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### 1 Company details

Company number 0 7 9 2 3 3 4 5

Company name in full Festicket Ltd

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Lee

Surname Manning

### 3 Administrator's address

Building name/number ReSolve Advisory Limited

Street 22 York Buildings

John Adam Street

Post town London

County/Region

Postcode W C 2 N 6 J U

Country

### 4 Administrator's name ①

Full forename(s) Cameron

Surname Gunn

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number ReSolve Advisory Limited

Street 22 York Buildings

John Adam Street

Post town London

County/Region

Postcode W C 2 N 6 J U

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
To date	<sup>d</sup> 1	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3

### 7 Progress report

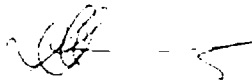
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup> 0	<sup>d</sup> 6	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Daniel Hashemi

Company name ReSolve Advisory Limited

Address 22 York Buildings

John Adam Street

Post town

County/Region

Postcode

W C 2 N 6 J U

Country

DX

Telephone 02077029775

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

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DX 33050 Cardiff.

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# Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
All fields are mandatory unless specified or indicated by \*

## 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

## 2 Insolvency practitioner's name

Full forename(s)	Simon
Surname	Jagger

## 3 Insolvency practitioner's address

Building name/number	ReSolve Advisory Limited
Street	22 York Buildings John Adam Street
Post town	London
County/Region	
Postcode	W C 2 N 6 J U
Country	

**Festicket Ltd**  
**In Administration (the “Company”)**

**Joint Administrators’ six-month progress report**  
**For the period 12 March 2023 to 11 September 2023**

## **CONTENTS**

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## **APPENDICES**

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- II Receipts and payments account
- III Joint Administrators' remuneration policy, charge out rates, expense policy and narrative
- IV Joint Administrators' time costs summary

## **1. INTRODUCTION**

As you may be aware, Cameron Gunn, Simon Jagger, and I were appointed as Joint Administrators of the Company on 12 September 2022.

This report covers the period from 12 March 2023 to 11 September 2023 (the "Reporting Period") and should be read in conjunction with our Proposals ("Proposals") dated 20 September 2022, and previous Progress Report dated 4 April 2023. Hard copies of these documents are available on request to this office, free of charge.

Please find attached the statutory information relating to the Company at **Appendix I**.

## **2. JOINT ADMINISTRATORS' ACTIONS SINCE LAST PROGRESS REPORT**

As previously advised, we have received communication from c.40 event promoters who are asserting that the implied terms of their contracts with the Company are such that the net proceeds from ticket sales were to be held in trust by the Company for those event promoters.

Our understanding is that the Company did not segregate or ringfence any receipts for the benefit of specific parties. We also understand that the value of promoter claims could be impacted by chargebacks made by customers after the date of our appointment, for example where a customer obtains a refund from their credit card provider for the tickets they purchased. In addition, there were significant advances paid to certain promoters by the Company which need to be taken into account. We are aware that chargebacks in excess of £2 million have been made to customers by Stripe and Company funds held by Stripe have been reduced accordingly. However, until such a time as the existence of the alleged trusts has been determined by the Court, we are not in a position to carry out a tracing exercise and reconciliation of individual promoters' claims.

Trust claims are a complex area of law and, as such, it has been necessary to seek an order from the Court to provide relief in relation to certain elements of our costs in having to address and respond to the trust claims, in the event that trust claims are successful to the extent that a Court orders such costs are to be drawn from monies found to be held in trust. This is known as a "Berkeley Applegate" order. Within two weeks of our appointment, we had engaged our solicitors to prepare an application to the Court for a hearing to obtain this relief. The challenges from certain trust claimants to this relief being granted meant that this has become a protracted and costly process.

At a hearing on the 6<sup>th</sup> and 7<sup>th</sup> of March 2023 the Judge confirmed that Berkeley Applegate relief was appropriate for certain aspects of our costs, our solicitor's costs, and disbursements and that she will take primary responsibility for making decisions regarding the validity of the trust claims received. We await the final Order from the Court in respect of this hearing.

The Court is initially putting in place a process to assess the validity of the trust claims, and (to the extent that there are valid claims) may need to establish further processes to identify funds held for particular trusts, consider the entitlements of each trust claimant and confirm how costs should be allocated between different trust funds. In the event that some trust claims are found to be valid, it is by no means certain that this will extend to all those promoters claiming trust status, as the nature of their claims vary.

Due to the complex nature of these claims and the number of trust claims received significant time and legal costs have been incurred during the Administration liaising with the trust claimants, their legal advisors, our legal advisors and the Court.

In addition, due to the significant value of the trust claims received there is a risk that (in the event that a substantial number or value of trust claims are found to be valid) there will not be sufficient company funds to pay for work already undertaken by us during the Administration. As such, due to the time incurred in relation to the trust claims to date and uncertainty regarding payment for any work undertaken during the Administration, we have not currently been able to progress certain workstreams in the manner that we would have usually expected.

A pre-trial review has been scheduled by the Court to take place on 6 November 2023 where we anticipate that a hearing date will be fixed to assess the existence or otherwise of valid trust claims. We believe that further process will be required following such determination, to consider the value of funds which may relate to each trust claim that is found to be valid.

Due to the above it was necessary to seek an extension of the Administration from the Court. The Court has

confirmed that the Administration will now automatically end on the 11 September 2025, unless it is necessary to extend further.

A summary of the actions taken in relation to the trust claims since our appointment is provided below:

- Liaised with many event promoters regarding potential trust claims in excess of £13m;
- Liaised with our solicitors Greenberg Traurig, LLP (“GT”) and legal counsel extensively regarding communication with trust claimants and the applications to Court for Berkeley Applegate relief and to determine the validity of the trust claims.
- Prepared and issued an application to Court to seek Berkeley Applegate relief, which has required several hearings, detailed witness statements, skeleton arguments and review of significant correspondence;
- Liaised with GT and Legal Counsel regarding the application to Court regarding the validity of the trust claims; and
- Attended Court hearings and dealt with related correspondence.

