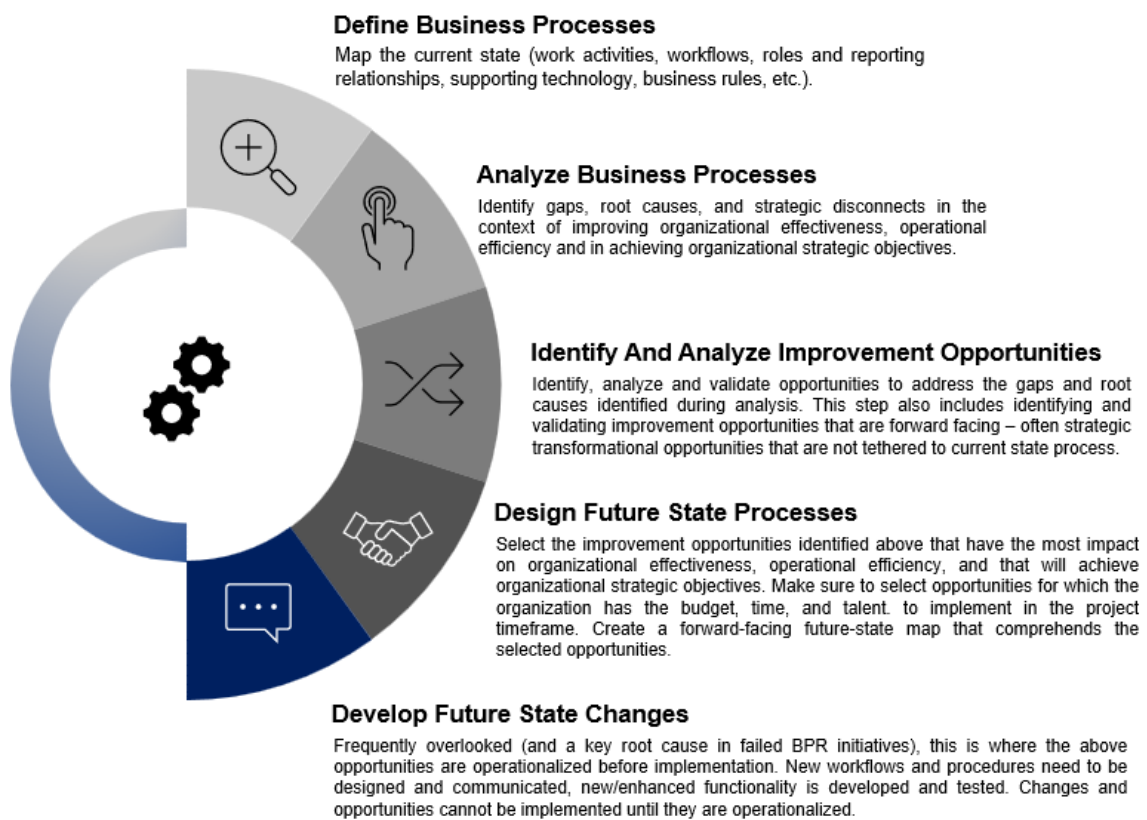
**“Innovation is the creation of the new or the re-arranging of the old in a new way” – Michael Vance**

# Business Process Reengineering

## The objective of a BPR

- A major aim of BPR is to analyze workflows within and between business functions in order to optimize the end-to-end business process and eliminate tasks that do not improve performance or provide the customer with value.
- The use of IT to automate and integrate steps in the process is central to BPR initiatives.
- This is a process of realigning business processes to the business strategies or objectives

## Our approach to BPR



**Implement Future State Changes.** Classic implementation based on dependencies among changes/opportunities, change management, project management, and performance monitoring.

