

Joint Administrators' seventeenth progress report for the period 21 July 2022 to 20 January 2023

Phones 4U Limited

High Court of Justice, Chancery Division, Companies Court, Case no. 6516 of 2014

Phones 4 U Group Limited

High Court of Justice, Chancery Division, Companies Court, Case no. 6507 of 2014

Phones4U Finance Plc

High Court of Justice, Chancery Division, Companies Court, Case no. 6506 of 2014

MobileServ Limited

High Court of Justice, Chancery Division, Companies Court, Case no. 6511 of 2014

Phosphorus Acquisition Limited

High Court of Justice, Chancery Division, Companies Court, Case no. 6508 of 2014

Policy Administration Services Limited

High Court of Justice, Chancery Division, Companies Court, Case no. 6504 of 2014

(all in administration)

10 February 2023

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1. Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
the “Companies”	Phones 4U Limited, Phones 4 U Group Limited, Phones4U Finance Plc, MobileServ Limited, Phosphorus Acquisition Limited, Policy Administration Services Limited
the “Group” or “Phones 4u”	The Companies together with 4U Limited, 4U Wi-Fi Limited, Jump 4U Limited, Life Mobile Limited and Phosphorus Holdco Plc (see www.pwc.co.uk/phones4u for details of insolvency procedures affecting these companies)
“Joint Administrators” or “We”	David James Kelly and Robert John Moran in respect of Phones 4U Limited. David James Kelly and Robert John Moran in respect of Phones 4 U Group Limited, Phones4U Finance plc, MobileServ Limited, Phosphorus Acquisition Limited. Douglas Nigel Rackham and David James Kelly in respect of Policy Administration Services Limited
“Concurrent Administrator”	Paul David Copley of Aldan Management Limited, 42 Brook Street, London, W1K 5DB, in respect of Phones 4U Limited
“the Administrators”	the Joint Administrators and the Concurrent Administrator together, in respect of Phones 4U Limited
“Aldan”	Aldan Management Limited
“Aon”	Aon Insurance Managers Isle of Man Limited
“Committee”	The informal committee of certain Noteholders formed in October 2014 for the purpose of consulting with the Administrators in relation to various issues arising in the administrations
“CPR”	The Civil Procedure Rules 1998 (as amended)
“EE”	EE Limited
“D Return”	The report or return prepared by the Joint Administrators pursuant to the Insolvent Companies (Reports on Conduct of Directors) Rules 1996
“the Defendants”	EE, DT, Orange, the Vodafone Defendants and the O2 Defendants
“the Disclosure Order”	The Directions and Disclosure Order of Mr Justice Roth dated 11 August 2020
“DT”	Deutsche Telekom AG
“FCA”	Financial Conduct Authority
“FOS”	Financial Ombudsman Service
“HMRC”	HM Revenue & Customs
“ICAEW”	Institute of Chartered Accountants in England and Wales
“IA86”	The Insolvency Act 1986
“IR16”	The Insolvency (England and Wales) Rules 2016

“ING”	ING Bank N.V.
“ISA”	Insolvency Services Account
“LGI”	London and General Insurance Company Limited
“Litigation”	Proceedings commenced by P4U, acting by the Concurrent Administrator, in December 2018 against certain MNOs (and their affiliates), in respect of its claims of (amongst other things) breaches of competition law and / or contract by such parties leading to the appointment of administrators in September 2014
“Lloyds”	Lloyds Bank Plc
“LSG”	Lifestyle Services Group Limited
“MNO”	Mobile Network Operator
“Notes”	£430,000,000 9.500% senior secured notes due 2018 issued by Phones4U Finance Plc, listed on the Irish Stock Exchange
“Noteholders”	Holders of the Notes
“O2”	Telefonica UK Limited
“the O2 Defendants”	O2, Telefónica, S.A. and Telefonica O2 Holdings Limited
“Orange”	Orange SA
“P4U”	Phones 4U Limited
“P4UC”	Phones 4U Care Limited
“PAS”	Policy Administration Services Limited
“QE”	Quinn Emanuel Urquhart & Sullivan UK LLP
“RPS”	Redundancy Payments Service
“Prescribed Part”	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
“Proposals”	The joint administrators’ statement of proposals for achieving the purpose of the administrations, dated 6 November 2014
“PwC”	PricewaterhouseCoopers LLP
“RCF”	Revolving credit facility
“VAT”	Value added tax
“the Vodafone Defendants”	Vodafone Limited and Vodafone Group Plc

This report has been prepared by the Administrators of the Companies, solely to comply with the Administrators’ statutory duties to report to creditors under IR16 on the progress of the administrations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Companies.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Administrators' previous reports issued to the Companies' Creditors, which can be found at www.pwc.co.uk/phones4u. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

David James Kelly and Robert John Moran (both of PricewaterhouseCoopers LLP) have been appointed as Joint Administrators and Paul David Copley (of Aldan Management Limited) has been appointed as Concurrent Administrator of Phones 4U Limited to manage its affairs, business and property as its agents and act without personal liability. David James Kelly and Robert John Moran have been appointed as Joint Administrators of MobileServ Limited, Phosphorus Acquisition Limited, Phones 4 U Group Limited and Phones 4u Finance Plc to manage their affairs, business and property as agents without personal liability. Douglas Nigel Rackham and David James Kelly have been appointed as Joint Administrators of Policy Administration Services Limited to manage its affairs, business and property as agents without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the ICAEW.

The Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP and/or Aldan Management Limited may act as a processor on the instructions of the Administrators. Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the firms' websites or by contacting the Administrators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

2. Introduction and Key messages

Why we've sent you this report

As required by insolvency legislation, this is our seventeenth report to creditors providing an update on the progress of the administrations of the Companies (as defined above). This report provides a high-level overview of the key matters in each case and does not attempt to report fully on the detail and extent of our work. The key messages for the various stakeholders are set out below.

We refer you to our Proposals for an explanation of why the Companies were put into administration and how the purpose of each administration is expected to be achieved. Subsequent progress reports explained the progress in each case since our appointment. These reports continue to be available on our website at: www.pwc.co.uk/phones4u and their content is not repeated here unless considered beneficial or necessary for the purpose of this update. We anticipate that our next report will be circulated in approximately six months' time.

Litigation

As previously reported, in December 2018 P4U (acting by its Concurrent Administrator) commenced proceedings against certain MNOs (and their affiliates), in respect of its claims of (amongst other things) breaches of competition law and / or contract by such parties leading to the appointment of administrators in September 2014. The first trial, covering issues of infringement and breach, was heard by Mr Justice Roth between 16 May and 28 July 2022. Mr Justice Roth has reserved his judgement and the Court has not given any indication of the timing for its delivery and hand-down.

Customers of Phones 4u Limited

The website at www.pwc.co.uk/phones4u contains information and contact details for previous and existing customers. If you are a customer (or previous customer), you have received this report because you may be a creditor. This may arise if you are owed cashback or free gifts (such as tablets or watches); or if you had an unfulfilled phone order. The fact that you have received this report does not necessarily mean that you are a creditor and any claims of this nature, if not already submitted, should be made against P4U.

Creditors

Dividends have been paid to the unsecured creditors of P4U, MobileServ and PAS from their statutory ring-fenced prescribed part funds. Unclaimed dividends for all cheques that had not been banked after six months have been passed to the Insolvency Service. Any creditors who did not cash their unsecured dividend cheques should therefore contact the Insolvency Service using the contact form on their website: <https://www.insolvencydirect.bis.gov.uk/ExternalOnlineForms/GeneralEnquiry.aspx>

Employees of Phones 4u Limited

If you are a former employee of P4U, you have received this report because our records show that you may be owed money by P4U in relation to the period prior to our appointment.

We have paid the preferential element of former employees' claims in full. Unclaimed preferential dividends have been passed to the Insolvency Service. Any former employees who did not cash their preferential dividend cheques should therefore contact the Insolvency Service using the contact form on their website: <https://www.insolvencydirect.bis.gov.uk/ExternalOnlineForms/GeneralEnquiry.aspx>

The balance of any amounts owed to former employees ranked as unsecured claims which were dealt with separately. As referred to above, any employees who did not cash their unsecured or preferential dividend cheque should contact the Insolvency Service. Further information is provided in Section 4.

Noteholders

The holders of the £430,000,000 9.500% senior secured notes due 2018 are expected to have the primary economic interest in the progress of the Companies' administrations. We communicate regularly with the Committee, in addition to releasing information more broadly on PwC's dedicated Phones 4U website.

Distributions to Noteholders

In aggregate, £219.3m has been distributed to the Noteholders since the Companies entered administration. No further distributions were made during the period covered by this report. Excluding any recoveries from the Litigation, it is unlikely that there will be sufficient realisations to pay the Noteholders in full.

Commercially sensitive matters

In Section 4.1 we explain what we are doing to realise the remaining assets and deal with the liabilities of P4U. Although we have reflected the receipts to 20 January 2023, consistent with previous reports we have not disclosed the prospective value of claims as to do so would be to disclose potentially commercially sensitive information and may prejudice the value of realisations in the administration. We have not included any expenses in relation to the Litigation workstream, except to the extent that PwC, Aldan and third-party costs have been incurred to 20 January 2023.

What you need to do

This report is for your information and you don't need to do anything.

In line with previous reports and consistent with legal advice obtained, our estimates of dividend prospects do not include these significant items referenced above and the actual dividend outcomes may be materially different. Therefore, our estimates of dividend prospects should be treated with caution.