#### ***Other actions***

In addition to the above, the following actions have been undertaken since the last progress report:

- Continued to liaise with Stripe, Inc. (“Stripe”), the Company’s payment processor, in relation to funds held by Stripe in reserve and their approach to the approval and processing of chargebacks;
- Continued to liaise with the Company’s main pre-appointment bankers, HSBC UK Bank plc (“HSBC”), in relation to the transfer of credit balances held;
- Liaised with our bankers, (also HSBC) in relation to the receipt of the above credit balances and the depositing of certain balances in Fixed Term Money Market accounts. Further details are provided in **Section 4**, below;
- Communicated with the Company’s directors in relation to information required for the Administration;
- Continued to communicate with the Company’s secured creditor, Kreos Capital V (UK) Limited (“Kreos”);
- Liaised with the directors in relation to the submission of the Statement of Affairs (“SOA”);
- Filed the directors’ SOA at Companies House following completion;
- Communicated with employment specialist, ERA Solutions Limited (“ERA”) in relation to the closure of the Company’s pension scheme;
- Liaised with Association of British Travel Agents (“ABTA”) in relation to a bond provided to them Further details are provided in **Section 4**, below;
- Liaised with the Company’s pre-appointment landlords in relation to the conclusion of the licence to occupy provided to Lyte Inc (“the Purchaser”) and the return of rent deposits held;
- Continued to discuss with promoters, other creditors and ticket buyers regarding claims, enquiries and refunds;
- Drafted and circulated our previous progress report to members and creditors; and
- Dealt with the day-to-day progress of the case including dealing with our statutory duties associated with the Administration.



### 3. RECEIPTS AND PAYMENTS

Our Receipts and Payments account is attached in **Appendix II**. All amounts are shown net of VAT.

A summary of the receipts and payments during the Reporting Period is provided below:

#### Receipts

##### Cash at bank

##### *HSBC*

In our previous report, we advised that we were liaising with HSBC in relation to the Company's Canadian Dollar ("CAD") balance. HSBC advised that their internal processes required the CAD funds to be exchanged to GBP prior to transferring to our Administration account.

During the Reporting Period funds in the amount of £64,650 have been received from HSBC into the Administration GBP account, in relation to the balance held in the Company's CAD account.

In addition, an amount of £1,169 was received from HSBC into the Administration GBP account, in relation to a balance in the EUR account.

Further details are provided in **Section 4**, below.

##### Bank interest

During the Reporting Period the following sums have been received in relation to bank interest:

Currency	Interest received
Sterling (GBP)	£55,042
Euro (EUR)	€910
US Dollar (USD)	\$85
Canadian Dollar (CAD)	CAD balance received and held in Sterling as detailed above.
Australian Dollar (AUD)	\$2,463

These sums have been received in relation to interest applied by HSBC to the balances held on the Administration bank accounts, and funds that we have placed in fixed term deposit accounts.

Further details are provided in **Section 4**, below.

##### Monthly license fees

During the Reporting Period, an amount of £72 was received from the Purchaser in relation to charges associated with occupation of the Company's leasehold properties following the Pre-Pack Sale.

Further details are provided in **Section 4**, below.

##### Refunds

During the Reporting Period, a refund relating to a pre-appointment transaction in the amount of £109 was received. No further funds are anticipated in this regard.

#### Payments (GBP account)

The following payments have been made from the GBP Administration account during the Reporting Period:

##### Accounting system

The sum of £4,445 has been paid in relation to fees associated with retaining the Company's online accounting system.

### Professional fees

The sum of £4,500 has been paid to accountants, Kalculus Limited ("Kalculus") for work carried out in assisting the directors with completion of the SOA.

### Pre-appointment and Office Holders' Fees

A sum of £194,000 has been paid to ReSolve in relation to certain costs of the Administration. Of this sum £32,000 relates to fees incurred prior to the Administration and £162,000 relates to fees incurred following our appointment as Administrators.

Further details are provided in **Sections 7 and 8**, below.

### Rents payable

Payments totalling £8,240 have been made in relation to rent and associated charges incurred in relation to the Purchaser's occupation of the Company's leasehold premises during the Administration.

Further details are provided in **Section 4**, below.

### Agent Fees

A sum of £20,000 has been paid to Hilco Appraisal Ltd ("Hilco"). These costs have been incurred in the preparation of the valuation of the Company's assets and for the provision of a recommendation in respect of offers received.

### **Payments (EUR account)**

The following payments have been made from the EUR Administration account during the Reporting Period:

#### Payment in relation to a bond provided to ABTA

A payment in the amount of €167 was made in relation to a potential claim associated with a bond provided to ABTA.

Further details are provided in **Section 4**, below.

## **4. ASSETS**

### **The Pre-Pack Sale**

As previously advised, a Pre-Pack sale of the Company's business and certain assets was completed on 13 September 2022 to the Purchaser following our appointment as Administrators. The assets sold and the consideration received is as follows:

<b>Asset category</b>	<b>Consideration received</b>
	<b>£</b>
Intellectual property	59,999
Goodwill	1
Customer lists	1
Business records	1
Employee records	1
IT equipment	34,000
Furniture and equipment	4,999
Leasehold property	997
Supplier contracts	1
	<hr/>
	100,000

Full details in relation to the Pre-Pack Sale and the marketing carried out are provided in our Proposals and SIP 16 report.

Licences to occupy the Company's two premises were agreed with the Purchaser to enable continued occupation of the premises following the sale. The licence required payment of rent and associated charges due in relation to occupation of the premises. The Purchaser has confirmed it has vacated both properties and we are currently liaising with the managing agents of the two properties in relation to the rent deposits held.

A further update will be provided in our next report to creditors.

## **Cash at bank**

### *HSBC*

A summary of the cash balances held by HSBC as at the date of our appointment and the amounts received is provided below.

The amounts received are held in bank accounts opened for the Administration in the currencies as advised below.

<b>Currency</b>	<b>Balance on appointment</b>	<b>Balance received</b>	<b>Notes</b>
Sterling (GBP)	3,335,264.18	3,336,433.23	1
Euro (EUR)	1,396,253.71	1,396,253.71	
US Dollar (USD)	414,161.74	414,161.74	
Canadian Dollar (CAD)	107,461.43	64,649.75 (received as GBP)	2
Australian Dollar (AUD)	1,206,429.83	1,206,429.83	

### Note 1

*The balance received includes an amount of £1,169 received from HSBC in relation to a balance in the EUR account that was exchanged to GBP prior to transfer.*

### Note 2

*Prior to transferring the CAD balance, HSBC advised that their internal processes required the CAD funds to be exchanged for GBP.*

*During the Reporting Period the sum of £64,650 has been received into the Administration GBP account from HSBC in relation to the balance held in the Company's CAD account.*

Except for the CAD and small EUR balances noted above, the cash balances received from HSBC are held in their respective currencies in multiple Administration bank accounts. By receiving the funds in this way we have avoided potential charges that can be applied for converting foreign currencies or unfavorable exchange rates that could be applied by the bank.

We do not anticipate converting these balances to GBP until the validity of the trust claims have been determined by the Court as some or all of these monies may need to be returned to those parties for whom they may have been held in trust.

We have liaised with the Administration bankers (who are also HSBC) for the purpose of depositing the GBP and EUR balances held in Fixed Term Money Market accounts. These accounts provide an increased level of interest payable by the bank to the Administration.