Key to corporate restructuring includes the following:

<b>Financial Restructuring</b>	Addresses problems of inefficiencies caused by an inefficient capital structure of a business
<b>Managerial Restructuring</b>	Management and Board structures for optimal efficiencies.
<b>Operational Restructuring</b>	Is the identification of the causes of operational underperformance and the development of a strategy to achieve improvement.
<b>Asset Restructuring</b>	Companies often divest businesses that are not core operations or unprofitable, allowing a firm to concentrate its portfolio on the main order of business.

# 1

## Finance Effectiveness



- Standardization and simplification of your finance processes
- Strengthening performance management, budgeting, and forecasting capabilities
- Improving internal and external reporting
- Focusing on people and organizational structure
- Optimizing cash flow and the use of capital
- Building and maintaining cost-effective controls
- Optimal capital structures

# 2

## IT Effectiveness



- Optimizing IT cost and performance
- Simplifying IT operations
- Managing IT business risk and compliance
- Strengthening sourcing competency
- Cultivating IT governance and leadership

# 3

## Governance, risk, and compliance



- Improving decision making for strategic planning and capital allocation
- Reducing cost and increasing effectiveness of compliance activities
- Avoiding/recovering from a compliance failure
- Risk and compliance oversight

# 4

## Key Performance Indicators (KPIs)



We help you to identify, define, organize and measure KPIs at all three levels in the organization including overall organization, business unit, and individual that directly correspond to the organization's goals and are most relevant to the critical performance areas of the business

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# Corporate Rescue

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**"Corporate rescue proceedings are not for terminally ill businesses, nor are they for chronically ill corporations. They are for ailing companies, who when given time will be rescued and become solvent".**





# Corporate Rescue

## How is a company placed under corporate rescue?

There are two main avenues in which a company is placed under corporate rescue namely:-

- (i) Where the board of a company resolves that the company voluntarily begin corporate rescue proceedings, and
- (ii) By a court order granted upon the application by an affected person to place the company under corporate rescue. Shareholders, creditors, or trade unions representing employees of the company are regarded as affected persons as defined by the Act.

## Corporate rescue proceedings commenced by company resolution

The Board of a company is responsible for the company's welfare and has the fiduciary responsibility to promote the success of the company. It is a company's board, therefore, that makes a decision of whether or not a company must be placed under corporate rescue. The Insolvency Act [Chapter 6:07] states that where the board has reasonable grounds to believe that a company is financially distressed and there appears to be a reasonable prospect of rescuing the company, it may resolve that voluntary corporate proceedings commence in a bid to save the company.

## Corporate rescue proceedings commenced by a court order

This is an application to the High Court of Zimbabwe by an affected party to place the company under Corporate Rescue. Upon granting of an order, the company is said to be under corporate rescue.

**Note: Whether the company was placed under corporate rescue voluntarily or by order of the court, the proceedings that follow remain the same.**

## What is corporate rescue?

Corporate rescue means legal proceedings to facilitate in the rehabilitation of a company that is financially distressed. The concept of corporate rescue was introduced into our Zimbabwean law by the enactment of the Insolvency Act [Chapter 6:07] (hereinafter referred to as the Act) in 2018. The enactment saw the substitution of judicial management,

which was provided for in the old Companies Act [Chapter 24:03] [Repealed and replaced by the Companies and Other Business Entities Act [Chapter 24:31] ["the COBE"]], by the concept of corporate rescue.

The concepts of judicial management and corporate rescue are similar in nature and designed for the same purpose, but the law has detailed more transparent provisions for the conduct of corporate rescue proceedings.

