

AM03

Notice of administrator's proposals



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

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
Post town	London
County/Region	
Postcode	W C 2 N 6 J U
Country	

4 Administrator's name ①	
Full forename(s)	Simon
Surname	Jagger

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
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.

AM03 Notice of Administrator's Proposals

6 Statement of proposals

I attach a copy of the statement of proposals

7 Qualifying report and administrator's statement ¹

I attach a copy of the qualifying report

I attach a statement of disposal

¹ As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8 Sign and date

Administrator's
Signature

Signature

X



X

Signature date

^d2 | ^d0 | ^m0 | ^m9 | ^y2 | ^y0 | ^y2 | ^y2

AM03 Notice of Administrator's Proposals

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**

Post town **London**

County/Region

Postcode **W C 2 N 6 J U**

Country

DX

Telephone **020 7702 9775**

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 and dated the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

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. ①
 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

① 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
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Cameron
Surname	Gunn

3 Insolvency practitioner's address

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

RE|SOLVE

Festicket Ltd - in Administration

High Court of Justice Business and Property Courts, Chancery Division, London

Court no: 2837 of 2022

Joint Administrators' proposals for achieving the purpose of administration

Date: 20 September 2022

Deemed date of delivery to creditors: 20 September 2022

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1. Abbreviations and definitions

Abbreviations and terms that may be used in these proposals:

Abbreviation	Definition
Joint Administrators/we/us/our	Lee Manning, Cameron Gunn and Simon Jagger
BEIS	Department for Business, Energy and Industrial Strategy
Beringea	Our introducer, Beringea LLP
Category 1 expenses	Please see Appendix II for a full explanation
Category 2 expenses	Please see Appendix II for a full explanation
Company	Festicket Ltd
First Buyer	Lyte, Inc.
GT	Greenberg Traurig LLP, our legal advisors
Hilco	Hilco Appraisal Limited – Agents / Valuers
HMRC	HM Revenue & Customs
IA86	The Insolvency Act 1986 (e.g., S248 IA86: Section 248 Insolvency Act 1986)
ICAEW	Institute of Chartered Accountants in England & Wales, regulatory authority
IR16	The Insolvency (England and Wales) Rules 2016 (e.g. R3.30 IR16: Rule 3.30 Insolvency (England and Wales) Rules 2016)
Kreos Capital	Kreos Capital V (UK) Limited – Secured Creditor
NDA	Non-disclosure agreement
NOIA	A Notice of Intention to Appoint Administrators
Pre-Pack Sale	The sale of the Company's business and assets that completed on 13 September 2022
Preferential creditor(s)	Employee claims for unpaid wages earned in the 4 months preceding the administration, up to £800, holiday pay and in certain circumstances, unpaid pension contributions, and HMRC claims for certain unpaid taxes such as VAT and PAYE, which rank behind the preferential claims of the employees
Prescribed Part	The amount set aside for creditors from floating charge funds in accordance with s176A IA86 and the IA86 Prescribed Part Order 2003
Purchaser	Lyte, Inc. and Lyte Inc UK Limited
ReSolve / Firm	ReSolve Advisory Limited
RoT	Retention of title: Claims made by suppliers that title of goods supplied to the Company remains with them after delivery to the Company but before payment made
RPS	Redundancy Payments Service, part of the Insolvency Service, an executive agency of BEIS. Authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Second Buyer	Lyte Inc UK Limited
Secured creditor(s)	Creditors with security in respect of their debt, in accordance with s248 IA86

SIP	Statement of Insolvency Practice. Issued to insolvency practitioners by regulatory authorities. SIPs set out the principles and key compliance standards by which insolvency practitioners are required to operate
SIP 9	This SIP deals specifically with payments to insolvency office holders and their associates
SIP16	This SIP deals with pre-pack sales in Administrations
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditor(s)	Creditors that are neither secured nor preferential

2. The purpose of this document

We previously notified you that Cameron Gunn, Simon Jagger and I (Lee Manning) of ReSolve were appointed as Joint Administrators of the Company on 12 September 2022.

In this document we provide:

- a brief history of the Company;
- reasons why we were appointed; and
- our proposals for achieving the purpose of administration.

We also provide details of the Company's assets and liabilities and the estimated outcome for each class of creditor.

The IA86 states the purpose of an administration is to achieve one of these three hierarchical objectives:

- (a) rescue the Company as a going concern; or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
- (c) realise the Company's assets to pay a dividend to secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

As a result, we are seeking to achieve objective (b) for the Company and have already partially done so by realising the available assets via the Pre-Pack Sale but there is more work to be done.

It is considered that the sale preserved the value of the business and has achieved a better outcome for creditors as a whole than would be likely if the Company had been placed into CVL. Further detail regarding the Pre-Pack Sale is provided in the SIP 16 enclosed at Appendix IX.


The insolvency legislation has set a 12-month maximum duration for Administrations unless the duration is extended by the Court or the creditors. If we are unable to complete the Administration of the Company within 12 months then we will either apply to the Court, or hold a decision procedure of creditors, in order to seek approval to extending the duration of the Administration. It is commonplace for administrations having to be extended beyond the initial 12-month period.

We will manage the affairs of the Company until our proposals for achieving the objective of this Administration have been implemented as far as possible, after which the Administration will end.

Decision procedures

Because we are pursuing objective (b), we are seeking a decision from creditors to approve our proposals and separate decisions to approve our pre-appointment costs and remuneration. Both of these decisions will be finalised on 12 October 2022. Further details, including the decision forms to be returned to us are at Appendices IV and V. A Notice of Invitation not to form a Creditors' Committee is at Appendix VI.

If you have any questions regarding the contents of this document, please contact Daniel Hashemi or James Reeves on 020 3746 5732 or email to Festicket@resolvegroupuk.com.



Lee Manning
Joint Administrator
For and on behalf of the Company

3. Summary of estimated recoveries for creditors

Estimated outcome for secured creditors

Secured creditor	Claims £	Recovery %	Forecast timing for repayment
Kreos Capital	1,690,000	100%	Uncertain

Kreos Capital has a fixed and floating charge, dated 27 July 2018, in relation to the assets of the Company.

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

As a result of the Pre-Pack Sale, and the level of other anticipated realisations in this matter, we consider that the amount owed to Kreos Capital will be repaid in full by way of fixed and floating charge distributions but this is subject to the comments below.

Our estimate of full recovery by the secured creditor could be impacted by claims the Company has recently received from promoters asserting that the Company's net ticket sales receipts were to be held in trust by the Company for them. Further detail relating to these claims is given below.

Estimated dividend prospects for other creditors

Creditors	Claims £	Recovery %	Forecast timing for repayment
Preferential - Employees	Nil	N/A	N/A
Preferential - HMRC	298,000	100%	Uncertain
Unsecured	22,560,175	10 – 30%	Uncertain

This summary of the estimated recoveries for creditors is based on information available as at the date of this report.

The range of recoveries for unsecured creditors from the insolvency estate of the Company is especially difficult to estimate at an early stage. The key asset of the Company, other than the cash balances already held in its bank accounts, is the level of monies presently held in reserve by Stripe, the Company's credit card processor. The net assets and liabilities of the Company will both be impacted if there are cancellations of future events by promoters, in a number of ways including:

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

In addition, the outcome for creditors could be influenced by another key issue that has arisen:

We have received communications from a number of promoter creditors, who are asserting that the terms of their contract with the Company implied that the net monies from ticket sales collected by the Company were to be held in trust by the Company for the respective promoters. Our understanding is that the Company did not segregate or ringfence any assets for the benefit of specific parties. We are aware that trust claims are a complex area of law and will require expert legal advice which we are already in the process of obtaining. For the purposes of our estimates of outcomes for creditors in this document we have assumed that the assets are not subject to trust claims. However, if this were not to be the case this would significantly impact the recoveries for those creditors whose claims were not subject to a trust arrangement.

For the reasons explained above, including the time required to deal with multiple legal claims, the timing of any payment to any class of creditor is currently uncertain.

Preferential claims - Employees

As a result of the Pre-Pack Sale the Company's employees have been transferred to the Purchaser in accordance with TUPE legislation, thereby mitigating claims in this regard. Without this sale having taken place, we estimate that the preferential claims for accrued holiday pay would have been c.£200,000

Preferential claims – HMRC

HMRC's preferential claims rank behind the preferential claims of employees but are paid in priority to unsecured creditors. The value of the HMRC claim has not yet been confirmed by HMRC.

Unsecured claims

It is anticipated that a dividend will be payable to non-preferential unsecured creditors of the Company over and above the Prescribed Part dividend as detailed at Section 5 of this report, however the exact amount and timing of any distribution(s) is currently uncertain. I hope to be able to provide further clarity in our sixth-month progress report.

4. Brief history of the Company and events leading to its administration

Background and circumstances leading to our appointment

Please refer to Appendix IX for details of the Company's background and the circumstances leading to the commencement of the Administration.

Financial performance

The first table below shows the financial position for the Company for the financial years ending 2018, 2019 and 2020 as filed at Companies House. The accounts filed at Companies House do not show financial performance (P&L accounts) for the Company. The second table below shows the financial performance for the Company for the financial years ending 2020 and 2021, from the Company's accounting records.

Please note the figures in the below tables are provided in Euros in accordance with the Company's accounting practices. All other figures provided in the main body of these proposals and SIP16 report have been converted to Sterling unless specifically stated:

Balance sheet	31-Dec-20	31-Dec-19	31-Dec-18
	EUR	EUR	EUR
Fixed assets			
Intangible assets	24,282	28,284	32,286
Tangible assets	178,692	250,930	133,845
Investments	1	1	1
	<u>202,975</u>	<u>279,215</u>	<u>166,132</u>
Current assets			
Debtors	30,204,315	13,297,227	5,151,358
Cash at Bank and in hand	16,331,687	5,595,501	10,626,207
	<u>46,536,002</u>	<u>18,892,728</u>	<u>15,777,565</u>
Total Assets	<u>46,738,977</u>	<u>19,171,943</u>	<u>15,943,697</u>
Liabilities			
Creditors amounts falling due within one year	(47,194,248)	(20,100,550)	(7,780,227)
Creditors amounts falling after more than one year	(6,295,919)	(2,450,147)	(1,203,271)
Other provisions	(126,818)	(270,133)	-
Total liabilities	<u>(53,616,985)</u>	<u>(22,820,830)</u>	<u>(8,983,498)</u>
Net Assets / (Liabilities)	<u>(6,878,008)</u>	<u>(3,648,887)</u>	<u>6,960,199</u>
Capital and Reserves			
Called up share capital	38,549	31,284	29,606
Share premium account	28,449,526	25,091,189	22,846,440
Shares to be issued	-	374,236	-
Other reserves	39,188	4,449	179,328
Profit and Loss account	(35,405,271)	(29,150,046)	(16,095,175)
Shareholder's funds	<u>(6,878,008)</u>	<u>(3,648,888)</u>	<u>6,960,199</u>

Source: Accounts filed at Companies House

Profit and loss	31-Dec-21	31-Dec-20
	EUR	EUR
Sales	6,979,918	7,902,085
Cost of Sales	(1,219,088)	(5,284,581)
Gross Profit	5,760,830	2,617,504
Operating expenses	(8,720,827)	(9,264,671)
Operating (Loss)/Profit	(2,959,997)	(6,647,168)
Other income	341,547	1,011,350
Other expenses (Inc. Taxes)	988,551	(619,407)
Profit/(Loss) for the financial year	(1,629,899)	(6,255,224)

Source: Accounting records

Prior professional relationships

Please refer to Appendix IX for details of our initial introduction to the Company and subsequent engagements.

No advice was given to the individual directors regarding the impact of the insolvency process on their personal financial affairs. Both before and after our appointment as Administrators, we were required to act, and did act in our dealings with the Company, in accordance with the Insolvency Code of Ethics.

As part of our routine pre-appointment procedures, we gave careful consideration as to whether our prior work would result in any ethical threats, including conflicts of interest, as set out in the ICAEW's Code of Ethics for Insolvency Practitioners. Our prior work has not been linked to any of the causes of the Company's failure, accordingly we are not precluded from acting as the Company's Joint Administrators. Details of the Code and internal policies relevant to this appointment can be found here www.resolvegroupuk.com/policies2/.

Pre-administration costs

We have incurred £155,925 of costs in relation to our engagement dated 30 August 2022, of which we have been paid £17,000 plus VAT by the Company. These costs are for the period following the decision by the Company's directors to place the Company into Administration, and our assistance to the Company in marketing the business for sale and placing the Company into Administration. Full details of these costs are provided at Appendix I.

The payment of unpaid pre-administration costs as an expense of this Administration is a matter requiring an initial decision of creditors by a decision procedure under R3.52 IR16 and is not part of the proposals subject to approval under paragraph 53 of Sch B1 IA86. The request for that decision is included at Appendix V.

If creditors elect a committee, that committee will have authority to approve the payment of these costs under R3.52 IR16.

Other costs, fees and expenses incurred prior to our appointment (not subject to approval)

Special Accountants

On 5 August 2022, ReSolve was engaged by the Board of Directors as Special Accountants to undertake a review of the Company's current financial position and to provide a summary of our findings. The scope of the engagement was extended by the Company on 10 August 2022 to include ad-hoc advice in respect of insolvency related matters and the Company's current financial situation. £82,843 plus VAT was paid to ReSolve by the Company in this regard.

Further details in relation to this engagement is provided in Appendix I and IX.

Moratorium

On 17 August 2022 ReSolve was engaged by the Company to assist with placing the Company into a Moratorium to provide protection from further creditor action following an ex parte court application, leading to an injunction which froze £4.7m of the monies in the Company's bank accounts, whilst management continued to negotiate a detailed offer received from Lyte, Inc. for the purchase of its shares.

The Monitors of the Moratorium, Ben Woodthorpe and Chris Farrington, have stated the value of their remuneration to be £57k plus VAT, and legal costs in relation to the Moratorium of c.£30k plus VAT.

In relation to the Monitors' remuneration, a total of £10k plus VAT was paid to ReSolve by the Company prior to the appointment of Administrators.

As the Company entered into Administration within a 12-week period following the end of a Moratorium, certain Moratorium debts, including the Monitor's unpaid remuneration and expenses (for the period of the Moratorium), must be paid as a priority distribution in the Administration.

Further details in relation to this engagement is provided Appendix I and IX.