An amount of £2.8m of the GBP balance has been placed in a Money Market account with HSBC on a rolling monthly basis, the rate of interest for this period is 3.46%. Additionally, we deposited €1.2m of the EUR balance into a Money Market account for a three-month fixed term period, the rate of interest for this period was 2.21%.

We will continue to monitor the benefit of using Money Market accounts on a monthly basis.

### *Hyperwallet (PayPal)*

As previously advised, following our appointment we wrote to PayPal to request closure of the Company's Hyperwallet and a transfer of the balance to our bank account. The sum of £34,801 was received from PayPal, and no further funds are anticipated to be received in this regard.

### **Debtors (Stripe)**

At the time of preparation of our Proposals in September 2022, Stripe, the Company's credit card processor, advised it held the sum of £7,690,705 across multiple currencies in relation to ticket and event related sales made by the Company prior to our appointment. Stripe have asserted that they hold a lien and security interest regarding the monies they hold in relation to, for example, customer chargebacks being claimed against these monies.

The level of any recoveries in relation to this sum are currently uncertain and will depend on a number of factors (including potential cancellation of future events by promoters, leading to future chargebacks). As such, we are currently unable to estimate expected realisations in this regard.

As at the date of this report, Stripe currently holds a total of £5,465,914 across multiple currencies. We understand the primary reason for the reduction since September 2022 relates to the processing by Stripe of chargeback requests received from ticket buyers, although it should be noted that such chargebacks may also lead to a reduction in amounts owed to promoters.

### **ABTA bond**

We understand ABTA was provided with a bond in relation to certain activities of the Company.

We are communicating with ABTA in relation to release of the bond, and hope to recover funds in relation to this bond.

A further update will be provided in our next report to creditors.

### **Other assets**

As noted above, we have not currently been able to progress certain workstreams in the manner that we would have usually expected for the following reasons:

- The time incurred in relation to the trust claims and uncertainty regarding payment for any work undertaken during the Administration
- The resistance by a number of trust claimants to the Joint Administrators being paid fees in relation to the time we would be spending in carrying out certain future work in respect of asset realisation,

Due to the above, there have been no significant actions taken in relation to the following assets.

A further update will be provided in our next report to creditors:

### *Intercompany balance*

We understand approximately £560,000 is due to the Company in relation to loans provided to its US subsidiary, Yeslab, Inc ("Yeslab"). Yeslab is no longer trading and also has at least one alleged trust claim made against it.

We are seeking further information in relation to the assets and liabilities of the US subsidiary but believe the Company to be its major creditor.

### *Advances to promoters*

The Company's management accounts as at 30 June 2022 record advances due to the Company from promoters of £2,163,750.

We need to ascertain the full position regarding these sums. The potential value of any recoveries relating to advances made is uncertain, and it is possible that outstanding advances may relate to the same promoters

who are owed money in relation to ticket sales made.

#### *Prepayments*

The Company's management accounts as at 30 June 2022 record prepayments made by the Company of £341,634. We will assess the prepayments to determine whether any recoveries may be made.

#### *Shares in subsidiaries*

The Company directly owns 100% of the shares in five subsidiaries and indirectly owns 100% of the shares in two subsidiaries.

As above, we are seeking further information in relation to the assets and liabilities of the US subsidiary. Based on current information we are not aware of any value in relation to the other subsidiaries (which are based in the UK, Australia and Ireland).

### **5. DIVIDEND PROSPECTS**

As previously advised, the recoveries for all classes of creditors are especially difficult to estimate for this company.

If the Court determines that the trust claims received are valid, this will significantly impact the recoveries for other creditor classes.

In addition, the assets and liabilities of the Company will both be impacted if there are cancellations of future events by event promoters, in a number of ways including:

- The uncertainty relating to the level of recovery of funds held by Stripe due to the risk of significant further chargebacks;
- The potential for creditor balances (particularly regarding event promoters) to change over time; and
- The potential for new debts, particularly from event promoters, to be created under contracts.

As a result of the above we are currently unable to estimate the level of recoveries for any class of creditor.

An update will be provided in our next report to creditors.

#### **Secured creditors**

The Company granted the following charge:

<b>Charge holder</b>	<b>Date of Creation</b>	<b>Date of Registration</b>	<b>Type</b>
Kreos Capital	27 July 2018	7 August 2018	Debenture (fixed and floating charge)

The total balance outstanding to Kreos as at the date of the Administration is understood to be approximately £1.69m, on which interest continues to accrue.

At the time of preparation of our Proposals we considered that the amount owed to Kreos would be repaid in full by way of fixed and floating charge distributions.

As noted above, we are currently unable to estimate the recoveries for any class of creditor.

#### **Preferential creditors**

##### *Employees*

As a result of the Pre-Pack Sale, the Company's employees have been transferred to the Purchaser, thereby mitigating claims in this regard. We do not expect material preferential claims from employees.

##### *HM Revenue & Customs ("HMRC")*

HMRC is a secondary preferential creditor in relation to certain amounts due (PAYE, NI and VAT). HMRC's preferential claim are paid in priority to unsecured creditors.

An interim proof of debt has been received from HMRC, with their preferential claim noted in the amount of £192,118.

#### **Non-preferential unsecured creditors – Prescribed part**

Where a company gave a floating charge over its assets to a lender on or after 15 September 2003, there are provisions in the insolvency legislation that require the Administrators to set aside a percentage of a Company's assets for the benefit of the unsecured creditors. This is known as the Prescribed Part of a company's net property.

A company's net property is the amount left after paying the preferential creditors, but before paying the lender who holds the floating charge. Administrators have to set aside 50 per cent of the first £10,000 of the net property and 20 per cent of the remaining net property up to a maximum of £600,000 (for charges created before 6 April 2020) or £800,000.

Kreos was granted a floating charge over the Company's assets on 27 July 2018.

The value of the Company's net property will be significantly impacted by the outcome regarding validity of the trust claims received. As such, we are presently unable to estimate the net property of the Company, or any associated return to creditors in this regard.

#### *Non-preferential unsecured creditors*

Based on the Company's records we previously estimated that unsecured creditors would total c.£23m, of which c.£18m related to amounts due to event promoters.

Since our appointment as Administrators we have received claims from potential unsecured creditors totalling c.£21m, of which c.£16m relates to amounts claimed by event promoters (including c.£13m relating to trust claims received).

Based on the claims received to date, and the amounts recorded in the Company's records as due to creditors that have not yet submitted claims in the Administration, we currently estimate that potential unsecured claims could total c.£32m. This includes unsecured convertible loan notes with a total redemption value of c.£6m.

The total value of creditor claims and any recoveries for those creditors is currently uncertain due to the reasons explained at the beginning of this section (**Section 5**).

## **6. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

Within three months of our appointment as Joint Administrators, we are required to submit a confidential report to the Department for Business, Innovation and Industrial Strategy ("BEIS") to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. We confirm that this report has been submitted.