## A 'financially distressed company'

A company is deemed to be **financially distressed** when it appears to be reasonably unlikely that the company will be able to pay all of its debts as they become due and payable within the immediately ensuing six months. A company is also financially distressed when it appears to be reasonably likely that the company will become insolvent within the immediately ensuing **six (6) months**. Corporate rescue, therefore, gives relief to such a company by providing for:

- (i) the temporary supervision of the company, and of the management of its affairs, business and property, by an agent of the High Court of Zimbabwe known as a Corporate Rescue Practitioner.
- (ii) a temporary moratorium on the rights of creditors against the company or in respect of property in its possession.
- (iii) the development and implementation, if approved in terms of Section 145 of the Insolvency Act [Chapter 6:07], of a plan to rescue the company by:

***".....restructuring its affairs, business, property, debt and other liabilities, and equity in a manner that maximises the likelihood of the company continuing in existence on a solvent basis or, if it is not possible for the company to so continue in existence, results in a better return for the company's creditors or shareholders than would result from the immediate liquidation of the company...."***

## What is the aim of corporate rescue?

Although the aims of corporate rescue are not clearly enunciated in the Act, it can be deduced that it aims to resuscitate distressed companies, saving them from extinction which would have otherwise suffered through liquidation.

Effectively speaking, corporate rescue intends to award distraught companies with a second chance at survival by protecting the company

from potential litigation or liquidation that can bring it to extinction.

Corporate rescue proceedings are much more flexible and more friendly than the judicial management. The corporate rescue plan provided for in terms of **Section 145** of the Insolvency Act has two objects in mind:

- (i) the primary objective is to facilitate the continued existence of the company in a state of solvency, and
- (ii) the alternative, in the event that the primary objective cannot be achieved or appears not to be viable, to facilitate a better return for the creditors or shareholders of the company than would result from immediate liquidation.

It is important to highlight that the reference and definition of **'financial distress'** in the Act appear to be more focused on the future. The provisions in the Act on corporate rescue, therefore, address questions of probable insolvency as opposed to immediate insolvency. The implication is that corporate rescue proceedings cannot be applied to save companies that are already insolvent.

### **The Corporate rescue practitioner**

A corporate rescue practitioner is a person whose role is governed by the Act read together with the COBE Act. Duties of a corporate rescue practitioner as enshrined by the law include:

- that during a company's corporate rescue proceedings, the corporate rescue practitioner is an officer of the court and must report to the court. In addition, a corporate rescue practitioner has the fiduciary responsibilities, duties, and liabilities of a director of a company. His purpose is to investigate the company's affairs, business, property, and financial situation and thereafter consider whether there is any reasonable prospect of rescuing the company.
- The Act outlines the qualifications of a corporate rescue practitioner. The key element is that a corporate rescue practitioner must not have a relationship with the company such as would lead a reasonable person to conclude that the integrity, impartiality, and objectivity of the corporate rescue practitioner are compromised by that relationship.
- For a person to be appointed as a corporate rescue practitioner, he or she must be registered with the Council of Estates Administrators and the Insolvency and

Restructuring Association of Zimbabwe (IRAZ).

### **Powers of a corporate rescue practitioner**

- A corporate rescue practitioner is responsible for the full management of the company in substitution for its board and pre-existing management.
- In addition to that, a corporate rescue practitioner is responsible for developing a corporate rescue plan in terms of **Section 145** of the Act to be considered by **affected parties** and implementing any corporate rescue plan that has been adopted. In essence, the corporate rescue practitioner takes charge of the affairs of the company and is responsible for charting the revival process. He/she thus has a duty to act in the best interest of the company and its stakeholders in consultation with the Master of the High Court of Zimbabwe.
- The corporate rescue may delegate any of his/her powers or functions to a person who was part of the board or pre-existing management of the company.

### **Corporate rescue practitioner's remuneration**

A corporate rescue practitioner is entitled to charge an amount to the company for the remuneration and expenses of the practitioner in accordance with the Second Schedule of the Insolvency Act [Chapter 6:07], which may be amended by the Minister from time to time by way of notice in the Gazette.

A corporate rescue practitioner may propose an agreement with the company providing for any further remuneration as a contingency fee. Once the proposed agreement is approved by shareholders and creditors it becomes binding on the company.