5. Conduct of the administration to date and next steps if our proposals are approved

The objective of this Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration). To achieve this, we have sought to maximise the value of the Company's assets and minimise costs and claims.

A summary of the matters dealt with since our appointment are outlined below and at Appendix III:

Pre-Pack Sale

- Completed the negotiation and legal contracts in relation to the Pre-Pack Sale to the Purchaser;
- Liaised with our solicitors, GT in relation to finalising the Pre-Pack Sale, post completion matters and the validity of our appointment;
- Liaised with the Purchaser generally regarding post completion matters and relevant communications; and
- Wrote to employees of the Company in relation to their proposed transfer to the Purchaser in accordance with TUPE legislation.

All other matters

- Liaised with our insurance broker, AON to obtain "open cover" insurance immediately following our appointment;
- Attended to initial statutory notifications required by statute following our appointment;
- Reviewed financial information received from the Company;
- Liaised with Stripe in relation to the balance it holds and held discussions regarding the recoverability and timing of repayment to the Company of this balance;
- Engaged solicitors GT to provide legal advice in relation to a number of matters, including the notifications received from some promoters regarding implied trust arrangements;
- Liaised with the Company's pre-appointment solicitors, Taylor Vinters LLP in relation to the Freezing Order and how to obtain its release;
- Prepared a dedicated micro-site, with answers to some frequently asked questions;
- Drafted these proposals;

- Drafted our SIP16 report to creditors (Appendix VIII of this report); and
- Addressed statutory duties associated with these Administrations.
- Liaised with and wrote to the Company's pre-appointment bankers, HSBC, to provide notice of our appointment and to request transfer of the credit balances and provision of certain information required for the Administration;
- Liaised with our bankers, HSBC in relation to the opening of new Administration bank accounts for the Company, including multiple currency accounts;
- Liaised with creditors regarding claims and enquiries;
- Notified pension authorities and the pension scheme provider;

Sale of business and assets

On 13 September 2022, the Company's business and certain assets were sold to the Purchaser as part of the Pre-Pack Sale for £100,000. The full consideration was paid on completion and is held on account by solicitors, GT whilst we arrange the opening of Administration bank accounts.

Further details in relation to the Pre-Pack Sale can be found at Appendix IX.

Excluded assets

The following assets are excluded from the Pre-Pack Sale:

Cash at bank

Based on the exchange rates as at 12 September 2022 the Company's pre-appointment bank accounts hold credit balances across multiple currencies totalling £5,677,312.

Following our appointment, we wrote to and communicated by phone and email with the Company's pre-appointment bankers to request the bank accounts be frozen and the funds from such accounts be transferred to our Administration bank accounts, once opened.

Debtors

Stripe

We are currently communicating with Stripe in relation to the balances it holds. As at 15 September Stripe advised it holds the sum of £7,690,705 across multiple currencies.

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). As such, it is currently too early to estimate expected realisations in this regard.

Intercompany balance

We understand approximately £560,000 is due to the Company in relation to loans provided to its US subsidiary, Yeslab, Inc.

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 back from promoters of £2,163,750. However we need to ascertain the full position regarding these sums, and currently view any

recoveries in this regard to be uncertain, as they may need to be set against any sums owed to those same individual promoters for ticket sales for which the Company has failed to account to them.

Prepayments

The Company's management accounts as at 30 June 2022 record prepayments made of £341,634

We will assess the prepayments to determine whether any recoveries may be made. We note that the book value of prepayments shown above does not include those relating to promoters which management have told us will net off against promoter creditor balances.

Shares in subsidiaries

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

A group structure is provided in at Appendix IX.

Based on current information we do not consider the UK, Australian or Irish subsidiaries to have any value. As above, we are seeking further information in relation to the assets and liabilities of the US subsidiary.

Employees

The Company employed approximately 75 staff members as at the date of Administration.

Following the Pre-Pack Sale, all employees were transferred to the Purchaser in accordance with TUPE legislation.

We are currently liaising with the Purchaser in relation to post transfer matters relating to the employees.

As a consequence of the transfer of employees, we do not consider that there will be a material value of employee preferential claims.

Connected party transactions – SIP 13

There have been no transactions to connected parties to date and we are not aware of any such transactions prior to our appointment.

Directors' conduct and investigations

We have a duty to investigate the conduct of those who have been directors of the Company at any time in the three years before the Administration. We have to submit our findings to BEIS within three months of our appointment.

We will also investigate the affairs of the Company and decide whether any civil proceedings should be taken against anyone to recover or contribute to the Company's assets.

We would be pleased to receive from you any information you consider will assist us in these investigations. This is part of our normal work as Joint Administrators and does not imply criticism of the directors' conduct.

Objectives of the Administration

We are pursuing objective 3(1)(b) of Schedule B1 IA86; to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

Outcome for creditors

- Secured creditors

The Company had granted the following charge:

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

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

As a result of the Pre-Pack Sale, and the level of other anticipated realisations in this matter, we consider that the amount owed to Kreos Capital will be repaid in full by way of fixed and floating charge distributions.

Please see note 1, below.

- 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.

HMRC

As at 1 December 2020, HMRC regained its status as a preferential creditor. They are paid in priority to unsecured creditors. The value of HMRC's claim is understood to be approximately £298,000, however this has not yet been confirmed by HMRC.

As a result of the Pre-Pack Sale, and the level of other anticipated realisations in this matter, we consider that the amount owed to HMRC will be repaid in full by way of a preferential distribution.

Please see note 1, below.

- 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 Capital was granted a floating charge over the Company's assets on 27 July 2018 so the Prescribed Part applies in this case.

We presently estimate the Company's net property will be between £3m and £4.9m which means the estimated value of any distribution to unsecured creditors is likely to be in excess of the maximum Prescribed Part of £600k.

Please see note 1, below.

Non-preferential unsecured creditors

As noted above, it is estimated any distribution to unsecured creditors will likely exceed the maximum of the Prescribed Part. We currently estimate that the value of distribution to unsecured creditors will be between 10 and 30% of the total unsecured claims.

If there is a distribution to unsecured creditors over and above the Prescribed Part, we may ask the Court for permission to allow us to pay such a distribution during the Administration. If we do not request permission from the Court, a subsequently appointed liquidator may pay these distributions to unsecured creditors.

Note 1

The estimated recoveries for creditors is based on information available as at the date of this report.

The range of recoveries for unsecured creditors is especially difficult to estimate for this company, particularly given that the assets and liabilities of the Company will both be impacted if there are cancellations of future events by promoters, in a number of ways including:

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

In addition, we have received communication from a number of promoter creditors, who are asserting that the net realisations from their ticket sales were to be held in trust for them by the Company. Our understanding is that the Company did not segregate or ringfence any assets for the benefit of specific parties. We understand that trust claims are a complex area of law and will require detailed legal advice. For the purposes of our estimates of outcomes for creditors we have assumed that the assets are not subject to trust claims. However, if this were not to be the case this would significantly impact the recoveries for creditors.

For the reasons explained above, including the time required to deal with multiple legal claims, the timing of any payment to any class of creditor is currently uncertain.

Fees and expenses

According to insolvency legislation, our fees can be calculated in the following ways:

1. As a percentage of the value of the property that we deal with ("percentage basis"); or
2. By reference to the time properly given by us and our staff attending to matters arising ("time cost basis"); or
3. A set amount ("fixed fee").

In this case we are proposing our fees for the Administration be charged on the time cost basis.

Details of our time costs and expenses to date are provided at Appendix III. In the period from 12 September 2022 to 18 September 2022 we have spent 168 hours which equates to £77,960.

We are requesting a decision from creditors to approve the basis of our fees and category 2 expenses.

Notice of the decisions required of creditors in respect of our proposals and remuneration is at Appendix V.

However, if a Creditors' Committee is appointed, it will be for the Committee to approve the basis of our fees and category 2 expenses. The invitation to form a Creditors Committee is at Appendix VI.

If neither the creditors nor the Committee fix the basis of our fees and category 2 expenses, we may apply to Court to fix them, no later than 18 months after the date of our appointment.

When we seek time cost approval we have to set out a fee estimate, which acts as a cap on time costs so we cannot draw fees of more than the estimate without further explanation and approval. The fees estimate can be found at Appendix III.

This shows the estimated time costs, hours charged and average hourly rates split into various categories and by grade of staff. We estimate the total time costs we will incur in undertaking these tasks in the Administration and any subsequent liquidation (if applicable) will be £977,270.

This estimate has been provided at an early stage in the Administration and before we have full knowledge of the case and its complexities. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on our current knowledge of the case and our knowledge and experience of acting as administrators in

respect of cases of a similar size and apparent complexity. As a result, the estimate does not account for any currently unknown complexities or difficulties that may arise during the Administration of the case.

If the time costs incurred by us exceed the estimate, or are likely to exceed the estimate, we will provide an explanation as to why in the progress reports to creditors. Since we cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where we consider it appropriate in the context of the case, we will seek a resolution to increase the fee estimate so that we will then be able to draw additional remuneration over and above this estimate.

Further information regarding Administrators' fees can be found here:

<http://www.resolvegroupuk.com/resources>

There are different versions of the guide so please ensure that you refer to the latest version. A hard copy can be obtained on request, free of charge, from this office.

6. Estimate of financial position

It is the responsibility of the directors of a company to prepare a summary of the financial position as at the date of Administration, which is known as a Statement of Affairs. We have requested the directors to prepare a Statement of Affairs for the Company, however due to the timing of these proposals, this document has not yet been received.

In the absence of a completed Statement of Affairs, we have prepared an estimated financial position for the Company as at 12 September 2022, attached at Appendix VIII.

Please note that:

- The estimated financial position does not make provisions for the costs of realising Company assets or the costs of the Administration; and
- The information contained in the estimated financial position has not been audited.

7. Receipts and payments account

Summary of Administrators receipts and payments account for the period from 12 September 2022 (date of Administrators' appointment) to 20 September 2022			
	Estimated Financial Position £	For the period 12-Sept-22 to 20-Sept-22 £	Total Receipts/ Payments to date £
FIXED CHARGE RECEIPTS			
Intellectual property	59,999.00		
Goodwill	1.00		
Shares in subsidiaries	-	-	-
	<u>60,000.00</u>	<u>-</u>	<u>-</u>
FLOATING CHARGE RECEIPTS			
Customer lists	1.00		
Business records	1.00		
Employee records	1.00		
IT equipment	34,000.00	-	-
Furniture and equipment	4,999.00	-	-
Leasehold property	997.00	-	-
Supplier contracts	1.00	-	-
Cash at bank	5,677,312.16	-	-
Debtors (Stripe)	Uncertain	-	-
Debtors (Intercompany)	Uncertain	-	-
Debtors (including advances to promoters)	Uncertain	-	-
Prepayments	Uncertain	-	-
	<u>5,717,312</u>	<u>-</u>	<u>-</u>
TOTAL RECEIPTS	<u>5,777,312</u>	<u>-</u>	<u>-</u>
PAYMENTS			
None		-	-
		<u>-</u>	<u>-</u>
Balance (receipts less payments)		<u>-</u>	<u>-</u>
REPRESENTED BY			
Current account - non interest bearing			-
Total			<u>-</u>

Lee Manning
Joint Administrator
20 September 2022

Notes

The consideration of £100,000 associated with the Pre-Pack Sale has been received by our solicitors, GT and is being held in their client account. The balance will be transferred to the Administration in due course.

8. Joint Administrators' proposals

In order to achieve the objective set out at section 3 above, Cameron Gunn, Simon Jagger and I formally propose to creditors that:

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
 - (i) Deal with matters relating to the Pre-Pack sale;
 - (ii) Realise the Company's assets excluded from the Pre-Pack Sale, being in the main the release of the balances held by Stripe, refunds of excess advances and other debts recoverable from promoters and recovery of intercompany debts, at such time(s) on such terms as we consider appropriate;
 - (iii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
 - (iv) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals. This will include the need to investigate the basis upon which implied trust arrangements are deemed to be in place with certain promoters and to seek legal advice and/or directions from the court to establish the validity of such claims. Following this, if necessary, to carry out a tracing exercise from funds in hand and realised during the Administration, to establish the extent to which such funds fall relate to those promoters to whom the trust is found to be effective.
- (b) It is proposed that the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered.

Should the above not be achievable, the Company will exit via one of the following routes:

- (c) If there are funds available to make a distribution to unsecured creditors (in excess of the prescribed part) which have not been distributed in the Administration, the Administration will end by placing the Company into Creditors' Voluntary Liquidation and propose that Lee Manning, Cameron Gunn and Simon Jagger are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved.
- (d) The Administration will end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company, and propose that Lee Manning, Cameron Gunn and Simon Jagger are appointed Joint Liquidators of the Company by the Court.
- (e) The Administration of the Company will end by making an application to Court for an order that the Administration ceases.
- (f) The Administration of the Company will end by giving notice to the Court, creditors and Registrar of Companies that the objective of the Administration has been achieved.

Approval of proposals

We are seeking a decision from the creditors to approve our proposals using the deemed consent procedure.

If a creditor agrees with the proposed decision to approve our proposals, then they do not need to do anything. Unless 10 per cent of creditors, who would be entitled to vote at a qualifying decision procedure, object to the decision to approve our proposals they will automatically be approved on 12 October 2022.

If a creditor wishes to object to the decision, they must complete and return the enclosed notice of objection at Appendix IV so that it is received by me by no later than 23.59 hours on 12 October 2022. If a creditor has not

already submitted proof of their debt, they should complete the enclosed form and return it to me. Objections by a creditor will not count unless they have lodged a proof of debt by no later than 23.59 on 12 October 2022.

It is our responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then I will write to creditors to seek approval for this decision using a qualifying decision process.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within five business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10 per cent in value or 10 per cent in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

Extending the Administration

We may seek the consent of the appropriate class(es) of creditors, or an order of the Court, to extend the period of the Administration beyond the statutory period of 12 months, if we believe it is required to achieve the objective of the Administration and to finish our work.

Discharge from liability

We will be discharged from liability in respect of our actions as Administrators at a time set by the creditors or the Court.