In addition, we also undertake an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation. When we conduct investigations we take into account the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

As noted above, due to matters relating to the trust claims, including the risk that there will not be sufficient company funds to pay for work undertaken, we have not yet undertaken detailed investigations in relation to certain matters raised by creditors and trust claimants since our appointment as Administrators.

Further update will be provided in our next report to creditors.

## 7. PRE-ADMINISTRATION COSTS

These are costs incurred prior to the Company entering Administration but with a view to it doing so. Further details relating to these costs are provided in our Proposals.

Our pre-administration costs are as follows:

Description	Amount	Paid	To be paid
	£	£	£
Pre-appointment time-costs	155,925	49,000	106,925
Pre-appointment expenses	-	-	-

ReSolve has billed £57,000 in respect of pre-appointment fees, of which £17,000 was paid by the Company prior to the Administration and £32,000 was paid during the Reporting Period, the balance of this bill (£8,000) will be paid in due course.

The sums above are net of VAT.

In addition, the following professionals were utilised in this matter and the costs of these also comprise pre-appointment expenses of the Administration. Further details in relation to the work undertaken by these parties is provided in our Proposals and previous progress report:

Professional Advisor	Nature of work	Fee Arrangement	Fees incurred	Paid	To be paid
			£	£	£
Hilco Valuation Ltd	Agent / Valuer	Fixed fee	20,000	20,000	-
Greenberg Traurig LLP	Solicitor	Time costs	47,675	30,000	17,675
<b>Total</b>			<b>67,675</b>	<b>50,000</b>	<b>17,675</b>

A payment of £20,000 has been made to Hilco during the Reporting Period in relation to their pre-appointment work. For further details in relation to the work undertaken by Hilco, please refer to our Proposals.

As advised above, we continue to seek approval from the Court for payment of the balance of these costs and expenses, and a further update will be provided in our next report to creditors.

## 8. JOINT ADMINISTRATORS' REMUNERATION

We intent to make an application to the Court for our remuneration to be drawn on a time cost basis. In our Proposals we provided a fee estimate which would act as a cap of the total fees that could be drawn during the Administration (and any subsequent Liquidation), without further authorisation. However, we expect that we will request approval at a higher value due to the unforeseen volume of creditor claims and the considerable additional work associated with the trust claims.

As noted above, due to the trust claims received it has also been necessary to apply to Court to seek Berkeley Appellate relief which has placed a significant cost burden on the estate. However, at this stage, given the uncertainty of the validity of the trust claims, determining which party/ies will bear the ultimate burden of these costs is uncertain.

Further update in this regard will be provided in our next report to creditors.

Our time costs incurred to the end of the Reporting Period amount to £700,135, representing 1,779 hours work at an average charge out rate of £393 per hour, of which £117,058 was incurred during the Reporting Period, representing 302 hours work at an average charge out rate of £388 per hour.

Payments of £162,000 plus VAT were made during the Reporting Period in relation to Berkeley Appellate relief and other orders of the Court.

A schedule of our charge out rates, expense policy and a narrative description of the work undertaken in the Administration to date, together with the time costs incurred to date is attached as **Appendices III and IV**.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>.

The relevant creditor's guide to Administrators' fees can be found under the heading Creditor Guides on my website at <http://www.resolvegroupuk.com/resources/>. Please note there are different versions of the guides, and in this case you should refer to the latest version. A hard copy can be obtained on request, free of charge, from this office.

## **9. JOINT ADMINISTRATORS' EXPENSES**

Our expenses to the end of the Reporting Period amount to £1,864.

No expenses were incurred in the Reporting Period in respect to Category 2 expenses. Category 2 expenses require separate approval, which we have requested from the Court.

We have not yet drawn any of our expenses incurred in this matter.

A summary of the expenses incurred to the end of the Reporting Period is provided below:

<b>Post- appointment</b>	<b>Category 1</b>	<b>Category 2</b>	<b>Total</b>	<b>Amount incurred in Period</b>	<b>Amount unpaid</b>	<b>Estimated Future</b>
	£	£	£	£	£	£
Bonding	1,280	-	1,280	-	1,280	-
Creditor services	25	-	25	-	25	-
Postage	422	-	422	-	422	200
Printing	88	-	88	-	88	100
IT expenses	49	-	49	13	49	252
<b>Total</b>	<b>1,864</b>	<b>-</b>	<b>1,864</b>	<b>13</b>	<b>1,864</b>	<b>552</b>

The above costs have not exceeded the estimate provided in our Proposals and are net of VAT, where applicable.

### Professional advisors

The following professional advisors have been utilised in this matter:

<b>Professional Advisor</b>	<b>Nature of Work</b>	<b>Fee Arrangement</b>	<b>Fees incurred to date</b>	<b>Paid</b>	<b>Outstanding on 11 September 2023</b>	<b>Estimated Future Fees</b>
			£	£	£	£
GT	Legal fees	Time Costs	888,970	-	888,970	Uncertain
Kalculus Limited	Accountant	Fixed Cost	4,500	4,500	-	Uncertain

The above costs are net of VAT, where applicable.

Our choice of professional advisors was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. We also confirmed that they hold appropriate regulatory authorisations. We have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case and represents value for money.

### Kalculus

The costs incurred by Kalculus during the reporting period total £4,500. This sum represents an agreed fee in relation to assisting the Company directors with the preparation of the Statement of Affairs.



## GT

The time costs incurred by GT during the Administration totals £888,970, of which £147,452 was incurred during the Reporting Period. However, please note that this sum is subject to adjustment on the basis of both: (a) a review for possible write-offs; and (b) the potential for the Administrators to seek an assessment of costs from the Court at a later date.

Of the total time spent by GT, £82,157 represents work in relation to the following workstreams. These particular workstreams are not uncommon in Administrations of this size:

- Advising on the validity of appointment of the Administrators;
- Analysis in respect of deemed consent and qualifying decision procedures;
- Finalising the sale of the Company's business and assets;
- Communication relating to the recovery of company assets, including sums due from Yeslab, funds held by Stripe, advances paid to promoters and funds held in pre-appointment bank accounts; and
- Advising regarding the Administrators initial investigations.

Additionally, GT has spent £806,813 in relation to work attributable to the trust claims and applications to Court. A summary of the work undertaken in this regard is provided below:

- Ongoing assistance in relation to communication with c.40 trust claimants and their legal representatives;
- Assisting with the preparation and submission of applications to Court, and in particular the Berkeley Applegate application;
- Engage with trust claimants, their lawyers and associated correspondence;
- Give service to respondents in relation to Court applications;
- Provide advice regarding the potential formation of a Creditors' Committee by the trust claimants;
- Collateral use application relating to the use of certain Court documents in the freezing order and the opposition to this by certain of the trust claimants;
- Work relating to the lifting of the freezing order; and
- Attending Court hearings and instructing legal Counsel in respect of the Berkeley Applegate application.