In order to protect both the financially distraught company from unreasonable exorbitant changes and the corporate rescue practitioner from being underpaid, the Master of the High Court, may, for good cause decrease or increase the corporate rescue practitioner's remuneration. In circumstances where the corporate rescue practitioner's remuneration and expenses are not fully paid, the practitioner's claim for those amounts will rank in priority before the claims of all other secured and unsecured creditors.

An affected person may apply to a Court at any time for an order placing the company under

supervision and commencing corporate rescue proceedings. The corporate rescue proceedings are deemed to have commenced with effect from the date that the court application is filed.

### **Duration of corporate rescue proceedings**

Section 125(3) of the Act stipulates that proceedings must be completed within a time period of three months. If proceedings do not end within the stipulated time, the corporate rescue practitioner may apply for an extension of the proceedings and must; then prepare a report on the progress of the corporate rescue proceedings which must be updated at the end of each subsequent month until the end of those proceedings. The progress report must be delivered to each affected person and the court if the proceedings were commenced by a court order and to the Master of the High Court.

### **When do corporate rescue proceedings begin?**

Corporate rescue proceedings begin when the company files a resolution to place itself under supervision or when an affected person applies to the court for an order placing the company under supervision.

### **When do corporate rescue proceedings end?**

Corporate rescue proceedings end when the court sets aside the resolution or order that began those proceedings or when the court has converted the proceedings to liquidation proceedings. Corporate rescue proceedings may also end when the corporate rescue practitioner has filed a notice of the termination of the corporate rescue proceedings with the Master of the High.

### **Effects of corporate rescue proceedings**

#### **General moratorium on legal proceedings against the company:**

- (i) No legal proceedings may be instituted in any forum against a company that is under corporate rescue. This includes enforcement of orders against the company or any property belonging to it.
- (ii) The moratorium has been described as the cornerstone of corporate rescue proceedings. The rationale for the moratorium is to provide the company under corporate rescue with much-needed

breathing space or a period of respite to enable the company to restructure its affairs.

- (iii) The moratorium allows the practitioner, in conjunction with the creditors and other affected parties, to formulate a business rescue plan designed to achieve the purpose of the whole process.
- (iv) In the event that any right to commence proceedings or otherwise assert a claim against a company is subject to a time limit, the measurement of that time must be suspended during the corporate rescue proceedings.

### **Employees**

- (i) Employees of the company continue to be so employed on the same terms and conditions except to the extent that changes occur in the ordinary attrition or if the employees and the company in accordance with applicable labour laws, agree on different terms and conditions.
- (ii) The Act goes on to provide that any retrenchment of any such employees contemplated in the corporate rescue plan is subject to the Labour Act [Chapter 28:01] and any other applicable employment-related legislation.

### **Contracts**

- (i) During corporate rescue proceedings, the practitioner may entirely, partially or conditionally **suspend**, for the duration of the corporate rescue proceedings, any contractual obligations that the company may have entered into at the commencement of the proceedings or may become due during the proceedings.
- (ii) The practitioner may make an urgent application to the court for an order to cancel the contractual obligations of the company entirely, partially, or conditionally. Any party whose agreement has been suspended or cancelled or terminated, or any provision which has been suspended or cancelled or terminated may assert a claim against the company only for damages as enshrined in the terms and conditions of the contract.

### **Shareholders**

Any alteration in the classification or status of any issued shares of a company during corporate rescue proceedings, other than by way of transfer of shares in the ordinary course of business is invalid except to the extent that the court directs or as contemplated in an

approved corporate rescue plan. The shareholder's decision is replaced by the Master of the High Court of Zimbabwe. Shareholder motions are submitted to the Master for decision-making.

## Directors

The company's board is **deemed dissolved**, and the directors may not exercise the functions of directors. Furthermore, the directors may only exercise management function within the company in accordance with the express instructions or directions of the corporate rescue practitioner. They, however, have the duty to assist the corporate rescue practitioner at all times and provide him with any information about the company's affairs. If a director takes any action on behalf of the company after the commencement of corporate rescue proceedings, such an action will be void unless approved by the corporate rescue practitioner.