9. Statutory and other information

Statutory and other information	
Court details:	In the Insolvency and Companies Court, High Court of Justice (ChD)
Court number:	2837 of 2022
Full name:	Festicket Ltd
Trading name(s):	Festicket Ticket Arena Event Genius
Registered number:	07923345
Former registered office:	2nd Floor, Centro Forum, 74-80 Camden Street, London, England, NW1 0EG
Registered office:	We have submitted the relevant form to Companies House for the purpose of changing the registered office to: c/o Resolve Advisory Limited, 22 York Buildings, London, WC2N 6JU
Appointors:	Directors
Company directors:	Benjamin William Leaver Eyal Boris Malinger Ian McCaig Zacharie Albert Abraham Sabban Jonathan Joseph Younes
Company secretary:	-
Shares held by directors:	Zacharie Albert Abraham Sabban: <ul style="list-style-type: none"> ▪ 25,000,000 Ordinary Shares ▪ 16,800,000 Series F2 Preferred ▪ 25,000,000 Series F3 Preferred Jonathan Joseph Younes: <ul style="list-style-type: none"> ▪ 25,000,000 Ordinary Shares
Date of the Administrators' appointment	12 September 2022
Division of the Administrators' responsibilities:	For the purpose of paragraph 100(2) of Schedule B1, the administrators may exercise any of the powers conferred on them by IA86 jointly or individually
Objective being pursued by the Administrators:	Objective 3(1)(b) of Schedule B1 IA86
Regulation (EU) on Insolvency Proceedings:	Centre of Main Proceedings (COMI) proceedings, establishment proceedings or proceedings in which the EU Regulation has effect in the law of the United Kingdom does not apply

If you have any queries regarding the proposals or the conduct of the Administration in general, please contact James Reeves or Daniel Hashemi at Festicket@resolvegroupuk.com or 020 3746 5732.

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 has not been dealt with appropriately, you should then put details of your concerns in writing to our complaints officer at 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. 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 or telephone: 0300 678 0015.

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

Details of this procedure and other regulatory policies can be found on ReSolve's website at www.resolvegroupuk.com/policies2/.

Pre-appointment time costs and expenses

The Board of the Company instructed ReSolve on 30 August 2022 to carry out an accelerated marketing process and assist in placing the Company into Administration. They agreed that we should be paid our pre-appointment fees and expenses on a time cost basis.

We provide below a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade at our firm:

PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
110.60	84,592.50	80.80	40,384.00	86.10	30,948.50	277.50	155,925.00	561.89
110.60	84,592.50	80.80	40,384.00	86.10	30,948.50	277.50	155,925.00	561.89

The following work was undertaken:

- Liaised with solicitors and the Company's directors in relation to the filing of an NOIA
- Liaised with the Company's directors to make information available
- Conducted an accelerated marketing campaign and liaised with interested parties over the terms of their offers to acquire the business and assets
- Liaised with Hilco regarding preparation of a valuation of the Company's physical and intangible assets and providing a recommendation of acceptance on the offer received
- Considered the valuation and comments provided by Hilco
- Liaised with Kreos Capital as Secured Creditor on the progress of the sale negotiations and to obtain the necessary releases of assets from their security in order for the sale to be achieved.
- Liaised with the Company's solicitors, Taylor Vinters LLP regarding the preparation of appointment documentation and obtaining written consent for the sale of the business and assets of the Company to the Purchaser, from the creditor who had applied for the freezing order over the Company's bank accounts.
- Liaised with the Company's directors and management team to assist preparations for an Administration appointment and the Pre-Pack Sale
- Planned internally for the appointment
- Liaised with solicitors, GT, regarding the appointment and Pre-Pack Sale and validity of our appointment
- Engaged with the Purchaser to negotiate terms of their offer and the terms of a sale agreement and also regularly consulted with the board of directors on the progress of the negotiations; and
- Instructed solicitors, GT, to draft, negotiate and finalise the sale agreement and security releases.

The following statement sets out the time costs and expenses that were incurred and paid prior to the Administration and those where approval is being sought to pay them from administration funds.

Description	Amount £	Paid pre- appointment £	To be paid £
Pre-appointment time-costs	155,925	17,000	138,925
Pre-appointment expenses	Nil	Nil	Nil

ReSolve has been paid £17,000 plus VAT in respect of pre-appointment fees. This was paid by the Company prior to the Administration.

Pre- appointment professional advisors

The following professionals were utilised in this matter and the costs of these also comprise pre-appointment expenses of the Administration:

Professional Advisor	Nature of work	Fee Arrangement	Fees incurred to date £	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
Total			67,675	30,000	37,675

The above costs are net of VAT, where applicable.

Hilco Valuation Ltd

Valuation agents, Hilco were engaged for the purpose of undertaking the following actions:

- Advising on the value of the intellectual property
- Advising on the value of the tangible assets and leasehold property, and
- Provided recommendation in relation to the offer received.

Hilco have confirmed their independence and hold adequate professional indemnity insurance.

Greenberg Traurig LLP

Solicitors, GT, were engaged to provide us with advice relating to our appointment and to:

- Provide advice in relation to the sale of the Company's assets;
- Prepare the Sale and Purchase Agreement; and
- Provide general legal advice as required.

The sum of £30k plus VAT has been paid by the Company in relation to the pre-appointment costs of GT.

Please note that GT were also engaged by the Monitors in relation to the Moratorium prior to the Administration. For details of this, see below.

The choice of professionals was based on our perception of their experience and ability to perform the type of work assigned to them, 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 they are reasonable in the circumstances of this case.

Approval of pre-appointment fees and expenses

The Joint Administrators are seeking approval of the outstanding pre-appointment fees and expenses (detailed above) by way of a decision procedure. Further details are provided at Appendix V.

Other costs, fees and expenses incurred prior to our appointment (not subject to approval)

Special Accountants

On 5 August 2022, ReSolve was engaged by the Board of Directors as Special Accountants to undertake a review of the Company's current financial position and to provide a summary of our findings. The scope of the engagement was extended by the Company on 10 August 2022 to include ad-hoc advice in respect of insolvency related matters and the Company's current financial situation.

The total sum of £82,843 plus VAT was paid to ReSolve by the Company in this regard.

Moratorium

On 17 August 2022 ReSolve was engaged by the Company to assist with placing the Company into a Moratorium to provide protection from further creditor action whilst it explored an offer received for the purchase of its shares.

As the Company entered into Administration within a 12-week period following the end of a Moratorium, certain Moratorium debts (including unpaid Monitor fees and expenses) must be paid as a priority distribution in the Administration.

As noted in the estimate of financial position, the Monitors of the Moratorium (Ben Woodthorpe and Chris Farrington) have indicated that the value of unpaid moratorium debts is approximately £500k plus VAT (where applicable). We await further information from them to confirm.

Within this £500k the Monitors have stated the value of their remuneration to be £57k plus VAT (of which £10k plus VAT has been paid) and legal costs in relation to the Moratorium of c.£30k plus VAT.

Further details in relation to these prior engagements are provided later in Appendix IX.

Joint **Administrators'** remuneration policy, charge out rates and expense policy

Time costs basis

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 Administrator	300
Administrator	245
Junior Administrator	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 Administrator 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, 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:

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

A schedule of Category 1 and 2 expenses incurred, amounts paid to date and the future expected amounts to be incurred is shown below:

Post-appointment	Category 1	Category 2	Total	Paid to date	Estimated future
			£	£	£
Statutory advertising	-	-	-	-	200.00
Statutory bonding	-	-	-	-	1,280.00
My Insolvency Report – Online creditor information platform	25.00	-	25.00	-	-
Insurance of assets	-	-	-	-	500.00
Postage	-	-	-	-	500.00
Printing and stationery	-	-	-	-	300.00
Total	25.00	-	25.00	-	2,780.00

We estimate that the total Category 1 and Category 2 expenses incurred during the course of the Administration will be in the region of £2,780.

For efficiency and minimising associated time costs, we use Postworks, a third-party mail distribution company, when sending correspondence by post, for example, initial notification of an insolvency appointment, routine correspondence with HMRC to deal with a Company's tax affairs etc. The costs will vary from case to case and the full details of which, where applicable, will be specified in the expenses table in each of our reports issued in the Administration. These costs are categorised as a Category 1 expense.

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

In new 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 costs

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.

The following professionals have been utilised in this matter and the costs of these also comprise Administration expenses:

Professional Advisor	Nature of Work	Fee Arrangement	Fees incurred to date /£	Paid	Estimated future fees
Greenberg Traurig LLP	Solicitor	Time costs	20,000	-	Uncertain

Please note the costs above are net of VAT.

The choice of professionals was based on our perception of their experience and ability to perform the type of work assigned to them, 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 they are reasonable in the circumstances of this case.

Greenberg Traurig LLP

Since our appointment solicitors, GT, have undertaken the following actions:

- Provided advice in relation to the sale of the Company's assets; and
- Finalised the Sale and Purchase Agreement.

We are currently liaising with GT in relation to post completion matters relating to the Pre-Pack Sale and in relation to the recovery of sums due to the Company and certain creditor related queries.

The level of work required in relation to the recovery of the sums due to the Company and creditor claims (including the trust claims described previously) is currently unknown, as such we are unable to provide an estimate of any future fees at this early stage, but if the issue over the alleged trust claims becomes complicated and elongated then the legal fees for dealing with this will in all likelihood become significant .

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

Appendix III

Schedule of post appointment time costs, narrative and fee estimate

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration & Planning									
Case planning / monitoring	1.00	795.00	6.10	2,762.00	4.30	1,612.50	11.40	5,169.50	453.46
Cashiering	-	-	-	-	1.70	555.00	1.70	555.00	326.47
General administration	4.00	3,000.00	2.10	882.00	17.00	4,165.00	23.10	8,047.00	348.35
	5.00	3,795.00	8.20	3,644.00	23.00	6,332.50	36.20	13,771.50	380.43
Creditors									
Unsecured	5.70	4,450.50	8.70	4,350.00	7.90	2,442.50	22.30	11,243.00	504.17
Employees	-	-	1.80	756.00	-	-	1.80	756.00	420.00
	5.70	4,450.50	10.50	5,106.00	7.90	2,442.50	24.10	11,999.00	497.88
Realisation of Assets									
Book debts	1.20	954.00	4.20	2,100.00	-	-	5.40	3,054.00	565.56
Sale of business / assets	12.80	10,176.00	17.80	8,900.00	3.50	1,312.50	34.10	20,388.50	597.90
Other assets	-	-	1.00	500.00	1.30	474.50	2.30	974.50	423.70
	14.00	11,130.00	23.00	11,500.00	4.80	1,787.00	41.80	24,417.00	584.14
Statutory									
Statutory paperwork / form completion	0.80	636.00	2.10	1,002.00	9.70	3,637.50	12.60	5,275.50	418.69
Filing documents with CH / Court	-	-	0.50	250.00	-	-	0.50	250.00	500.00
Reporting to creditors	1.30	1,033.50	29.70	13,402.00	21.80	7,811.00	52.80	22,246.50	421.34
	2.10	1,669.50	32.30	14,654.00	31.50	11,448.50	65.90	27,772.00	421.43
Total hours and cost	26.80	21,045.00	74.00	34,904.00	67.20	22,010.50	168.00	77,959.50	464.04

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.
- Liaising with the directors throughout the appointment process.
- Case planning and administration.
- Internal strategy meetings.

Cashiering

- Requested the opening of multiple bank accounts (in different currencies) for the Administration.

General administration

- Dealing with all routine correspondence.
- Case bordereau.
- Preparing the documentation required.
- Dealing with all routine correspondence.
- Liaising with insurers regarding initial cover.
- Maintaining case files and electronic case details.
- Liaising with the Company's directors regarding provision of information.
- Review of financial information received from the Company.

Creditors

Work involved in dealing with all classes of creditors.

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 Capital with respect of their security.

Unsecured

- Dealing with creditor correspondence, emails and telephone conversations.
- Maintaining up to date creditor information on the case management system.
- Prepared a dedicated micro-site, with answers to some frequently asked questions.
- Engaged solicitors GT to provide legal advice in relation to a number of matters.
- Assessment of financial position between the Company and promoters.
- Liaised with the Company's pre-appointment solicitors, Taylor Vinters LLP in relation to the Freezing Order.

Going forward, the assessment of creditor claims is expected to be especially difficult for this company, particularly given that the financial position between the Company and promoters will potentially alter over time, depending on the potential impact of cancellations of future events by promoters.

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.

- Sending directors questionnaires to all current directors and those who held a position as director in the preceding three years prior to appointment.

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.

Sale of business / assets

- Completing Pre-Pack sale.
- Internal correspondence and meetings regarding Pre-Pack sale.
- Liaising with solicitors and the Purchaser regarding post-sale matters.
- Considering the employee position of the Company and addressing TUPE requirements.
- Internal correspondence and meetings.

Debtors

- Liaising with Stripe in relation to sums due to the Company.

Other assets

- Liaised with and wrote to the Company's pre-appointment bankers, HSBC, to provide notice of our appointment and to request transfer of the credit balances and provision of certain information required for the Administration;

Going forward, we expect there to be a significant amount of work in relation to recovery of debts, including the amounts due from Stripe and promoters. This is expected to be particularly complicated, as these debts may be impacted by potential cancellations of future events by promoters.

Statutory

These activities involve complying with legislation including but not limited to; The IA86, The IR16, 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 to relevant parties.
- Advertising the appointment in the London Gazette.
- Informing Companies House of the Administration.
- Preparation of our SIP16 report and these proposals.
- Notified pension authorities and the pension scheme provider.
- Internal discussions in relation to the timings of the appointment and preparing for the appointment.
- Dealing with statutory issues required under IA86, IR 2016 and relevant SIPs.