In relation to the work associated with the Collateral use application, GT successfully obtained a costs Order from the Court. As a result of this Order the respondent to this matter has been required to make payment in the sum of £21,000 plus VAT. This amount has been received by GT and has been utilised to make payment towards associated Counsel's fees.

The following expenses have been incurred by GT, the majority of which relate to the Court applications and associated correspondence:

- Counsel's fees at a total of £217,870;
- Postage costs at a total of £1,695;
- Miscellaneous out of pocket expenses of £1,176;
- Court reporting services of £380;
- Court fees at a total of £422;
- Bank transfer fees of £15; and
- Company search fees of £14.

Due to the ongoing nature of the Court applications to determine the validity and extent of the trust claims and the associated communication with the trust claimants and their legal representatives we are currently unable to provide an estimate of future costs that may be incurred by GT in this regard.

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

## **10. FURTHER INFORMATION AND COMPLAINTS**

An unsecured creditor may, with the permission of the court or with the concurrence of five per cent in value of the unsecured creditors (including the creditor in question) request further details of the Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of ten per cent in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

At ReSolve we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. Should you have any comments or complaints regarding the Administration, please contact one of the Office Holders in the first instance. If you consider that your comments or complaint have not been dealt with appropriately you should then put details of your concerns in writing to our complaints officer at [complaints@resolvegroupuk.com](mailto:complaints@resolvegroupuk.com) who will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a partner unconnected with the appointment.

If you still feel that you have not received a satisfactory response, then you may be able to make a complaint to the Complaints Gateway operated by the Insolvency Service. Any such complaints should be completed online using the form here: [www.gov.uk/complain-about-insolvency-practitioner](http://www.gov.uk/complain-about-insolvency-practitioner). If you have difficulty accessing the online complaints form, you can also make your complaint through the Insolvency Service Enquiry Line at [insolvency.enquiryline@insolvency.gov.uk](mailto:insolvency.enquiryline@insolvency.gov.uk) or telephone: 0300 678 0015.

The Complaints Gateway will in turn determine if such complaint should be addressed by Mr Manning, Mr Gunn and Mr Jagger's regulatory body.

Further details of the relevant policies applicable to you can be found here <http://www.resolvegroupuk.com/policies2/>.

## **11. SUMMARY**

The Administration will remain open until all work has been fully resolved.

As noted in this report, due to the complex nature of the trust claims and the associated work involved in seeking confirmation from the Court on the validity of these claims we have been unable to progress certain workstreams in the manner that we would have usually expected. This is principally because, pending determination of the validity of the trust claims by the Court, there is no certainty that any funds will be available to us as Administrators to progress certain workstreams which would be for the benefit of the general body of creditors. Where we have asked the trust claimants for specific authority to carry out certain workstreams these have been rejected in most instances, so at present we are constrained in what we can carry out without a further application to the Court.

We will continue to liaise with our legal advisors and the Court and provide an update to creditors in our next report.

Should you have any queries in relation to this matter please do not hesitate to contact this office.

Yours faithfully  
For and on behalf of  
Festicket Ltd



**Lee Manning**  
**Joint Administrator**

***For enquiries regarding this correspondence please contact:***

Phone number: +44 20 3370 3126  
Email: [festicket@resolvegroupuk.com](mailto:festicket@resolvegroupuk.com)

The affairs, business and property of the Company are being managed by the Joint Administrators.  
Partners and staff acting as administrators, administrative receivers or supervisors act as agents of the company over which they are appointed at all times, and without personal liability  
Cameron Gunn, Mark Supperstone, Lee Manning, Chris Farrington, Ben Woodthorpe, Russell Payne and Simon Jagger are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales  
Please refer to the firm's privacy notice setting out your rights and explaining how your data will be used. The notice can be found on our website here [www.resolvegroupuk.com/policies2/](http://www.resolvegroupuk.com/policies2/)

**APPENDIX I**

**STATUTORY INFORMATION**

Company name:	Festicket Ltd
Previous company name:	Yeslab Limited
Registered office:	ReSolve Advisory Limited 22 York Buildings London WC2N 6JU
Former registered office:	2nd Floor Centro Forum 74-80 Camden Street London NW1 0EG
Registered number:	07923345
Date of incorporation:	25 January 2012
Principal trading activity:	Online booking platform for music event tickets
Joint Administrators' names:	Lee Manning, Cameron Gunn and Simon Jagger
Joint Administrators' address:	ReSolve Advisory Limited 22 York Buildings London WC2N 6JU
Joint Administrators' date of appointment:	12 September 2022
Court name and reference:	In the Insolvency and Companies Court High Court of Justice (ChD) Court no: 2837 of 2022
Appointment made by:	The Company's directors
Joint Administrators' actions:	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone.

The Court has confirmed that the Administration has been extended, such that it will now automatically end on the 11 September 2025, unless it is necessary to extend further.

**APPENDIX II**

**RECEIPTS AND PAYMENTS ACCOUNT**

**GBP**

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (GBP) FROM 12 SEPTEMBER 2022 (DATE OF ADMINISTRATORS' APPOINTMENT) TO 11 SEPTEMBER 2023			
	Estimated Financial Position	12-Mar-23 to 11-Sept-23	Total Receipts/ Payments
	£	£	£
<b>FIXED CHARGE RECEIPTS</b>			
Intellectual property	59,999.00	-	59,999.00
Goodwill	1.00	-	1.00
	<b>60,000.00</b>	<b>-</b>	<b>60,000.00</b>
<b>FLOATING CHARGE RECEIPTS</b>			
Customer lists	1.00	-	1.00
Business records	1.00	-	1.00
Employee records	1.00	-	1.00
IT equipment	34,000.00	-	34,000.00
Furniture and equipment	4,999.00	-	4,999.00
Leasehold property	997.00	-	997.00
Supplier contracts	1.00	-	1.00
Cash at bank (GBP)	3,335,264.18	-	3,335,264.18
Cash at bank (EUR)	-	1,169.05	1,169.05
Cash at bank (CAD)	-	64,649.75	64,649.75
Bank interest gross	-	55,042.21	63,305.54
Cash at bank - PayPal	-	-	34,801.11
Refunds	-	108.65	108.65
Monthly license fee	-	72.00	68,654.18
	<b>3,375,264.18</b>	<b>121,041.66</b>	<b>3,607,952.46</b>
<b>TOTAL RECEIPTS</b>	<b>3,435,264.18</b>	<b>121,041.66</b>	<b>3,667,952.46</b>
<b>PAYMENTS</b>			
Accounting package - NetSuite		4,445.40	4,753.40
Professional fees - ERA		-	800.00
Professional fees - Kalculus Limited		4,500.00	4,500.00
Office holder fees		162,000.00	162,000.00
Pre-Appointment fees		32,000.00	32,000.00
Agent/Valuers fees		20,000.00	20,000.00
Statutory advertising		-	92.00
Rents payable		8,239.53	49,718.57
		<b>231,184.93</b>	<b>273,863.97</b>
<b>Balance (receipts less payments)</b>		<b>(110,143.27)</b>	<b>3,394,088.49</b>
<b>REPRESENTED BY</b>			
Current account (GBP)			537,715.69
Fixed Term Money Market account			2,800,000.00
VAT receivable			56,372.80
<b>Total</b>			<b>3,394,088.49</b>

