

# CBI extends overdraft in fresh move to shore up finances

The CBI, the business lobbying group, has negotiated an extension of its overdraft in a fresh move to shore up its balance sheet after a year in which it came close to collapse.

Sky News has learnt that in recent weeks the CBI and a syndicate of high street lenders have agreed an increase in its borrowing capacity.

People close to the talks said it reflected a slower-than-expected return of corporate members to the group, even as it has started to rebuild its credibility under new chairman Sir Rupert Soames.

The CBI teetered on the brink of collapse for much of last year after a sexual misconduct scandal forced out its director-general and triggered an exodus of prominent members.

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According to the business lobby group's most recent annual report and accounts, it was able to survive the aftermath of a sexual misconduct scandal "through the backing of key members, the use of reserves, support from creditors and with bank financing".

"The bank financing is due to terminate on 30 September 2024, after which it is the board's current intention to look to renew the facility if required."

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Self-styled as "the voice of British business", the CBI has been regaining its voice in Westminster, holding private talks with politicians from both main parties.

It has slashed costs by axing a chunk of its workforce and closing most of its overseas offices.

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The CBI briefly entertained autumn talks about a merger with Make UK, the manufacturers' body, but these were abandoned.

A spokeswoman for the CBI declined to comment on its overdraft extension but said: "Like any small or medium-sized business, we have to manage our cashflow and utilise financing to do so."