Joint Administrators' fee estimate

ADMINISTRATION AND PLANNING	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work (£)	Average charge out rate (£)
Description of the tasks to be undertaken in this category of work			
Case planning and monitoring			
Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.	50.00	25,025.00	
Setting up and maintaining physical/electronic case files.	10.00	3,100.00	
Setting up the case on the practice's electronic case management system and entering data.	10.00	3,100.00	
Undertaking periodic reviews of the progress of the case.	55.00	22,690.00	
Overseeing and controlling the work done on the case by case administrators.	28.00	11,950.00	
Compliance matters			
Obtaining a specific penalty bond.	4.00	1,915.00	
Cashiering			
Opening, maintaining and managing the office holder's estate bank accounts (Multiple currency accounts).	14.00	4,915.00	
Creating, maintaining and managing the office holder's cashbook.	35.00	14,075.00	
Preparing and processing payments to creditors.	30.00	9,970.00	
Undertaking regular bank reconciliations of the bank accounts containing estate funds.	26.00	9,395.00	
General administration			
Arranging suitable insurance over assets.	2.50	1,000.00	
Regularly monitoring the suitability and appropriateness of the insurance cover in place.	2.50	1,000.00	
Preparing and filing VAT returns.	18.00	6,470.00	
Preparing and filing Corporation Tax returns.	13.00	4,985.00	
Seeking closure clearance from HMRC and other relevant parties.	5.00	1,740.00	
Total	303.00	121,330.00	400.43
INVESTIGATIONS			
Description of the tasks to be undertaken in this category of work			
D return preparation			
Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act (delete if not applicable).	35.00	13,640.00	
General investigation			
Recovering the books and records for the case.	48.00	18,785.00	
Listing the books and records recovered.	35.00	12,025.00	
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.	13.00	5,110.00	
Other investigation			
Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors	66.00	26,045.00	
Internal meetings and planning associated with the investigations.	16.00	6,910.00	
Liaising with various parties and seeking legal advice in relation to the potential sums due to the Company.	10.00	5,090.00	
Total	223.00	87,605.00	392.85
REALISATION OF ASSETS			
Description of the tasks to be undertaken in this category of work			
Book debt recoveries			
Corresponding with Stripe, their representatives and our solicitors in relation to amounts due.	215.00	86,575.00	
Corresponding with promoters, their representatives and our solicitors in relation to amounts due.	185.00	76,675.00	
Assessment and realisation of other debtors and prepayments, including intercompany debts.	32.00	12,790.00	
Liaising with the bank re receipt of balance and closure of accounts.	10.00	3,610.00	

Sale of business / assets		
Engaging with solicitors to complete the Pre-Pack Sale.	27.00	16,630.00
Post completion matters related to the Pre-Pack Sale.	105.00	47,725.00
Liaising with agents in relation to the Pre-Pack Sale.	3.00	1,250.00
Property - leasehold		
Liaising with landlords and solicitors regarding licences, rents and other charges and surrenders or assignments.	30.00	13,950.00
Total	607.00	259,205.00

CREDITORS

Description of the tasks to be undertaken in this category of work

Employees		
Liaising with former employees re TUPE and other employee related matters.	31.00	12,695.00
Liaising with HMRC in relation to its preferential claim.	12.00	4,200.00
Corresponding with employees and the RPS regarding claims.	19.00	7,175.00
Unsecured creditors		
Dealing with creditor correspondence, emails and telephone conversations.	300.00	118,100.00
Reviewing and assessing legal claims from creditors.	185.00	87,900.00
Maintaining up to date creditor information on the case management system.	35.00	11,375.00
Secured creditors		
Liaising with Kreos Capital.	20.00	9,630.00
Claim agreement and distributions		
Issuing a notice of intended dividend and placing an appropriate gazette notice.	6.00	2,580.00
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.	200.00	82,750.00
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.	80.00	30,525.00
Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.	65.00	20,935.00
Total	953.00	387,865.00

STATUTORY

Description of the tasks to be undertaken in this category of work

Reporting to creditors		
Preparation of SIP16.	25.00	10,995.00
Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.	38.00	13,660.00
Preparation of proposals.	60.00	22,940.00
Dealing with extension of Administration (if applicable)	30.00	11,640.00
Preparing, reviewing and issuing six-monthly progress reports to creditors and members.	109.00	44,950.00
Preparing, reviewing and issuing final reports to creditors and members.	35.00	13,595.00
Filing documents with Companies House / Court		
Filing returns at Companies House and/or Court.	6.00	2,405.00
Filing final returns at Companies House and/or Court.	2.50	1,080.00
Total	305.50	121,265.00
Total time costs and hours	2,391.50	977,270.00

£396.94

£408.64

Notes to the Joint **Administrators' fee estimate**

Note 1 – Administration and planning

This represents the work that is involved in the routine administrative functions of the case by the Joint Administrators and their staff.

Note 2 – Investigations

The insolvency legislation gives us 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. An initial investigation determines whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation.

If potential recoveries or matters for further investigation are identified then we will incur additional time costs to investigate them in detail and to bring recovery actions where necessary. We are unable to quantify the benefit to creditors of these investigations at present but will include such information in our statutory report to creditors once the position is clear. We are also required by legislation to report to BEIS on the conduct of the directors and the work to enable us to comply with these statutory obligations is of no direct benefit to the creditors, although it may identify potential recovery actions.

Note 3 – Realisation of assets

This is the work that needs to be undertaken to realise the known assets in the case.

Note 4 – Creditors

Creditors: We need to maintain records of the names and addresses of creditors, together with the amounts of their claims to ensure notices and reports can be issued to the creditors. We will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. We are required to undertake this work as part of their statutory functions.

Dividends: We have to undertake certain statutory formalities in order to enable us to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

Note 5 – Statutory

Statutory - preparation of reports and compliance with statutory matters pertaining to the IA86, IR16, together with compliance with SIPs.

Form only to be completed and returned if creditors object

Decision seeking approval of proposals by deemed consent

**Festicket Ltd – in Administration (the “Company”)
Company Number 07923345**

NOTICE IS GIVEN by Lee Manning, Cameron Gunn and Simon Jagger to the creditors of the Company set out below are decisions for your consideration under paragraph 51 of Schedule B1 of the Insolvency Act 1986 by way of a Deemed Consent Procedure.

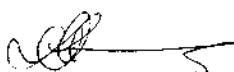
1. That the Administrators' proposals be approved.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 12 October 2022, the Decision Date.

1. To object to this decision, creditors must deliver to us at our offices at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU a duly completed notice of objection by no later than 23.59 hours on 12 October 2022, the Decision Date, together with proof of their debt, (if not already lodged) without which objections will be invalid.
2. Creditors must lodge proof of their debt (if not already lodged), by no later than 23.59 hours on 12 October 2022, without which, objections will be invalid.
3. Creditors should note that it is our responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then we will write to creditors to seek approval for this decision using a qualifying decision process.
4. Creditors with small debts, that is claims of £1,000 or less, must have lodged proof of their debt for their vote to be valid.
5. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision provided they have lodged proof of their debt.
6. Creditors may, within five business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
7. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 12 October 2022 the Decision Date.

Creditors requiring further information regarding the above, should either contact me at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU, or contact Festicket@resolvegroupuk.com / 020 3746 5732

DATED THIS 20 SEPTEMBER 2022



Lee Manning
Joint Administrator

Festicket Ltd – in Administration (the “Company”)
Company Number 07923345

NOTICE OF OBJECTION TO DEEMED CONSENT

If you agree with the proposed decisions, then you do not need to do anything, and can disregard this form.

Please note that if you object to the decision then you are saying that you do not approve the **Administrators’ proposals**.

The following decision is sought from the creditors of the Company by way of a Deemed Consent Procedure;

1. That the Administrators’ proposals be approved

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

THIS DECISION IS OBJECTED TO BY

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

Date: _____

Note: The completed form should be delivered to Lee Manning, Cameron Gunn and Simon Jagger either by posting it to ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU, or by emailing it to Festicket@resolvegroupuk.com so that it is delivered by 23.59 hours on 12 October 2022 in order to be counted as an objection. It must be accompanied by proof of the debt, unless one has already been submitted. Failure to do so will lead to this objection being invalid.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 12 October 2022, the Decision Date.

Form to be completed and returned by creditors

Decision procedure for approval of Remuneration by correspondence

Festicket Ltd – in Administration (the “Company”)
Company Number 07923345

NOTICE IS GIVEN by Lee Manning, Cameron Gunn and Simon Jagger to the creditors of the Company that set out below are decisions for your consideration under paragraph 51 of Schedule B1 of the Insolvency Act 1986. Please complete the voting section below indicating whether you are in favour or against the following decisions:

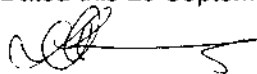
1. The Administrators be remunerated by reference to time costs for different categories of work, the details of which are set out in these proposals.
2. That the Administrators be permitted to recover category 2 expenses.
3. **That the Administrators’ pre-appointment costs and expenses be approved and that they be drawn from the Company’s estate.**
4. The Administrators be discharged from liability in respect of any act of theirs 14 days after they cease to be Administrators of the Company.

The final date for votes is 12 October 2022, the decision date.

5. In order for their votes to be counted creditors must submit to us their completed voting form so that it is received at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU by no later than 23.59 hours on 12 October 2022. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote(s) being disregarded.
6. Creditors must lodge proof of their debt (if not already lodged) at the offices of ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU by no later than 23.59 on 12 October 2022, without which their vote will be invalid.
7. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
8. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decisions provided they have lodged proof of their debt.
9. Creditors may, within five business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decisions above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10 per cent in value or 10 per cent in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
10. Creditors have the right to appeal the decision made by applying to Court under Rule 15.35 within 21 days of 12 October 2022, the decision date.

Please note that the Joint Administrators must receive at least one vote by the decision date or the decisions will not be made. The Joint Administrators would therefore urge creditors to respond promptly. Creditors requiring further information regarding the above, should either contact me at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU or contact Festicket@resolvegroupuk.com / 020 3746 5732

Dated this 20 September 2022



Lee Manning
Joint Administrator

Decisions

Festicket Ltd – in Administration
Company Number 07923345

1. The Administrators be remunerated on a time cost basis.

FOR / AGAINST

2. That the Administrators be permitted to recover category 2 expenses.

FOR / AGAINST

3. That the Administrators' pre-appointment costs and expenses be approved and that they be drawn from the Company's estate.

FOR / AGAINST

4. The Administrators be discharged from liability in respect of any act of theirs 14 days after they cease to be Administrators of the Company.

FOR / AGAINST

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

Dated _____

Form only to be completed and returned if creditors object

Notice of invitation not to form a creditors' committee

Festicket Ltd – in Administration (the “Company”)
Company Number 07923345

NOTICE IS GIVEN by Lee Manning, Cameron Gunn and Simon Jagger to the creditors of the Company of an invitation not to form a Creditors' Committee under R3.39 of The Insolvency (England and Wales) Rules 2016.

2. In addition to seeking a decision on the matters set out in the accompanying notice, creditors are also invited to determine, at the same time, whether a Creditors' Committee should be established. The deemed consent procedure is being used and the decision being sought is that a Creditors' Committee is not established.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 12 October 2022, the Decision Date, in other words a Creditors Committee will not be established unless creditors object.

3. A Committee may be formed if a minimum of three and a maximum of five creditors are willing to become members.
4. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
5. The specified date for receipts of nominations for creditors to act as a member of the Committee under rule 6.19 of The Insolvency (England and Wales) Rules 2016 is 12 October 2022, the Decision Date.
6. If you object to the decision being sought, i.e. if you want a Creditors' Committee to be established, please complete the form sent with this notice. The completed document should be returned to ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU so that it is received by no later than 23.59 hours on 12 October 2022, the decision date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>. If you require a hard copy of the booklet please contact Festicket@resolvegroupuk.com / 020 3746 5732.

The final date for votes to establish a committee is 12 October 2022, the decision date.

8. To object to this decision, creditors must deliver to us at our offices at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU a duly completed notice of objection by no later than 23.59 hours on 12 October 2022, the Decision Date, together with proof of their debt, (if not already lodged) without which objections will be invalid.
9. Creditors must lodge proof of their debt (if not already lodged), by no later than 23.59 hours on 12 October 2022, without which, objections will be invalid.
10. Creditors should note that it is our responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then we will write to creditors to seek approval for this decision using a qualifying decision process.
11. Creditors with small debts, that is claims of £1,000 or less, must have lodged proof of their debt for their vote to be valid.

12. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision provided they have lodged proof of their debt.
13. Creditors may, within five business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
14. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 12 October 2022 the Decision Date.

Creditors requiring further information regarding the above, should either contact me at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU, or contact Festicket@resolvegroupuk.com / 020 3746 5732

Dated this 20 September 2022



Lee Manning
Joint Administrator

Festicket Ltd – in Administration
Company Number - 07923345

NOTICE OF OBJECTION TO DEEMED CONSENT

If you agree with the proposed decisions, then you do not need to do anything, and can disregard this form.

Please note that if you object to the decision then you are saying that you want to establish a Committee. That will incur additional costs, so please only object if you are prepared to act as a Committee member or can nominate another creditor who is willing to act.

The following decision is sought from the creditors of the Company by way of a Deemed Consent Procedure;

1. That a Creditors' Committee should not be established.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

THIS DECISION IS OBJECTED TO BY

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

Date: _____

Note: The completed form should be delivered to Lee Manning, Cameron Gunn and Simon Jagger, either by posting it to ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU, or by emailing it to Festicket@resolvegroupuk.com so that it is delivered by 23.59 hours on 12 October 2022 in order to be counted as an objection. It must be accompanied by proof of the debt, unless one has already been submitted. Failure to do so will lead to this objection being invalid.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 12 October 2022, the Decision Date.