**EUR**

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (EURO) FROM 12 SEPTEMBER 2022 (DATE OF ADMINISTRATORS' APPOINTMENT) TO 11 SEPTEMBER 2023			
	Estimated Financial Position	12-Mar-23 to 11-Sept-23	Total Receipts/ Payments
	€	€	€
<b>FLOATING CHARGE RECEIPTS</b>			
Cash at bank (EUR)	1,396,253.71	-	1,396,253.71
Bank interest gross	-	910.48	910.48
	<u>1,396,253.71</u>	<u>910.48</u>	<u>1,397,164.19</u>
<b>TOTAL RECEIPTS</b>	<u>1,396,253.71</u>	<u>910.48</u>	<u>1,397,164.19</u>
<b>PAYMENTS</b>			
Payment in relation to a bond provided to ABTA		166.80	166.80
		<u>166.80</u>	<u>166.80</u>
<b>Balance (receipts less payments)</b>			
		<u>743.68</u>	<u>1,396,997.39</u>
<b>REPRESENTED BY</b>			
Current account (EURO)			196,997.39
Fixed Term Money Market account			1,200,000.00
<b>Total</b>			<u>1,396,997.39</u>

**Note**

Based on the exchange rate as at 11 September 2023 the balance held in Euros represents GBP £1,198,317.

**USD**

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (USD) FROM 12 SEPTEMBER 2022 (DATE OF ADMINISTRATORS' APPOINTMENT) TO 11 SEPTEMBER 2023			
	Estimated Financial Position	12-Mar-23 to 11-Sept-23	Total Receipts/ Payments
	\$	\$	\$
<b>FLOATING CHARGE RECEIPTS</b>			
Cash at bank (USD)	414,161.74	-	414,161.74
Bank interest gross	-	85.13	85.13
	<u>414,161.74</u>	<u>85.13</u>	<u>414,246.87</u>
<b>TOTAL RECEIPTS</b>	<u>414,161.74</u>	<u>85.13</u>	<u>414,246.87</u>
<b>PAYMENTS</b>			
None		-	-
<b>Balance (receipts less payments)</b>		<u>85.13</u>	<u>414,246.87</u>
<b>REPRESENTED BY</b>			
Current account (USD)			414,246.87
<b>Total</b>			<u>414,246.87</u>

**Note**

Based on the exchange rate as at 11 September 2023 the balance held in USD represents GBP £330,630.

**AUD**

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (AUD) FROM 12 SEPTEMBER 2022 (DATE OF ADMINISTRATORS' APPOINTMENT) TO 11 SEPTEMBER 2023			
	Estimated Financial Position	12-Mar-23 to 11-Sept-23	Total Receipts/ Payments
	\$	\$	\$
<b>FLOATING CHARGE RECEIPTS</b>			
Cash at bank (AUD)	1,206,429.83	-	1,206,429.83
Bank interest gross	-	2,463.13	2,463.13
	<u>1,206,429.83</u>	<u>2,463.13</u>	<u>1,208,892.96</u>
<b>TOTAL RECEIPTS</b>	<u>1,206,429.83</u>	<u>2,463.13</u>	<u>1,208,892.96</u>
<b>PAYMENTS</b>			
None		-	-
<b>Balance (receipts less payments)</b>			
		<u>2,463.13</u>	<u>1,208,892.96</u>
<b>REPRESENTED BY</b>			
Current account (AUD)			1,208,892.96
<b>Total</b>			<u>1,208,892.96</u>

**Note**

Based on the exchange rate as at 11 September 2023 the balance held in AUD represents GBP £620,900.



**CAD**

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (CAD) FROM 12 SEPTEMBER 2022 (DATE OF ADMINISTRATORS' APPOINTMENT) TO 11 SEPTEMBER 2023			
	Estimated Financial Position	12-Mar-23 to 11-Sep-23	Total Receipts/ Payments
	\$	\$	\$
<b>FLOATING CHARGE RECEIPTS</b>			
Cash at bank (CAD)	107,461.43		-
	<u>107,461.43</u>	<u>-</u>	<u>-</u>
<b>TOTAL RECEIPTS</b>	<u>107,461.43</u>	<u>-</u>	<u>-</u>
<b>PAYMENTS</b>			
None		<u>-</u>	<u>-</u>
<b>Balance (receipts less payments)</b>			
		<u>-</u>	<u>-</u>
<b>REPRESENTED BY</b>			
Current account (CAD)		-	-
<b>Total</b>		<u>-</u>	<u>-</u>

**Note**

As advised, the pre-appointment CAD balance of \$107,461 was converted to GBP before being transferred into the GBP Administration bank account. The total sum received in relation to the CAD balance of \$107,461 is £64,650.

No further funds are anticipated to be received into this account and as such, steps will be taken to close the CAD account.

## APPENDIX III

### JOINT ADMINISTRATORS' REMUNERATION POLICY, CHARGE OUT RATES, EXPENSE POLICY AND NARRATIVE

#### Joint Administrators' charge out rates

Charge out rates used are appropriate to the skills and experience of a member of staff and the work that they perform. Time is recorded in six-minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. The hourly charge out rates to be used on this case are as follows:

Staff grade	Rates applicable from 1 August 2022 rate per hour (£)
Partner	705 - 795
Director	615
Senior Manager	500
Manager	420
Assistant Manager	375
Senior Associate	300
Associate	245
Junior Associate	175

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Advisory Limited. Our cashier is charged at the Senior Associate rate. The charge out rate for Lee Manning, the lead office holder in this case, is £795 per hour.

The charge out rates are reviewed periodically (no more than once a year) and are adjusted to take account of inflation and the firm's overheads.