## The Corporate Rescue Plan

A corporate rescue plan is a blueprint for how the company is going to be resuscitated. The corporate rescue plan is prepared by the corporate rescue practitioner and must be published within forty-five business days from the date the corporate rescue practitioner is appointed. Corporate rescue plans are regulated by Section 142 of the Act. The plan must contain the following:

- **Assets** – a complete list of all the material assets of the company, as well as an indication as to which assets were held as security by creditors when the corporate rescue proceedings began.
- **Creditors** -a complete list of the creditors of the company when the corporate rescue proceedings began. as well as an indication as to which creditors would qualify as secured, statutory preferent, and concurrent in terms of the laws of insolvency, and an indication of which of the creditors have proved their claims
- The plan must also include the probable dividend that would be received by creditors, in their specific classes if the company were to be placed in liquidation, and a complete list of the holders of the company's issued securities.
- A copy of the written agreement concerning the practitioner's remuneration.
- In addition, it must contain proposals indicating the duration of the moratorium, the

extent to which the company is to be released from the payment of its debts, the ongoing role of the company and the treatment of any existing agreements, and the benefits of adopting the corporate rescue plan. The plan must be completed with a statement

## Adoption of the plan and implications

A corporate rescue plan is adopted when a vote for preliminary approval is conducted, and it is supported by:

the holders of more than 75% of the creditors' voting interests of which 50% must be independent creditors as defined by the Act. If the plan is not approved at this stage, it is deemed rejected.

A corporate rescue plan that has been adopted is binding on the company and on each of the creditors of the company and on every holder of the company's shares regardless of whether they were present at the meeting, voted in favour of the plan or in the case of creditors, had proved their claim.

The company through the corporate rescue practitioner must therefore take all the necessary steps to satisfy the conditions on which the plan is contingent and implement the plan. When the plan has been substantially implemented, the corporate rescue practitioner must file a notice of substantial implementation of the corporate rescue plan.

## Failure to adopt a corporate rescue plan

- **Section 145** of the Insolvency Act provides that if a corporate rescue plan has been rejected, the practitioner may seek a vote of approval to prepare and publish a revised plan or apply to a court to set aside the result of the vote.
- If the corporate rescue practitioner fails to do the above, any affected person may do so.
- If no person takes any of the above actions, the corporate rescue practitioner must promptly file a notice of the termination of corporate rescue proceedings.

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Liquidation

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**"In some cases, you have to cut your losses to recover what remains and move on".**

# LIQUIDATION

## What is liquidation?

Liquidation is a legal process of disposing of assets of the Company in Liquidation and the proceeds of disposal are paid to the liabilities or creditors of the Company, thereof.

Liquidation can either be on a voluntary basis or by court order. The first stage is the granting of a provisional liquidation order, and the second stage is granting of a final liquidation order.

Upon the High Court of Zimbabwe granting, a provisional order for the liquidation of the Company is said to be in Liquidation and the liquidator will execute his duties in terms of the Act.

## The Liquidator

- The Act outlines the qualifications of a Liquidator. The key element is that a Liquidator must not have a relationship with the company and must not be an outgoing corporate rescue practitioner, such as would lead a reasonable person to conclude that the integrity, impartiality, and objectivity of the corporate rescue practitioner are compromised by that relationship.
- For a person to be appointed as a corporate rescue practitioner, he or she must be registered with the Council of Estates Administrators and the Insolvency and Restructuring Association of Zimbabwe (IRAZ).

## Duties and responsibilities of the Liquidator

Under the provisional liquidation order the duties and responsibilities of the Liquidator are as follows:

- investigate the affairs of the Company in Liquidation
- execute in the name of and on behalf of the Company all deeds, receipts, and other documents.