Proof of debt

FESTICKET LTD - IN ADMINISTRATION	
Date of administration: 12 September 2022	
1.	Name of creditor (If a company please also give company registration number).
2.	Address of creditor for correspondence.
3.	Total amount of claim, including any Value Added Tax and outstanding un-capitalised interest as at the date the company went into administration.
4.	Details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the administrators may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting or decision procedure).
5.	If amount in 3 above includes outstanding un-capitalised interest please state amount. £
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).
7.	Particulars of any security held, the value of the security, and the date it was given.
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	Position with or in relation to creditor Address of person signing (if different from 2 above)
For Administrators' Use only	
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Joint Administrator	Joint Administrator

Estimate of financial position

Estimated Financial Position as at 12 September 2022		Book value	Estimated to realise
	Notes	£	£
Assets specifically pledged	1		
Intellectual property		15,821	59,999
Goodwill		-	1
Shares in subsidiaries	2	1	-
Less: Secured creditor, Kreos Capital V (UK) Limited		(1,690,000)	(1,690,000)
Surplus/Deficiency available to Kreos Capital V (UK) Limited		(1,674,178)	(1,630,000)
Assets not specifically pledged			
Customer lists		-	1
Business records		-	1
Employee records		-	1
IT equipment		130,276	34,000
Furniture and equipment		111,311	4,999
Leasehold property		-	997
Supplier contracts		-	1
Cash at bank	3	5,677,312	5,677,312
Debtors (Stripe)		7,690,705	Uncertain
Debtors (Intercompany)	4	560,000	Uncertain
Debtors (including advances to promoters)	5	2,163,750	Uncertain
Prepayments	6	341,634	Uncertain
Total floating charge assets		16,333,354	5,717,312
Amount available for moratorium debts			<u>5,717,312</u>
Estimated moratorium debts	7		(500,000)
Amount available to preferential creditors			<u>5,217,312</u>
Estimated preferential employee creditors' claims	8		-
Estimated secondary preferential creditors claims (HMRC)			(298,000)
Net Property			<u>4,919,312</u>
Estimated prescribed part of net property where applicable			(600,000)
Amount available to the Secured creditors under floating charge			<u>4,319,312</u>
Kreos Capital V (UK) Limited secured creditor deficiency b/d			(1,630,000)
Surplus / (Deficiency) to secured and preferential creditors c/d			<u>2,689,312</u>
Total assets available to unsecured creditors including estimated prescribed part of net property where applicable (brought down)			<u>3,289,312</u>
Funds available to unsecured creditors			<u>3,289,312</u>
Unsecured creditors			
Trade creditors (promoters)			(18,481,517)
Trade creditors (suppliers)			(965,332)
Convertible loan note holders			(3,111,626)
Ordinary unsecured employee claims			-
HM Revenue and Customs			(1,700)
Total unsecured creditors			<u>(22,560,175)</u>
Surplus/(Deficiency) to unsecured creditors			<u>(19,270,863)</u>
Issued and called up capital			
Issued shares			(33,475)
Options and Warrants			(33,917)
Share premium			(24,623,064)
Estimated total surplus / (deficiency) as regards to members			<u>(43,961,319)</u>

Notes

- 1) We have used up to date balances as at the 12 September 2022 for the book value of cash at bank, intercompany debtors and rent deposits. The book value for the sum owed by Stripe has been obtained directly from Stripe. Other book values provided are based on the Company's management accounts as at 30 June 2022.
- 2) The Company directly owns 100% of the shares in five subsidiaries and indirectly owns 100% of the shares in two subsidiaries. A group structure is provided in the Proposals. Based on current information we do not consider the UK, Australian or Irish subsidiaries to have any value.
- 3) This cash balance is held in various currencies which have been converted to GBP based on the exchange rate as at 12 September 2022 for the purpose of this report.
- 4) We require further information regarding the US subsidiary but believe the Company to be its major creditor. We expect some recovery will be made from that debt but it is too early to quantify this.
- 5) We need to ascertain the true position regarding advances potentially due back from promoters. As such any recoveries in this regard are uncertain and will depend on a reconciliation of sums due to promoters which may be set off against the advances made to those promoters.
- 6) We will assess the prepayments to determine whether any recoveries may be made. We note that the book value of prepayments shown above does not include those relating to promoters which management have told us will net off against promoter creditor balances.
- 7) As the Company entered into Administration within a 12 week period following the end of a moratorium, certain moratorium debts must be paid as a priority distribution in the Administration. The Monitors of the Moratorium have indicated that the value of unpaid moratorium debts is approximately £500k. We await further information from them to confirm.
- 8) The Company's employees as at the date of Administration have been transferred to the Purchaser by way of TUPE legislation, therefore we do not expect there to be a material value of employee preferential claims.

Creditor schedule

Name	Address	Amount (£)
Secured		
Kreos Capital V (UK) Limited	25 Old Burlington Street, London, United Kingdom, W1S 3AN	1,690,000
Total		<u>1,690,000</u>
Preferential		
Employees	Redacted	-
HMRC	Durington Bridge House, Banington Road, Worthing, BN12 4SE	298,000
Total		<u>298,000</u>
Unsecured		
Promoters		
2 Four 6 Marketing Limited	277 Roundhay Road, Leeds, LS8 4HS, UK	112,050
2Fame OHG	Oberste Gärten 13, 61350 Bad Homburg, Germany, Germany	1,281
2MEVENT	44 RUE DES CHENES, 77400, POMPONNE, France	900
356 Entertainment Group Limited (MTA)	Office 9 & 10, The Peak Business Centre, Triq il-Kappella tal-Mirakli, Attard, ATD 2691, Malta	21,213
356 Entertainment Ltd (TA Malta)	Office 9 & 10, The Peak Business Centre, Triq il-Kappella tal-Mirakli, Attard, ATD 2691, Malta	1,069
542 Entertainment	1501-699 Cardero St, Vancouver, British Columbia V6G 3H7, CA	395
A Man About A Dog	24-30 Assembly Passage, London, E1 4UT, United Kingdom	1,240
A&O Budapest City	Csengery u. 11, 1074 Hungary	817
Abstrakt	43/45 Flat Bastion Road (unit 48c), Gibraltar, GX11 1AA	104
AEG Presents	Almack House, 28 King Street, London, SW1Y 6QW, United Kingdom	1,506,352
AFREP LTD	15-17 Upper George Street, Connaught House, Luton, LU1 2RD	3,923
ALAIÁ BUSINESS S.L.	Carrer Melge Juan Boluter Borrás, 4, 46400 Cullera, Valencia, Spain	47,518
ALDA C.I.K. B.V.	Anthony Fokkerweg 61, 1059CP, Amsterdam, Netherlands	39,723
Amazing Events	AV 25 DE ABRIL 1011 R/C B.2750-515, Cascais, Portugal	19,913
Amnesia	Caretera Ibiza a San Antonio Km5, San Rafael, 07816, Spain	918,309
ANDALUCIA BIG FESTIVAL SL	Calle Gran Vía 27- 1º, 28013 Madrid, Spain	184,574
Appart'City	125, rue Gilles Martinet, 34077 Montpellier, France	1,400
Art and Prod Event	55 BD ZERKTOUNI ETG, 1 QU DES HOPITAUX, 20000 CASABLANCA, Maroc, 20000, Morocco	81
Asociación Cultural Music Live	Calle Africa n 20 A, 23320, Torreperogil, España, Spain	6,210
ASSOCIATION HORIZONS CROISES	11 Avenue du Général De Gaulle, 87000 Limoges, 87000, France	213
BALDO Ltd (TA Malta)	Office 9 & 10, The Peak Business Centre, Triq il-Kappella tal-Mirakli, Attard, ATD 2691, Malta	17,925

Beyond Oz Productions	119 Westcreek Dr, Woodbridge, Ontario, L4L 9N6, Canada	601
Big Fam Productions LLC	3451 CLEVELAND DR, TROY, MI, 48083, UNITED STATES	12,486
Bigfamfest	3451 CLEVELAND DR, TROY, MI, 48083, UNITED STATES	1,172
Black Dot Group	101 N Virginia St #270, Crystal Lake, IL 60014, United States	101
Brighton Boundary Limited	15 GOLDEN SQUARE LONDON, W1F 9JG	9,369
Butchers	8 rue Chenier, 75002, Paris, France	4,847
BW Events & Artist Management	Flat 1, 133 Barnet, EN4 8RF, UK	419
C.A.J.S group	29 Ayot Path, Borehamwood, WD6 5BL, Hertfordshire, UK	3,045
Campanile Clermont Ferrand Centre	120 Av. de la République, 63100 Clermont-Ferrand, France	66
CAMPING DE PARIS	2 All. du Bord de l'Eau, 75016 Paris, France	1,914
Camping Indigo Paris	2 All. du Bord de l'Eau, 75016 Paris, France	3,321
Capital Presents	Level 7 Suite 4 11 Queens Road, Melbourne, Victoria, 3004, Australia	18,521
Carib Rocks Ltd	Office 9, Dalton House, 60 Windsor Avenue, London, SW19 2RR	4,114
CENTRO CULTURAL E RECREATIVO DA PENA	RUA VALE DA NAIA, 9, 3060-521, Cantanhede, Portugal	43
City Splash	Lynton House, 7-12 Tavistock Square, WC1H9BQ, London, UK	744
Cliche	20 Collingwood Tower, Brympton, GB11ZZ, Gibraltar	89
CODE R.E.D. Entertainment - CAD	4099 Brickstone Mews, Mississauga ON, Canada	73,178
CODE R.E.D. Entertainment - USD	4099 Brickstone Mews, Mississauga ON, Canada	13,752
CONCEPT ART SP Z O. O.	SMOLNA 38/1, Warsaw, 00375, Poland	4,344
Conquistapadrão - Produções Unipessoal, Lda.	Av. Dr. Manuel Ricardo Espírito Santo Silva, Lote 127, 2.º Esq., Cascais, Portugal	141,571
Copenhell	Live Nation Denmark, Frederiksberg Allé 3, 1621 København V	10,136
Corporate Mad Group SL	Calle gran via, 27 - Piso 1 DR, Madrid, 28013, Spain	72,717
Cosmopop GmbH	Lagerplatzweg 3, 67059 Ludwigshafen am Rhein, Germany	284,341
Cre8Box	60 Barkelys Hill, Bristol, BS16 1AD, United Kingdom	3,095
Cre8Box - EURO	60 Barkelys Hill, Bristol, BS16 1AD, United Kingdom	4,172
Crooked House Events Ltd.	38 Chadswell Heights, Lichfield, WS13 6BH, UK	9,686
Cruilla Festival	C/Pujades, 77 2n 7a 08005 Barcelona,,8005, Spain	4,571
D & B Music Ltd	Pico Ruivo, Flat 1, Gheriexem Street, Rabat, RBT1901, Morocco	1,623
Daniel Scicluna	87, Triq San Gwann, Għarġhur, GHR 1303, Malta	5,210
Danny Wimmer Presents	10350 Santa Monica Blvd, Los Angeles, CA, United States	111,329
Detonate UK	Unit 1, 16-22 Goose Gate, Nottingham, NG1 1FF	295
Dimensions Festival LTD	In The Loop Accounts Ltd C/O The Workplace, Frogmore House, 6 Ommond Place, Cheltenham, England, GL50 1JD	1,503
Discounts Iest company	Unknown	4
E3 Production Ltd	Suite 12a, Palmeira Court, 25-28 Palmeira Square, Hove, BN3 2JP, United Kingdom	13,324
Electronic Events d.o.o. (Sonus)	Maksimirsko naselje IV br 21, 10000 Zagreb, Hrvatska (Croatia)	328,337
Episode Festival d.o.o. Beograd	30 Kneza Mihaila Blvd 5th Floor, Beograd 11000, Serbia	10,459
Est 1985 Co limited	16/3 Sir Arturo Mercieca Street, SLM1868, Sliema, Malta	883
Event Facility Group BV	Postbus 44,5469 ZG,Erp,Netherlands	1,018
Event Horizon	Bedford House 2nd Floor,125/133 Camden High Street, London, NW1 7JR	2,290,244
Eventus Shows	The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, MK9 1BP	139
Eventyall GmbH	Schillerstraße 1/4, 89077, Ulm, Germany	1,039
Everything Is New	Rua Pêro da Covilhã 36, 1400-297 Lisboa, Portugal	223,807
Festco Pty Limited	Level 5/111 Cecil St, South Melbourne VIC 3205, Australia	2,359,827
Festivals Malta (MTA)	Building SCM01, Level 3, SmartCity Ricasoli SCM 1001, SCM 1001, Kalkara, Malta	5,144
Float Fest LLC	601 Dupuy Ranch Rd, Martindale, Texas, 78655, United States	361,492
Follow The Step (Festfesival)	Smolna 38/1, 00-375 Warsaw, Poland	32,072
Forbidden Festival Ltd	Victoria Warehouse, Trafford Park Road, Trafford Park, Manchester, M17 1AB	10,161
Formasolar Unipessoal lda	Rua do Noval N25 Aveleda, 4705-052, Braga, Portugal	4,461
GG Marketing	A18 Elizabeth Court, Grove Road, Bournemouth Dorset, BH1 3DR	12,528
Glich Festival	116, Constitution Street, MST 9055, Mosta, Malta	341
Global Aim cvba	Zeeweg 147, 8200, Sint-Andries, Belgium	10,947
GMED Projects Ltd.	ML7 Business Centre, Level 4 Triq L-Intornjatur, Mriehel Bypass, BKR3000, Mriehel, Malta	143,659
Goatfest Limited	24 Blackhorse Lane, Hitchin, Hertfordshire, SG4 9EG	35,165
Grapevine Gathering National Pty Ltd	15 Dover St, Cremome VIC 3121, Australia	703,113
Gnngo e.V.	Süderstraße 26, 25709 Marné, Germany	4,685
Hack The Rhythm	17 Hood House, GX11 1AA, Gibraltar	134
HET Vervoer	Sesamstraat 1, 7325 BB, Apeldoorn, Netherlands	16,480
HILTON GARDEN INN MÁLAGA	Av. de Velázquez, 126, 29004 Málaga, Spain	3,488
Hospitality D&B Events Ltd	182-184 Dartmouth Road, London, SE26 4QZ	415,801
HOT COCO	32 Pimlico Close, Montagu Crescent, Gibraltar, GX11 1AA	2,186
Hotel Douglas	85 Boulevard Richard Wallace, 92800 Puteaux, France	1,507
Hotel ibis Styles Zeebrugge	Kustlaan 99, 8380 Zeebrugge, Belgium	985
Hotel Royal Astrid	Wellingtonstraat 15, 8400 Oostende, Belgium	13,485
Husky Events Limited	32 Station Road, Portslade, East Sussex, BN41 1GB	140
Ice Cream Parties Ltd	7 Jersey Road, London, England, E11 4BL	729
Iceland Airwaves ehf	Hagasmári 1, 201, Kópavogur, Iceland	3,885
i-motion	Am Hohen Stein 8, D-56218 Mülheim-Kärlich, Germany	27,658
Ineffable Music	829 27th Ave, Oakland, CA 94601, USA	17,236
Instant Travel	Chase House, City Junction Business Park, Northern Cross, Dublin 17, D17 AK63, Ireland	5,333
Instant Travel Ltd	Chase House, City Junction Business Park, Northern Cross, Dublin 17, D17 AK63, Ireland	1,116
Jardim Sonoro Lda	1100-148, Lisboa, Portugal	35
JBM MUSIC LIMITED	46 Braemar Drive, Sale, M33 4NJ	17,376
K-Club Worldwide Ltd	2nd Floor, Tayside House, 31 Pepper Street, Canary Wharf, E14 9RP	59
Kopf & Steine GmbH	Eduardstraße 46, Hamburg, 20258, Germany	31,083
Krank Events Limited	1 Mountview Court, 310 Friern Barnet Lane, London, N20 0LD	45,172
LEFKADITIS SPYROS VASILEIOS	Agios Sostis, Lithakia, Zakynthos, 29092, Greece	7,291
Libby Bawden (HIT The Floor)	16 Sandford Walk, Exeter, EX1 2ER	182
Life Events Ltd (TA Malta)	14 Vjal De La Salle, Il-Gżira GZR 1531, Malta	15,679
Live Nallon SAS	2nd Floor, Regent Arcade House, 19-25 Argyll Street, London, W1F 7TS	42,323
Loft GmbH (Hafenbar)	Lagerplatzweg 3, 67059, Ludwigshafen, Germany	211,256
Lollipop Malta (TA Malta)	Odin, Triq Misrah il-Bameri, MSD1003, Msida, Malta	8,101
London Brunch LTD	Studio 8, 35 Corbridge Crescent, E2 9EZ	1,004
Lost Paradise Glenwath Valley Pty Ltd	1/15 Francis Street, Bondi, Sydney, 2028, Australia	1,580,292
Loudness Pty Ltd	Level 5, 2-12 Foveaux St, Surry Hills, NSW 2010, Australia	945
Loveland Events	Helicopterstraat 25, 1059CE, Amsterdam, Netherlands	247,122
Lugeinc AB	Folkungagatan 44, 118 26 Stockholm, Sweden	79
M&R International (TA Malta)	67, Triq Leli Falzon Street, NXR 2608, Naxxar, Malta	687
Mad Cool	Calle Gran Via 27, Piso 1 Madrid, Spain	1,516,613
Made By DM LTD	3 Huntley Road, Edgbaston, Birmingham, B16 8JG	44
Mairie de Carcassonne Pac BILLETTERIE	Rue des 3 Couronnes, 11000 Carcassonne, France	22,940