When we seek time costs approval, we have to set out a fees' estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate, and by reference to each separate category of work. The blended rate is calculated as the prospective average cost per hour, based upon the estimated time to be expended by each grade of staff at their specific charge out rate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

A report accompanying the request to fix the basis of remuneration will include the fees' estimate, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given below.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will summarise that information in a blended rate for all of the work being carried out within the estimate, and by reference to each separate category of work, and will also say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

## **Expense policy**

In accordance with Statement of Insolvency Practice 9 ("SIP"), the basis of expense allocation must be fully disclosed to creditors. Expenses are categorised as either Category 1 or Category 2 expenses:

### **Category 1**

These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without creditor approval. Examples of Category 1 expenses are statutory advertising, external meeting room hire, external storage, specific bond insurance, external information hosting charges, and Company search fees.

### **Category 2**

These are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement. Category 2 expenses that are likely to be incurred, and require specific approval include:

<i>Mileage</i>	45 pence per mile paid to staff working on the insolvency appointment
<i>Photocopying</i>	20 pence per sheet of paper for reporting purposes (correspondence will be digital where at all possible to minimise this expense)

Category 1 and Category 2 expenses are subject to the rights of creditors to seek further information about them or challenge them.

In appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

## **Professional advisors**

Professional advisors may be instructed to assist the office holder on the case where they consider that such assistance is necessary to enable them to appropriately administer the case. The fees charged by any professional advisors used will be recharged at cost to the case. Where the professional advisor is not an associate of the office holder it will be for the office holder to agree the basis of their fees. Where the professional advisor is an associate of the office holder it will be for those responsible for fixing the basis of the office holder's remuneration to approve payments to them. The fees of any professional advisors are subject to the rights of creditors to seek further information about them or challenge them. Professional advisors that may be instructed on a case include:

- Solicitors/Legal Advisors,
- Auctioneers/Valuers,
- Accountants,
- Quantity Surveyors,
- Estate Agents,
- Pension specialists,
- Employment Claims specialists, and
- GDPR/Cyber Security specialists.

Details of the professional advisors utilised in this matter is detailed at **Section 9**.

## **Narrative of work carried out:**

### **Administration and planning**

This represents the routine administrative work that is required of the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their staff. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the SIP, which set out required practices that office holders must follow:

#### Case planning

- Preparing the documentation and dealing with the formalities of appointment.
- Review and storage of Company records.
- Liaising with the directors throughout the appointment process.
- Case planning and administration.

#### Cashiering

- Dealing with the day-to-day management of the internal cash book.

#### General administration

- Dealing with all routine correspondence.
- Case bordereau.
- Preparing the documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details.
- Liaising with the Company's directors regarding provision of information.

### **Creditors**

Work involved in dealing with all classes of creditors.

The office holder needs to deal with the ex-employees, if applicable, in order to ensure that their claims are processed appropriately by the RPS. That work will include dealing with queries received from both the ex-employees and the RPS to facilitate the processing of the claims. The office holders are required to undertake this work as part of their statutory functions.

The office holders need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of their statutory obligations.

#### Secured

- Liaising with Kreos with respect to its security and sums due.

#### Unsecured

For the purpose of this report the time spent relating to trust claims, the associated legal communication and applications to Court have been included in this unsecured creditor sub-heading.

- Dealing with creditor correspondence, emails and telephone conversations.
- Keeping an up-to-date log of all ticket promoter claims and discussions.
- Maintaining up-to-date creditor information on the case management system.
- Liaising with c.40 event promoters regarding potential trust claims in excess of £13m.
- Meeting and corresponding with a group of event promoters to discuss progress of the Administration and seek agreement in relation to certain costs of the Administration.
- Instructing and liaising with our solicitors, GT, and with Legal Counsel regarding trust claims, application for costs relief under Berkeley Applegate, application to Court to resolve the validity of trust claims and to

- deal with our communication and correspondence with trust claimants and other relevant parties.
- Attending Court and dealing with related correspondence.

#### Employees

- Engaging employment specialist, ERA to provide assistance in relation to employee claims and pension liabilities.
- Liaising with employees regarding general queries.

#### Investigations

Insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holders are required by the SIP to undertake an initial investigation to determine whether there are potential recovery actions for the benefit of creditors and any time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors. Any approval for an increase in fees will be sought as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary.

The office holders are also required by legislation to report to the BEIS on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

- Investigation into the Company's affairs.
- Statutory investigation into the directors' conduct, including preparation and submission of required report.
- Detailed investigation of matters that may result in the return of funds to the Company.

#### Realisation of assets

This is the work that needs to be undertaken to protect and then realise the known assets, which should directly benefit creditors.

##### Book debts

- Liaising with the directors in relation to the Company's debtors.
- Initial review of information received from the Company regarding advances made to promoters, prepayments and legal claims.

##### Sale of business/assets

- Completed the negotiation and legal contracts in relation to the Pre-Pack Sale to the Purchaser.
- Liaised with our solicitors, GT in relation to post completion matters.
- Liaised with the Purchaser generally regarding post completion matters and relevant communications.
- Wrote to employees of the Company in relation to their transfer to the Purchaser in accordance with TUPE legislation.
- Fulfilled our legal obligations in relation to the Company's visa sponsorship licence, and the transfer of relevant employees to the licence of the Purchaser.

##### Property – freehold and leasehold

- Liaising with the Purchaser and managing agents in relation to occupation of the Company's premises.
- Reconciling rents, licence fees and other associated costs, and making appropriate payments.

##### Other assets

- Liaising with pre-Administration bankers HSBC regarding the balances held.
- Liaising with HSBC in regard to transferring funds to the Money Market account.
- Communicating with ABTA in relation to release of the bond provided to them.

## **Statutory**

These activities involve complying with legislation including but not limited to; The Insolvency Act 1986, The Insolvency Rules 2016, The Companies Act 2006, The Bribery Act 2010, the Money Laundering Regulations 2017, SIPs and Pension Regulations. These activities do not add any direct benefit to creditors and they form part of the statutory obligations of the Administration.

- Preparation and delivery of all statutory documentation, including our Proposals, SIP 16 report and our previous Progress Report.
- Dealing with statutory issues required under The Insolvency Act 1986, The Insolvency Rules 2016 and the SIPs.

## APPENDIX IV

### JOINT ADMINISTRATORS' TIME COSTS SUMMARY

A total of 1,779 hours has been spent during the Administration at an average charge out rate of £393, bringing total time costs to £700,135.

For the purpose of this report the time spent relating to trust claims, the associated legal communication and application to Court has been included in the unsecured creditor sub-heading below. Further analysis of the time incurred may be provided if the Court determines that some or all of the trust claims are valid.