- compromise or admit any claim lodged for proof at a properly constituted meeting of creditors of the Company, including any unliquidated claim. The Liquidator has the discretion to disallow or reduce creditor claims of the insolvent Company.
- receive any payments or a dividend in respect of debtor draw, accept, make or endorse any bill of exchange or promissory note in the name of, or on behalf of the Company. The Liquidator has the discretion to dispose of a debt owing to the Company or accept payment of a reasonable part of a debt in full settlement of the debt or give a reasonable extension of time for payment of a debt or part thereof.
- convene a meeting of creditors of the Company in terms of the Act.
- engage the services of a legal practitioner or any other professional person or employ any other person to render services on behalf of the insolvent Company.
- take any other necessary measures for the protection and administration of the company in Liquidation in the best interest of stakeholders.

## Effect of liquidation on employee contract of service

The contracts of service of employees whose employer has been liquidated are terminated with effect from the effective date of the liquidation order.

An employee whose contract of service has been terminated in terms of the liquidation process is entitled to claim compensation from the insolvent Company of his or her former employer for loss suffered by reason of the termination of a contract of service prior to its expiration.

An employee whose contract of service has been terminated in terms of this process is entitled to claim termination benefits from the Company of the insolvent employer in accordance with the Labour Act [Chapter 28:01].



# Overall Synopsis

## Corporate rescue vs Liquidation

The purpose of liquidation proceedings is to shut the company down, dispose of its assets and settle creditors' claims. The proceeds from the disposition of the assets will be used to pay the creditors of the company. On the other hand, corporate rescue aims to rehabilitate distressed companies to avoid the winding down of the business. This makes corporate rescue a more attractive option for businesses. However, there is an interplay between the two options. In the event that liquidation proceedings had commenced against a company, an application to the court for corporate rescue will suspend the liquidation proceedings. In the same vein, where corporate rescue proceedings fail to resuscitate the company, liquidation proceedings may be commenced to serve the interests of the company's creditors. It is apparent that even though liquidation is an avenue open to distraught companies, it is the last resort. Where there is a chance of survival, a company must be placed under corporate rescue.

## Business Process Reengineering

Business Rescue has no legal protection but provides a synergistic view of the overall business in terms of strategy, operation management and human resource factor and financial management.

## Corporate Rescue

The concept of corporate rescue was introduced to replace judicial management in which the courts played a central role and fell short of efficacy. The move to introduce a way that does not merely rescue potentially successful parts of a company but rescues the whole company shows progress in Zimbabwe's company laws.

The strengths of the enacted laws on corporate rescue include that it allows a company to voluntarily commence corporate rescue proceedings without applying to the court, saving its already strained financial resources. Furthermore, the law provides strict timelines which should be observed during the proceedings. This strikes a balance between the interests of the company and any affected persons. Timelines give the company a chance to revive itself while at the same time taking into cognizance the interests of creditors who need to be paid.

The general moratorium provides a company under corporate rescue with breathing space allowing it to fully work towards its full resuscitation.

The corporate rescue proceedings aim to fully save the financially distressed company and not just parts of it. The laws protect the employees of such a company, their employment status does not change during corporate rescue proceedings.

## Liquidation

This is the last resort if the company has completely no prospects of resuscitation given the other methods of corporate recovery.

**“Whenever you see a successful business, someone made a courageous, tough and bold decision on time.” - Peter Drucker**





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### **About Crowe Advisory Zimbabwe**

Crowe Advisory is a national advisory, tax and corporate recovery firm with global reach and local expertise. We are an independent member of Crowe Global, the top 10 largest accounting network in the world. With exceptional knowledge of the business environment, our professionals share one commitment, to deliver excellence.

We are trusted by thousands of clients for our specialist advice, our ability to make smart decisions and our readiness to provide lasting value. Our broad technical expertise and deep market knowledge means we are well placed to offer insight and pragmatic advice to all the organisations and individuals with whom we work. Close working relationships are at the heart of our effective service delivery.

### **Membership, associations, and affiliates**



**[www.crowe.co.zw](http://www.crowe.co.zw)**

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