MAJOR LABEL	Broadgate Tower, London, EC2A 2EW	2,103
Malpevent – Produção e Consultoria de Eventos	Rua Marques Gomes, Nº 2, 2º Letra P, 3800-221, Aveiro, Portugal	3,064
Malta Tourism Authority (MTA)	Building SCM01, Level 3, SmartCity Ricasoli SCM 1001.0, SCM 1001, Kalkara, Malta	115,191
Matthew's Live test	Unknown	3
Maximal	301-303 Finchley Road, London, England, NW3 6DT	839
Mckenzie Associates Ltd	29 Gildredge Road, Eastbourne, BN21 4RU	5,461
Mega Events	Unit 1, 10 Acklam Rd, London, W10 5QZ	31,738
Melodie du Monde	Rue du Général de Gaulle, 95220 Herblay-sur-Seine, France	43,599
Mercure Oostende	301-303 Finchley Road, London, England, NW3 6DT	1,186
MK Concept Marketing & Event	Birkenweg 71, 68549 Ilvesheim, Germany	130
Moga Tribe	99 route de Canta Galet, Nice, 06200, France	1,296
Mondo d.o.o.	Izdora Kršnjavoga 1, 10000, Zagreb, Croatia	75,034
MONEGROS MUSICAL, S.L.	elrow house: Av. d'Esplugues, 79, 08034 Barcelona, 08034, Barcelona, Spain	28,658
Motion & The Marble Factory	74-78 Avon Street, Bristol, 74-78 Avon St, Bristol, BS2 0PX	4,983
Motion & The Marble Factory (Integration)	74-78 Avon Street, Bristol, 74-78 Avon St, Bristol, BS2 0PX	196,700
Motocultur Festival	1, rue des Droits de l'Homme – 56890 Saint-Avé, France	558
Movement Entertainment srl	Largo Maurizio Vitale, 1, 10152 Tonno TO, Italy	182,166
MOYG Lda	Rua D. João IV n.º 716 1º Esq. 4000-299 Porto, Portugal	180,775
MUCHO HYPE SL	Calle España 4, El Rosario, Santa Cruz De Tenerife, España, 38190	689
Mundo Pulsante LDA	Praceta António Boto 21, 2790-022, Camaxide, Portugal	104
Muscle Shoals Songwriters Foundation	24703 Stinnett Hollow Rd, Athens, AL, United States	3,055
Music Event Promotions LTD	20-22 Wenlock Road, London, N1 7GU	2,598
Musica no Coração	Rua Viriato, nº 25, 2º Esquerdo, 1050-234 Lisboa, 1050-234, Lisboa, Portugal	67,008
Mussen Alle Mit Festival	Not Provided	849
NCLF Ltd	301 HiveTree, 9 Bigg Market, Newcastle, NE1 1UN	221,991
New World Muzic	Kings Farm, Margaretting Road, Writtle, Chelmsford, CM1 3PJ	184
North Brewing Co	Unit 6, Taversers Walk Industrial Estate, Sheepscar Grove, Leeds, LS7 1AH	20,578
NOZUL ALGARVE S.A.	Estrada da Galé, Sesmarias - CX Postal 290, H Albufeira, 8200-385, Portugal	1,731
Oktoberfest UK Ltd	160 City Road, London, EC1V 2NX	245
One Tribe Ltd	The Old Mill, Mill Farm Road, Hamsterley Mill, NE39 1NW	17,775
Out of Nowhere Ltd	22 Fletcher Gate, Nottingham, NG1 2FZ	2,871
Outlook Productions Ltd	c/o Big Star Management, Suite 303, The Pill Box, 115 Coventry Rd, London E2 6GH	6,887
Oyalestivalen AS	Torggt. 5, 0181 Oslo, Norway	22,823
Oyalestivalen AS	Torggt. 5, 0181 Oslo, Norway	7,331
Panda Events	99 route de Canta Galet, 6200, Nice, France	38,593
Panithems (TA Malla)	Moena court flat 1 triq il kamnu san giljan, Malta, STJ1104ST, Malta, Central	1,314
Papaya travel d.o.o.	Izdora Kršnjavoga 110000 Zagreb, Croatia	1,184
Parland limited	1st Floor North Westgate House, Harlow, CM20 1YS	23,359
Party Guru Productions, LLC	1345 N Downing St, 80218, Denver, United States	653
Permanent Entertainment	Reichenbachstr. 33, 80469 München, Germany	58,725
Pjazza Teatru Rjal (MTA)	c/o Arts Council Malta, Casa Cassar, Triq il-Vittorja, VLT 1050, Valletta, Malta	10,486
Platform Live Ltd	Park House, 10 Park Street, Bristol, BS1 5HX, United Kingdom	10,996
Pnde In The Park Pty Ltd	2/4 King Street Newtown 2042, 2010, Sydney, Australia	56,892
Pnmavera Sound	C/ Roc Boronat 142, 3ª planta, 08018 Barcelona, Spain	314,163
Prime Artists	Avenida da Republica, 6 - 1 Esq. 1050-191, 1050-191, Lisboa, Portugal	222
Pukka Up	Unit Biscuit Factory 100 Clements Road, London, SE16 4DG	66
Rampage United Bvba	Klaverheide 141, 2930, Brasschaat, Belgium	5,981
Redcar Borough Bears Ltd	Media Prima Arena, South Tees Motorsports Park, Dormor Way, South Bank, Middlesbrough, TS6 6XH	693
RF Prod (SPRL)	Rue Auguste Hock 21, 4020 Liège, Belgium	55,714
Ridleys Coaches Limited	Stratford Road, Warwick, CV34 6RA	1,133
Rock En Seine Partnership Fee	10-12 rue Maurice Grimaud 75018 Paris, France	22,503
Rock World S.A	Av Paisagista Jose de Azevedo Neto 200 Bl 01 SL 205 Barra da Tijuca RJ, 22775-056, Rio de Janeiro, Brasil	6,631
SAEM TOURS EVENEMENTS	26 Boulevard Heurteloup, Tours Cedex, CS, 24225 - 37041, Tours, France	54,351
SAND s.r.l.	Via Branze, 44 Brescia, 25123, Italy	164,416
SAS-GARACA	10-12 rue Maurice Grimaud 75018 Paris, France	54,482
Scarborough Cricket Club	The Cricket Ground, 118 North Marine Road, Scarborough, YO12 7TJ	19,434
Sexton Group	29 Ayot Path, Borehamwood, Hertfordshire, WD6 5BL	701
Simply Creative	Portland Lofts, Wilson Street, Bristol, England, BS2 9HE	33
Slammin Events	50a Wellington Road, Enfield, Middlesex, EN1 2PG, United Kingdom	1,346,679
Sleep Well Youth Hostel	Rue du Damier 23, 1000, Brussels, Belgium	284
Slumberland LLC	18114 Fall Creek Dr Lutz, FL 33558, United States	75,351
Soultown Festival Ltd.	18 Valliers Wood Road, Sidcup, DA15 8BG, United Kingdom	12,190
Sound Revel	7 Paynes Park Hitchin, Hertfordshire, SG5 1EH	606
Steel Rowj	Ul. Vijenac Braće Lorenzetto 17, 52210, Rovinj, Croatia	4,066
Stone Old Alleymans FC	Kings Park, Hilderstone Road, Stoke on Trent, ST3 7NT	25
Sun City Entertainment Limited	41 Orsett Road, Grays, RM17 5DS	8,100
Super Mega Bookings	Not Provided	4,877
Surprise & Expectation LDA	Largo do Posto de Turismo, Edificio do Antigo Posto de Turismo, S/N Caminha, Portugal	94,940
The Coach Convention LTD	45 Fitzwilliam Street, Walth Upon Deame, S63 7HG	9,218
The Dance Island (TA Malta)	Odin, Triq Misrah il-Bameri, MSD1003, Msida, Malta	9,663
The Doctor's Orders	Unit 8 14-16 Meredith Street London, EC1R 0AB, United Kingdom	7
The Hour Group	Level/5/111 Cecil St, 3205, Melbourne, Australia	104,704
The Mango Tree	Flat 2 Les Quennevais Parade, Route Des Quennevais, JE3 8FX, Jersey, UK	1,193
The Sunny Hill sh.p.k.	ENVER MALOKU, NR. 82, PRISHTINE 10000 KOSOVO	20,927
Thermae Palace	Kon. Astndlaan 7, 8400, Oostende, Belgium	208
THUNDER SOUND SL	C/ Enria Deles Vaques 29 EJ Brosquil (Cullera) -Valencia, 46409, Valencia, Spain	2,118
TLS Events Pty Ltd	5/45 Hollyhock Drive, Kingston, TAS, 7050, Australia	2,558
Top Venus d.o.o	Svačićeva Ulica 21, 10000, Zagreb, Croatia	12,138
TV Events Ltd	99 Giles St, Leith, Edinburgh EH6 6BZ	390
U-Live	3 Pancras Square, London, N1C 4AG	17,529
United Paradigm Ltd	20-22 Wenlock Road, London, N1 7GU	2,049
University Freshers - Major Label	The Terrace, Grantham Street, Lincoln, LN2 1BD	361
Vic Falls Carnival	701 Aerodrome, Victoria Falls 0000, Zimbabwe	2,706
VW Music Ltd	Victoria Warehouse, Manchester, M17 1AB	17,179
Wave To Synth	Atomveldstraat 8 bus 6, Haaltert, 9450 Haaltert, Belgium	37,968
What's The Motive	39 Shaw Road, Bromley, BR1 5NW, United Kingdom	747
Wicked Student Nights	Unit 14 Cannonbury Business Centre, London, N1 7BJ	234
Wild Paths Festival	20 Bishop Pelham Court, Norwich, NR4 6RS	3,071
Winterstow Ltd	55 Kentish Town Road, London, NW1 8NX	9,878
Wolverhampton Speedway	Monmore Green Stadium, Wolverhampton, WV2 2JJ	3,542
Woolerland B.V.	Zuiddijk 69, 1501 CC Zaandam, Netherlands	28
Yakuza Malta (TA Malta)	1501 CC Zaandam, Netherlands, Triq Il-Kappella tal Mirakli, ATD 2691, Attard, Malta	1,402