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
<b>Administration &amp; Planning</b>									
Case planning / monitoring	9.40	6,879.00	12.70	5,782.00	41.10	11,615.50	63.20	24,276.50	384.12
Cashiering	7.40	5,316.00	2.80	1,328.00	45.50	14,002.00	55.70	20,646.00	370.66
General administration	3.70	2,842.50	10.40	4,544.00	72.20	16,001.00	86.30	23,387.50	271.00
	<b>20.50</b>	<b>15,037.50</b>	<b>25.90</b>	<b>11,654.00</b>	<b>158.80</b>	<b>41,618.50</b>	<b>205.20</b>	<b>68,310.00</b>	<b>332.89</b>
<b>Creditors</b>									
Secured	2.70	1,858.50	6.15	3,075.00	0.60	186.00	9.45	5,119.50	541.75
Unsecured	132.62	99,303.90	278.65	137,077.00	684.05	186,409.75	1,095.32	422,790.65	386.00
Employees	0.10	70.50	28.50	12,242.00	6.00	2,093.00	34.60	14,405.50	416.34
	<b>135.42</b>	<b>101,232.90</b>	<b>313.30</b>	<b>152,394.00</b>	<b>690.65</b>	<b>188,688.75</b>	<b>1,139.37</b>	<b>442,315.65</b>	<b>388.21</b>
<b>Investigations</b>									
General investigation	1.70	1,351.50	10.25	5,109.00	35.95	8,693.25	47.90	15,153.75	316.36
D returns	0.70	556.50	3.60	1,800.00	21.10	6,183.50	25.40	8,540.00	336.22
Other investigation	0.80	636.00	9.60	4,800.00	5.60	1,996.00	16.00	7,432.00	464.50
	<b>3.20</b>	<b>2,544.00</b>	<b>23.45</b>	<b>11,709.00</b>	<b>62.65</b>	<b>16,872.75</b>	<b>89.30</b>	<b>31,125.75</b>	<b>348.55</b>
<b>Realisation of Assets</b>									
Book debts	3.70	2,869.50	24.70	12,278.00	10.70	4,012.50	39.10	19,160.00	490.03
Sale of business / assets	22.68	17,625.60	33.10	16,526.00	29.20	9,150.00	84.98	43,301.60	509.55
Property - freehold and leasehold	0.20	159.00	-	-	-	-	0.20	159.00	795.00
Other assets	5.50	3,454.50	33.80	16,860.00	18.80	5,802.00	58.10	26,116.50	449.51
	<b>32.08</b>	<b>24,108.60</b>	<b>91.60</b>	<b>45,664.00</b>	<b>58.70</b>	<b>18,964.50</b>	<b>182.38</b>	<b>88,737.10</b>	<b>486.55</b>
<b>Statutory</b>									
Statutory paperwork / form completion	11.80	8,562.00	21.10	9,798.00	14.50	5,186.50	47.40	23,546.50	496.76
Filing documents with CH / Court	0.30	238.50	0.60	300.00	2.10	735.50	3.00	1,274.00	424.67
Reporting to creditors	3.20	2,526.00	42.15	19,507.00	67.35	22,792.75	112.70	44,825.75	397.74
	<b>15.30</b>	<b>11,326.50</b>	<b>63.85</b>	<b>29,605.00</b>	<b>83.95</b>	<b>28,714.75</b>	<b>163.10</b>	<b>69,646.25</b>	<b>427.02</b>
<b>Total hours and cost</b>	<b>206.50</b>	<b>154,249.50</b>	<b>518.10</b>	<b>251,026.00</b>	<b>1,054.75</b>	<b>294,859.25</b>	<b>1,779.35</b>	<b>700,134.75</b>	<b>393.48</b>

A total of 302 hours has been spent during the Reporting Period at an average charge out rate of £388, bringing total time costs for the Reporting Period of £117,058.

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
<b>Administration &amp; Planning</b>									
Case planning / monitoring	1.90	1,276.50	3.90	1,670.00	13.20	3,506.00	19.00	6,452.50	339.61
Cashiering	5.50	3,913.50	2.60	1,244.00	17.00	5,231.00	25.10	10,388.50	413.88
General administration	1.50	1,192.50	0.60	268.00	50.30	9,805.50	52.40	11,266.00	215.00
	<b>8.90</b>	<b>6,382.50</b>	<b>7.10</b>	<b>3,182.00</b>	<b>80.50</b>	<b>18,542.50</b>	<b>96.50</b>	<b>28,107.00</b>	<b>291.26</b>
<b>Creditors</b>									
Secured	2.70	1,858.50	-	-	-	-	2.70	1,858.50	688.33
Unsecured	35.65	22,878.75	33.20	15,016.00	47.15	13,011.75	116.00	50,906.50	438.85
Employees	-	-	-	-	1.40	420.00	1.40	420.00	300.00
	<b>38.35</b>	<b>24,737.25</b>	<b>33.20</b>	<b>15,016.00</b>	<b>48.55</b>	<b>13,431.75</b>	<b>120.10</b>	<b>53,185.00</b>	<b>442.84</b>
<b>Investigations</b>									
General investigation	-	-	0.20	84.00	0.40	150.00	0.60	234.00	390.00
	<b>-</b>	<b>-</b>	<b>0.20</b>	<b>84.00</b>	<b>0.40</b>	<b>150.00</b>	<b>0.60</b>	<b>234.00</b>	<b>390.00</b>
<b>Realisation of Assets</b>									
Book debts	0.70	484.50	2.70	1,278.00	2.50	937.50	5.90	2,700.00	457.63
Sale of business / assets	3.65	2,712.75	1.50	726.00	11.30	2,437.50	16.45	5,876.25	357.22
Property - freehold and leasehold	0.20	159.00	-	-	-	-	0.20	159.00	795.00
Other assets	5.10	3,172.50	4.65	2,285.00	6.80	2,004.00	16.55	7,461.50	450.85
	<b>9.65</b>	<b>6,528.75</b>	<b>8.85</b>	<b>4,289.00</b>	<b>20.60</b>	<b>5,379.00</b>	<b>39.10</b>	<b>16,196.75</b>	<b>414.24</b>
<b>Statutory</b>									
Statutory paperwork / form completion	7.80	5,445.00	1.45	685.00	0.20	84.00	9.45	6,214.00	657.57
Filing documents with CH / Court	0.30	238.50	-	-	1.70	637.50	2.00	876.00	438.00
Reporting to creditors	0.90	715.50	6.60	3,180.00	26.65	8,349.25	34.15	12,244.75	358.56
	<b>9.00</b>	<b>6,399.00</b>	<b>8.05</b>	<b>3,865.00</b>	<b>28.55</b>	<b>9,070.75</b>	<b>45.60</b>	<b>19,334.75</b>	<b>424.01</b>
<b>Total hours and cost</b>	<b>65.90</b>	<b>44,047.50</b>	<b>57.40</b>	<b>26,436.00</b>	<b>178.60</b>	<b>46,574.00</b>	<b>301.90</b>	<b>117,057.50</b>	<b>387.74</b>