Ziggy (TA Malta)	4 Triq il-Lampara, Bahar Ic-Caghaq, Naxxar, Malta	9,642
Zimmer Event und Gastronomie GmbH	Lagerplatzweg 3, Ludwigshafen, 67059, Germany	8,432
Zjaka d.o.o. (Forbiden Island)	Doverska 37, 21000, Split, Croatia	4,503
Total promoter creditors:		18,481,517
Suppliers and other creditors		
(aq) Limited	13-15 Hunslet Road, Leeds LS10 1JQ	1,824
ADP International Services BV	Lylantse Bann1, 2908 LG Capelle ann den Ussel, The Netherlands	677
Amazon Web Services EMEA SARL	1 Principal Place, Worship Street, London, EC2A 2FA, UK	72,857
Ana Ladeira	Redacted	-
Aqua Cooling Solutions Ltd	Industrial Estate, Unit 6 Brickfield Ln, Chandler's Ford, Eastleigh SO53 4DP	1,631
Audacia Consulting	46 The Calls, Leeds, West Yorkshire, LS2 7EY	54,541
Baker Tilly (Netherlands) N.V.	Bijster 39, Postbus 3814, 4800 DV Breda	87
Baker Tilly Portugal II Advisory, Lda	Avenida Columbano Bordalo Pinheiro, 108 - 1oB, Lisboa, 1070-067 Lisboa	255
Ben Leaver	Redacted	-
Beringea LLP	39 Earham Street, London, WC2H 9LT	74,692
Camden Business Rates Services	PO BOX 785, Redhill, RH1 9JB	23,582
CBRE Limited	Asset Services , Pacific House, 70 Wellington Street , G2 6UA , Glasgow , United Kingdom	106,971
Cheyenne Powell	Redacted	-
CHI Square Economics Limited	Aldgate Tower, 2 Leman St, London E1 8FA	9,614
Coelho Ribeiro e Associados	SCA, SP, RL, Av. Eng Duarte Pacheco, Tore 2, 13 A, Lisboa, 1089-042 Lisboa	1,093
Commons Cremona Pty Ltd	P.O Box 6290, Upper Mt Gravett, Queensland 4122	1,362
Cooper Parry	Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby DE74 2SA	51,278
Courteney Deutschmann	Redacted	-
Edge Creative Capital Ltd	1 Marylebone High Street, London W1U 4LZ	89,753
EFM Management Limited	Unit 3 Alpha Way, Thorpe Industrial Estate, Egham, Surrey, TW20 BRZ, UK	9,729
Enterprise Rent-A-Car UK Ltd	Unit 1a Seacroft Ind Estate, Coal Road, LS14 2AQ, Leeds, United Kingdom	672
Fernando Portal	Redacted	-
Founders Founders, Lda	R. da Constituição, nr. 346 / 358, 4200-192 Porto, Portugal	351
G&Z Trading Ltd	6140 Knights Court, Solihull Parkway, Birmingham Business Park, Birmingham, West Midlands, B37 7WY	30
Gabriel T Miranda	PO BOX 135699, Clermont, 32714	2,139
Geniusee	651 N Broad St, Suite 205 Middletown, DE 19709, USA	54,349
Geraldine Williamson	Redacted	-
Girish Nair	Redacted	-
Gravitas Recruitment Group Limited	3rd Floor, 6 Bevis Marks, London, EC3A 7BA, UK	40,315
Hall Chadwick Melbourne	Level 14 440 Collins Street Melbourne	1,913
Hamza Sharif	278 Dewsbury Road, Leeds, West Yorkshire, LS116JT	556
Harmonic Group Ltd	Interchange Atrium, Stables Market, Camden, NW1 8AH	6,925
Harvey Goldsmith	Flat 81 Harley House, 28 - 32 Marylebone Road, London NW1 5HN	2,413
Hi Bob (UK) Limited	Boundary House, 91/93 Charterhouse Street, London, EC1M 6HR, UK	1,711
Hidde Rupp	40 Sheringham Avenue, London, N14 4UG, United Kingdom	155
HMRC	Durington Bridge House, Barrington Road, Worthing, BN12 4SE	1,700
Hossenally Holding Ltd	41 Lamb Hall Road, Huddersfield, HD3 3TJ	1,546
HubSpot UK Holdings Limited,	Knotel, Floor 4, Clerks Court, 18-20 Farringdon Lane, London, EC1R 3AU	10,710
ID&C Limited	Unit 1-2 Decimus Park, Kingsstanding Way, Tunbridge Wells, Kent, TN2 3GP	5,079
James Ingham	Redacted	-
James Tyson	Redacted	-
Jigsaw Systems Ltd	40 High Church Street, Nottingham, NG7 7JA.	23,560
Katarina Maus	Rua das Flores, 198, 2645-337 Bicesse, Cascais, Portugal	464
Kreos Capital V (UK) Ltd	47 Esplanade, St Helier, Jersey, JE1 0BD	1,860
Leeds City Council	Offices & Premises, Suite C, 102 Wellington Street, Leeds, LS1 4LT, UK	7,673
Luis Lickfold Magalhaes	Redacted	-
Mainstage Festivals	Frogmore House, Ormond Place., Cheltenham, London, GL50 1JD	795
Mazars LLP	5th Floor , 3 Wellington Place , LS1 4AP , Leeds , United Kingdom	501
Microsoft Ireland Operations Ltd	South County Business Park, Leopardstown, Dublin 18, D18 P521, Ireland	33,839
Network Merchants Limited	1 All Saints Street, Bristol BS1 2LZ	2,516
Oracle America, Inc.	Oracle Parkway, Thames Valley Park, Reading, Berkshire, RG6 1RA	62,401
Paula Schwartzman	Redacted	-
PayPal (Europe) S.à r.l. HW	22-24 Boulevard Royal, 5th Floor, L-2449 Luxembourg R.C.S., Luxembourg B 118.349	4,078
Peninsula Business Service Limited	Victoria Place , M4 4FB , Manchester , United Kingdom	2,759
Purvi Patel	Redacted	-
Sam Owens	Redacted	-
Secure Retail	Walker Road, Bardonia Hill, Coalville, Leicestershire, England. LE67 1TU	246
Segment.io, Inc.	101 Spear St, FL 1, San Francisco CA 94105-1580, United States	23,073
Spring Defender - Unipessoal Lda	Estrada Nacional 356-1, 42, Alcojube de Cima, 2405, 003 Maceira, Portugal	9,347
Taylor Vinters	Merlin Place, Milton Road, Cambridge CB4 0DP.	21,906
Taylor Wessing LLP	5 New Street Square, London EC4A 3TW	23,023
Thornton	60 Queen Victoria Street, London, EC4N 4TR	3,800
Ticket Plan	Leigh House, Broadway West, Leigh on Sea, Essex SS9 2DD	44,271
Tim Glenane	Redacted	-
Tom Carrick	152 Harrogate Road Chapel Allerton Leeds LS7 4NZ	226
Unify Energy Ltd	Union, Albert Square, Manchester, M2 6LW	250
Unify Management Solutions Limited	Albert Square, Manchester, M2 6LW	387
VentureAxis Limited	Regent House 5 Queen Street Leeds LS1 2TW	38,161
Vicky Jackaman	Redacted	-
Vimeo Inc.	555 West 18th St. New York, New York 10011	1,304
WeWork (NL)	115 W 18th St, New York NY 10011	760
William Poulson	Redacted	-
Wilson Sonsini Goodrich & Rosati	41 Old Street, London, EC1V 9HX	413
Workspace Management Ltd	Canterbury Court, Kennington Park, 1-3 Brixton Road, SW96DE	11,416
Zaius Inc	1 Washington Mall, #1170 Boston, MA 02208, United States	17,480
Total supplier and other creditors:		967,032

Convertible Loan Note holders

Windcrest Partners II LP	750 Third Avenue, 33rd Floor, New York, 10017	TBC
Wellington Partners Ventures	Wellington Partners,Tukenstrabe ,80333 Munich,Germany	TBC
PROfounders Capital LP	Sean Seton-Rogers,3 Cadogan Gate,London,SW1X 0AS	TBC
Proxy Ventures Limited	42-46 Princcetel Street,London,E1 5LP	TBC
Alessandra Coppo	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Anaya Capital SRL	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Kostanza Investments SA	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
TreOito Investments S.r.l	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Angel Capital Management Spa	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Seven Srl	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
RCG Holding Srl	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Sideplan Investment Srl	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
VIS Capital Srl	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Rancilio Cube Srl	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Luchi Fiduciaria	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
Nenets Investors Ss	Raffaella Bianchi,Via Mozart,2,20122 Milano MI,Italy	TBC
InMotion Ventures Limited	Alex Smout,221 Pentonville Rd,London,N1 9UZ	TBC
Edge Creative Enterprise Fund LP	Simon Andrews, 1 Marylebone High Street, London, W1U 4LZ	TBC
Crowdcube	Alice Williams,c/o For a,35-41 Foldgate St,London,E1 6BX	TBC
Future Fund	Debbie Sorby,1 St Katharines Way,London,E1W 1UN	TBC
Anthonie Jan Kolsten	Redacted	TBC
Stephen Schafer	Redacted	TBC
Nick Pagliuca	Redacted	TBC
Total Convertible Loan Note Debt:		<u><u>3,111,626</u></u>
Total Unsecured Debt		<u><u>22,560,175</u></u>

Statement of Insolvency Practice 16 (SIP16)

FESTICKET LTD - IN ADMINISTRATION (the "Company")

STATEMENT OF INSOLVENCY PRACTICE 16 ("SIP 16") - PRE-PACKAGED SALES IN ADMINISTRATIONS

Introduction

This document details the circumstances surrounding the Pre-Pack Sale of the business and assets of the Company to the Purchaser.

Background

The Company was incorporated on 25 January 2012 as Yeslab Limited with a goal to create an online booking platform that provided consumers with a solution to purchasing tickets, travel, accommodation, and other related add-ons for events and festivals around the world.

The business was formed by two of its current directors, Zacharie Sabban and Jonathan Younes and a former director, Jerome Elfassy.

In 2016 the Company changed its name to Festicket Ltd.

In the preceding years the Company, via its online booking platform known as 'Festicket', became one of the world's largest ticketing providers to event organisers, selling tickets to some of the most well-known festivals in the world including Coachella and Tomorrowland.

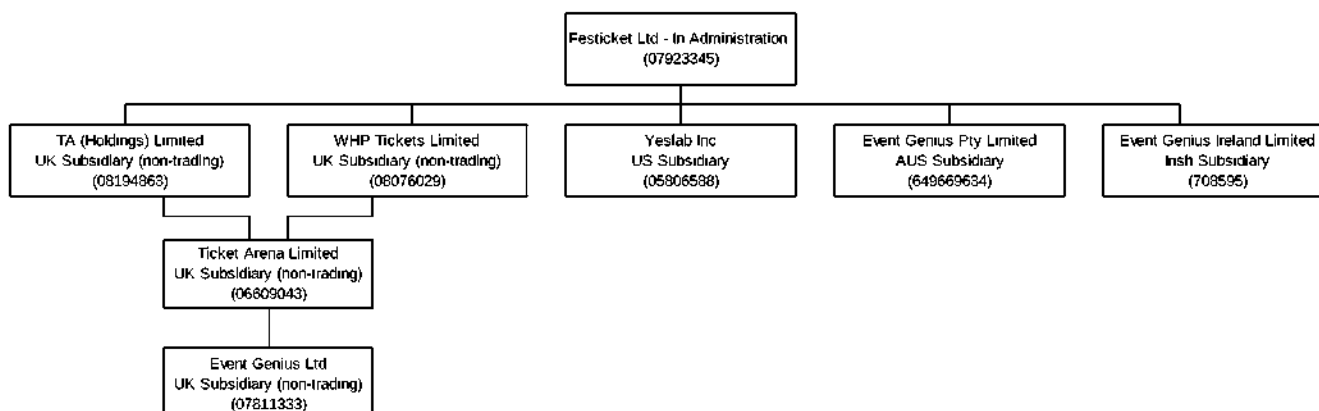
The Company was funded through the sale of equity shares in the business over a number of years, including offering investment opportunities to the general public through crowd funding.

During 2018 the Company obtained a loan from secured creditor Kreos Capital, and granted a fixed and floating charge debenture in relation to this.

In each financial year from 2017 to 2019 turnover of between approximately £4m and £12m was generated, however following deduction of operating costs a profit was not achieved. Turnover in the years prior to 2017 was reported on a different basis and is not comparable.

In 2019, Festicket acquired technology platform 'Event Genius' and accompanying ticketing website 'Ticket Arena' through a share purchase of their operating entities. Event Genius had developed a platform to provide event organisers with end-to-end event management technology, offering self-service ticketing, entry control and cashless payment services, while Ticket Arena operated a platform that provided similar booking services to Festicket.

A summary of the group structure is provided below:



Following the onset of the COVID-19 pandemic in March 2020, and the resulting lockdowns, social distancing and restrictions on travel, the Company experienced an unprecedented level of ticketing refunds and deferment requests due to the multiple event cancellations and a reduction in consumer confidence.

The Company's systems were challenged by the new requirements created by the pandemic. This was further exacerbated by the integration of the 'Event Genius' and 'Ticket Arena' platforms which had not yet completed. As a result, the Company's financial and internal reporting systems became increasingly reliant on manual calculation and input.

In response to the pandemic the group reduced operating expenses from £14.5m (financial year ended 2019) to £10.3m (financial year ended 2020), however the group recorded losses of approximately £11.3m and £8m in those financial years, respectively.

In 2020 the Company secured further funding through the sale of approximately £5m of convertible loan notes and equity, however this was not sufficient to support its losses.

The Company's management accounts for the financial year ended 2021 record losses of £1.1m, however due to the issues identified with the financial reporting systems it is unclear how robust these figures are.

In the months leading up to the insolvency the Company initiated a marketing process targeting businesses in the same industry or that offer similar products. The purpose of this process was to seek further investment or a sale of the Company's shares.

Initial Introduction

On 8 July 2022 ReSolve was introduced to the Board of the Company by Eyal Malinger of Beringea, who act in relation to one of the shareholders. Beringea is known to ReSolve and Mr Malinger of Beringea is a director of the Company.

During the month of August, advanced negotiations were entered into by the Company with one party (the eventual Purchaser) in relation to a potential share sale which had envisaged all promoter and supplier creditors being paid in full, and an agreement in respect of the convertible loan notes.

Special Accountants

On 5 August 2022, ReSolve was engaged by the Board of Directors as Special Accountants to undertake a review of the Company's current financial position and to provide a summary of our findings.

On 10 August 2022, the scope of the engagement was extended to include ad-hoc advice in respect of insolvency related matters and the Company's current financial situation whilst, in parallel, negotiations were advanced for the sale of the Company.

During this period creditor pressure was growing. The Company received a Freezing Order, following an ex -parte court application from a festival promoter on 16 August 2022 which impacted the Company's freedom to operate.

There were also threats by other creditors to apply for a winding up order against the Company.

Moratorium

On 17 August 2022 ReSolve was engaged by the Company to assist with placing the Company into a Moratorium to provide protection from further creditor action whilst the directors progressed the negotiations and timetable for the sale of the Company.

Prior to accepting appointment as Monitor, and due to the ongoing nature of the work associated with the Special Accountant engagement, it was agreed that a different case team at ReSolve would be involved in the Moratorium and that Ben Woodthorpe and Christopher Farrington of ReSolve would be appointed as Monitors.

Mr Woodthorpe and Mr Farrington were appointed Joint Monitors of the Moratorium on 17 August 2022. Negotiations continued with the Purchaser but it became evident that the Purchaser was becoming reluctant to commit to the relatively short deadlines set for completion of the share sale. Faced with this uncertainty, the board

(on 30th August) requested that steps be taken to prepare the Company for an Administration. The Moratorium was ended on 30 August 2022 on the grounds that the Company's directors had filed a notice of intention to appoint Administrators on that same day and the Moratorium was no longer likely to result in the rescue of the Company as a going concern.

Administration

Following the end of the Moratorium, ReSolve was engaged by the Company on 30 August 2022 to carry out an accelerated marketing process, with a view to finding a willing buyer for the Company's business and assets as a going concern and to assist in placing the Company into Administration.

It was agreed that different Insolvency Practitioners of ReSolve be appointed as Joint Administrators in place of the Joint Monitors.

As noted above, a NOIA was filed at court on the same date.

During the accelerated marketing process, it became clear from discussions with the Purchaser that the share sale which had been hoped for would no longer be achievable.

Stripe (the Company's payment processor) withdrew the Company's ability to process new charges on Monday September 5th. This instantly stopped the Company's trading, further limiting the timescales available to finalise a sale of the business.

Details of the marketing undertaken and circumstances leading to the Pre-Pack Sale are provided later in this report.

Ultimately it was agreed the most appropriate course of action (even though the sale negotiations with the Purchaser had not been finalised) was to place the Company into Administration and for Mr Jagger, Mr Gunn and I to be appointed as Administrators on 12 September 2022. As Administrators we are officers of the Court and we have taken over the management of the Company from the Board.

The purpose of the Administration is to achieve one of the hierarchy of statutory objectives, namely to:-

- (a) rescue the company as a going concern; or
- (b) *achieve a better result for the company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or*
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

More information about the objective we are seeking to achieve in respect of the Company is set out below.

In order to help us achieve the objective we have a wide range of powers, as set out in the insolvency legislation, and we must perform our functions as quickly and efficiently as is reasonably practicable. We must also act in the interests of the creditors of the Company as a whole other than where objective (c) is being pursued we need only ensure that we do not unnecessarily harm the interests of the creditors of the Company as a whole.

Prior professional relationships

Prior to the commencement of the Administration ReSolve advised the Company regarding its financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action.

Further details in relation to ReSolve's prior engagements with the Company are detailed above.

Other insolvencies

In September 2019, Mr Jagger and I were appointed as Joint Administrators of TV Player Limited. We have identified a connection between a former director of TV Player Limited and a current director of the Company.

In addition, Beringea (who introduced us to the Company and also employ one of the Company's directors) are a secured creditor on another Administration being handled by ReSolve, Skills Matter Limited.

No issues of concern have been identified in relation to either of the above Administrations.

Pre-appointment considerations

ReSolve has conducted a review of the affairs and financial performance based on information available from the Company. The following matters have been considered:

Requests for further financial support

Following review of the Company's financial position, it was apparent that there were limited further funding options available to the Company and the Company's existing shareholders and investors were unwilling to provide sufficient further funding.

Consulting with creditors

The Company has granted the following charge:

Charge holder	Date of Creation	Date of Registration	Type
Kreos Capital V (UK) Limited	27 July 2018	7 August 2018	Debenture (fixed and floating charge)

The secured creditor, Kreos Capital, has been consulted during the pre-administration period and in the lead up to completion of the Pre-Pack Sale.

The largest creditor (an event promoter group) was also consulted in relation to the sale and notified of its key terms, and confirmed its support for such sale.

We understand that the Company kept a number of other promoters aware of the developing situation, as the likelihood of a share sale reduced and that of a business and assets sale increased.

Consideration to trade in Administration

We considered trading the Company in Administration to market the business and assets for an extended period. However, this was not practical or financially possible for reasons including:

- Stripe had withdrawn payment processing facilities (and hence its ability to process further ticket sales) and stopped the Company's access to funds held by them;
- The Freezing Order described previously; and
- The Company did not have funds available sufficient to meet its foreseeable costs.

Previous sales

We confirm, as far as we are aware the business and/or assets of the Companies has not been acquired from an insolvency practitioner within the last 24 months.

Other considerations

We also confirm that the outcome achievable because of the Pre-Pack Sale provides the best available outcome for the Company's creditors as a whole than would be likely if the Company had been placed into Liquidation without first being in Administration.

Comparison of outcomes and other procedures

The various courses of action that ReSolve considered were as follows:

Do nothing

It was not feasible for the Company to do nothing and continue to trade as the Company's finances would not enable it to meet normal trading expenditure including staff wages. There was a risk that by continuing to trade with no reasonable prospect of avoiding insolvency, the directors of the Company could expose themselves to the risk of potential wrongful trading or misfeasance actions.

Company Voluntary Arrangement (CVA)

The option of a CVA was dismissed.

Having undertaken a financial review of the Company and discussed the ongoing trading prospects with the directors, the Company was not in a position to propose an arrangement that would likely have been approved by its creditors. This would have required a considerable injection of new capital which was not available, nor could it have been raised within a reasonable timeframe which might have made a CVA possible.

Creditors' Voluntary Liquidation (CVL)

It is likely an immediate sale of business would not be achievable in a CVL resulting in the overall outcome for creditors being significantly lower.

In addition, employees would likely be made redundant, increasing the level of preferential and unsecured creditor claims.

Company Moratorium

Following legislative changes in June 2020 brought by The Corporate Insolvency and Governance Act 2020, a new standalone moratorium procedure was introduced.

Its main aim is to give a company some breathing space to restructure or refinance operations with a view to being rescued as a going concern. The directors and an insolvency practitioner (who must act as 'Monitor') need to confirm to the Court that the company is reasonably likely to do so.

A Moratorium was put in place on August 17th at a time when the directors considered that the rescue of the Company by way of a sale of its entire share capital to the Purchaser was reasonably likely.

As set out earlier in this report, Mr Woodthorpe and Mr Farrington of ReSolve were appointed as Joint Monitors of the Moratorium on 17 August 2022. The Moratorium was ended on 30 August 2022, when the Company's directors considered that correspondence between the Company and its potential buyer appeared to show that a sale of the Company as a going concern was becoming less likely.

Pre-packaged Administration

In light of the above, we considered that a pre-packaged Administration sale of the business and certain assets of the Company as a going concern would result in the best outcome for the Company's creditors. The Pre-Pack sale will enable us to satisfy the second objective of Administration (objective (b), by achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

The Pre-Pack Sale has preserved the value in the business and assets of the Company and provided the best opportunity to maximise realisations. The Pre-Pack Sale has also minimised employee claims.

Marketing of the business and assets

Shortly before our introduction to the business, the Company undertook a marketing process for the purpose of seeking investment or a sale of the Company as a going concern.

During this marketing process 11 parties signed an NDA and were provided with further information.

The Company entered advanced negotiations with one party for the sale of its shares however, by 30 August 2022 the Company's directors considered that correspondence between the Company and its potential buyer appeared to show that a rescue of the Company was becoming less likely.

As a result, on 30 August 2022 the Company engaged ReSolve to carry out an accelerated marketing process and assist in placing the Company into Administration.

A further NDA was circulated to a selection of industry specific parties identified by ReSolve and the Company. In addition, the 11 parties that had previously expressed interest were contacted. A further 10 NDAs were signed as part of the process being managed by ReSolve.

Our marketing of the business was largely limited to industry parties, and not advertised online, due to the following:

- The limited timeframe available;
- The complex inter-relationships between key customers and major creditors (in many cases being the same parties);
- The promoter relationships, which are viewed by the Company as key to the business, which would make it more challenging for someone outside of the industry; and
- The doubts about the robustness of financial information would be expected to be challenging for non-industry parties.

We considered that the capacity of the Company's management and staff, and the time available, would mean that marketing more widely would impact on the ability to achieve any sale.

All parties were provided with comprehensive information by way of a data room on the Company's business and assets including (but not limited to) financial information, customer database, redacted employee information and details of the leasehold premises.

Due to the restricted cashflow and the position with the Freezing Order, each party was notified that a notice of intention to appoint Administrators had been filed and offers were requested by 2pm on 5 September 2022.

Having marketed the Company's business to a range of industry specific parties, we believe we have performed an extensive campaign to achieve the best price in the timeframe available.

Whilst undertaking the marketing exercise, we engaged with the Purchaser who initially made an offer of £1 for the Company's business and certain assets, to include the following:

- Transfer of c.75 staff;
- Information technology;
- Supplier contracts;
- Equipment;
- Property leases;
- Key contractor agreements; and
- Social media accounts.

Despite follow ups with other parties that had expressed an interest and signed an NDA, no other suitable offers were received.

Following discussion with the Purchaser its offer was increased to £100k. In light of the above, we considered the revised offer from the Purchaser to be acceptable. The key attraction of the offer from the Purchaser was not the headline price but the fact that the offer was to acquire the business and assets as a going concern with the transfer of all employees under TUPE. In so doing, we estimated that approximately £200,000 was saved in what would have been a preferential claim for unpaid holiday pay, together with an even greater unsecured liability for pay in lieu of notice and redundancy claims.

In addition, finding a willing buyer for the business and assets materially enhances the prospect that relationships with promoters will be maintained and supported by the Purchaser and that fewer events would be cancelled, thereby reducing the level of potential claims by customers that would be made against Stripe.

Valuation of the business and assets

Hilco is a firm of chartered surveyors regulated by the Royal Institution of Chartered Surveyors. It confirmed it had no conflict of interest in acting in this matter and holds adequate professional indemnity insurance.

Hilco liaised with ReSolve and the Company for the purpose of undertaking the following actions:

- Advising on the value of the intellectual property;
- Advising on the value of the tangible assets and leasehold property; and

- Providing a recommendation in relation to the offer received from the Purchaser.

The Company's main assets consist of its intellectual property, IT equipment (principally consisting of laptops in the possession of staff, and event equipment largely located at various promoter sites), office furniture and equipment, its relationships with promoters and property leases.

Hilco were provided access to various company records and the Company's management for the purpose of assessing and providing an estimated value of the Company's intellectual property. Based on the information it received Hilco provided a valuation of £65,000 in relation to the intellectual property.

Hilco also provided a valuation of the IT equipment and office furniture and equipment on two bases: in-situ and ex-situ. The former represents the value placed if the assets are sold at the Company's premises. The latter represents the values if the assets are removed and sold on a breakup basis. Both valuation bases are exclusive of the costs of sale.

Hilco advised no premium would be achievable in relation to the Company's various leasehold premises.

Hilco has provided its recommendation for the Pre-Pack Sale and commented that should the offer received from the Purchaser not have been accepted the business would be forced into a formal insolvency, with staff laid off and assets having to be sold on break up.

Whilst the valuation suggests net realisation on an ex-situ/break-up basis could total £158,685, following deduction of selling costs, the risk associated with retrieving assets from various individuals and locations, and the deficiencies in the Company's record keeping, we consider the offer received from the Purchaser represents the best outcome to creditors; especially after taking into account the wider going concern benefits of the sale of the business in terms of the significant reduction in creditors claims as a consequence of it. Furthermore, there were no other firm offers for any of the physical assets or intellectual property, although there were discussions continuing with another party that wanted to acquire the Company's Australian operations.

In addition, we understand it is the Purchaser's intention to carry on the business of the Company. We expect that this will reduce the risk of future event cancellations in relation to events for which tickets have been sold, and thereby improve the overall outcome for creditors.

For ease of comparison, the consideration allocated by us for each asset category has also been disclosed next to each valuation, where relevant:

Asset category	Ex-situ	In-situ/Market value	Consideration received
	£	£	£
Intellectual property	65,000	N/A	59,999
Goodwill	N/A	N/A	1
Customer lists	N/A	N/A	1
Business records	N/A	N/A	1
Employee records	N/A	N/A	1
IT equipment	87,410	229,695	34,000
Furniture and equipment	6,275	19,085	4,999
Leasehold property	Nil	Nil	997
Supplier contracts	N/A	N/A	1
	<u>158,685</u>	<u>248,780</u>	<u>100,000</u>

We would note that the allocations of consideration in the table above does not match the allocations which were insisted upon by the Purchaser in the sale contract, which we have amended to better reflect our assessment of value of the different asset categories. This decision was taken because the purchaser insisted on allocating no more than £15,000 of the consideration to the Company's physical assets and our strongly held view was that at least £40,000 should have been allocated to physical assets. However, in the interests of getting the sale concluded, we agreed to the £15,000 allocation to physical assets but it is our intention to account to creditors on the basis of a £60,000 intangibles/goodwill allocation falling under the fixed charge and £40,000 for the physical assets under the floating charge.

We understand that the following assets are covered by Kreos Capital's fixed charge:

- Intellectual property, consisting of (but not limited to) business names, trademarks and the technology platforms, and
- Goodwill.

The transaction

The sale of the Company's business and certain assets to the Purchaser was completed on 13 September 2022. The purchase price of £100,000 was paid on completion.

Details in relation to the assets included in the Pre-Pack Sale are included above.

The sale consideration is held by our solicitors (GT) in their client account whilst we await the opening of the Administration bank account.

The sale has resulted in the transfer of the Company's employees to the Second Buyer under TUPE legislation, therefore mitigating claims of the employees against the Company.

In addition, we understand it is the Purchaser's intention to carry on the business of the Company. We expect that this will reduce the risk of future event cancellations in relation to events for which tickets have been sold, and thereby improve the overall outcome for creditors.

Purchaser and related parties

The Purchaser is an established US based provider of similar services to the Company.

Further details are provided below:

In accordance with the guidance given in SIP 13, details of any acquisition of assets of companies by a director or associated party in the two years prior to the Administration must be reported. The Administrators advise as follows:

- We have not been made aware of any connected party transactions that took place in the last two years;
- If following their appointment, the Joint Administrators are made aware of any transactions, these will be brought to the attention of the creditors in any subsequent reports; and
- The Pre-Pack Sale is not considered a connected party transaction as the Purchaser is not associated with the Company by way of common directorship or shareholding. The Purchaser had separate legal representation in respect of the Pre-Pack Sale. We understand that certain directors have been transferred to the Purchaser as employees.

To our knowledge there are no known personal guarantees granted by the current directors that are to be released as a result of the proposed transaction with the Purchaser. Furthermore, we are unaware of any options, buy-back arrangements or similar conditions attached to the contract of sale with the previous ownership or management.

Conclusion

We believe the Pre-Pack Sale of the business and certain assets of the Company is in the best interests of all creditors, for the following reasons:

- Greater consideration for the assets of the Company has been achieved than would likely be achievable in a break-up scenario, where there would be additional recovery and selling costs and significant risk regarding physical possession of assets;
- The sale to the Purchaser was the only deliverable sale of the entire business given the timeframe, was the most achievable to complete and was recommended by Hilco;
- Arrears of wages and salaries owed to employees have been transferred to the Purchaser in accordance with TUPE legislation and the sale contract. In addition, the sale has avoided claims against the Company estimated at over £1m which would have arisen if a sale had not been achieved (including redundancy, notice and holiday pay), of which we estimate that c.£200,000 would have been preferential;

- There were no funds available to enable ongoing trading of the Company prior to or during Administration;
- The proposed sale terms were fully disclosed to the Company's directors and approved by them;
- Through the Purchaser carrying on the business of the Company it is more likely that events will go ahead, thereby reducing the risk of future event cancellations, and improving the overall outcome for creditors; and
- The same value and outcome for creditors would not likely be achievable in a Liquidation scenario.

For the reasons given above the Pre-Pack Sale has enabled the Administrators of the Company to satisfy the second objective of Administration (objective (b)), by achieving a better result for the Company's creditors as a whole than would be likely if the company were wound up (without first being in Administration).