Yours faithfully
For and on behalf of the Companies



David Kelly, Joint Administrator

David James Kelly and Robert John Moran (both of PricewaterhouseCoopers LLP) have been appointed as Joint Administrators and Paul David Copley (of Aldan Management Limited) has been appointed as Concurrent Administrator of Phones 4U Limited to manage its affairs, business and property as its agents and act without personal liability. David James Kelly and Robert John Moran have been appointed as Joint Administrators of MobileServ Limited, Phosphorus Acquisition Limited, Phones 4 U Group Limited and Phones4u Finance Plc to manage their affairs, business and property as agents without personal liability. Douglas Nigel Rackham and David James Kelly have been appointed as Joint Administrators of Policy Administration Services Limited to manage its affairs, business and property as agents without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the ICAEW.

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3. Summary of the possible outcome for creditors

The table below provides a summary of the possible outcomes for the various classes of creditors, based on current information and potential realisations from ongoing litigation and certain associated costs. Please note this guidance on dividends is only an indication and should not be used as the main basis of any bad debt provision.

	Phones 4U Limited	Phones 4 U Group Limited	Phones4U Finance Plc	MobileServ Limited	Phosphorus Acquisition Limited	Policy Administration Services Limited
Estimated recovery for secured creditors <i>(creditors with security in respect of their debt, in accordance with Section 248 IA86)</i>						
Estimated total debt:	£19,810,000	RCF				
	£430,000,000	Notes (Note 1)				
Estimated % recovery for secured creditors:	100% for the RCF lenders and uncertain recoveries for the Noteholders, as it depends on the outcome, timing and costs of the Litigation (on the basis set out in Section 4.4 and in line with the comments in "forecast timing" below).					
Forecast timing:	The timing and quantum of any further distributions remains uncertain and is dependent on the matters set out in Section 4 of this report, most notably the progress of the Litigation.					
Estimated dividend prospects for preferential creditors <i>(for unpaid wages up to £800 and holiday pay only, and unpaid pension contributions in certain circumstances)</i>						
Amount owed to preferential creditors:	£1.7 million	Note 2				
Estimated % recovery for preferential creditors:	100%	Note 2				
Forecast timing:	Paid	Note 2				

Note 1 - This is the face value of the Notes and excludes any accrued interest

Note 2 - All employees were contracted with Phones 4U Limited.

	Phones 4U Limited	Phones 4 U Group Limited	Phones4U Finance Plc	MobileServ Limited	Phosphorus Acquisition Limited	Policy Administration Services Limited
	Estimated dividend prospects for unsecured creditors <i>(creditors who are neither secured nor preferential)</i>					
Amount owed to unsecured creditors: <i>(as per total admitted claims where there has been a dividend, and as per the statement of affairs where there has not)</i>	£173,147,889	£69,220,516	£92,428,369	£804,251,103	£561,308,251	£37,896,401
Prescribed part fund (before costs)	£600k	Nil	Nil	£600k	Nil	£600k
% recovery for unsecured creditors:	0.27%	Nil	Nil	0.07%	Nil	1.5%
Forecast timing:	Paid ✓	N/A ✗	N/A ✗	Paid ✓	N/A ✗	Paid ✓

Unsecured creditors

The only dividends to unsecured creditors have arisen from the ring-fenced funds under the 'prescribed part' provisions of the IA86 which have been paid by the companies Phones 4u Limited, MobileServ Limited and Policy Administration Services Limited. No dividends are expected from any other group companies.

Unclaimed prescribed part dividends in these companies have been passed to the Insolvency Service. Any creditors who did not cash their unsecured dividend cheques should therefore contact the Insolvency Service using the contact form on their website:

<https://www.insolvencydirect.bis.gov.uk/ExternalOnlineForms/GeneralEnquiry.aspx>

4. Progress in the period

In this section we focus on progress in the period covered by this report and only repeat details from our previous reports where necessary or beneficial for the purposes of this update. Therefore, creditors may wish to read this section in conjunction with our previous reports.

The Administrators have realised the material assets of the Companies in administration. The primary focus of the P4U administration is now the Litigation (Section 4.1 below). In addition, the Administrators continue to conduct the day to day affairs of the Companies. Our progress is also illustrated in the enclosed receipts and payments accounts for each Company in Appendix A.

The following is a summary of our work in the period across the administrations:

- Progressed the Litigation (Concurrent Administrator mainly);
- Provided updates to the Committee;
- Continued to seek recovery of remaining MobileServ debtors;
- Oversight of trading of the PAS business; and
- Continued planning for an exit of the PAS business.

For more detailed background on these issues, please refer to our previous progress reports.

4.1 Phones 4u Limited

Litigation

As previously reported, Paul Copley was appointed as the Concurrent Administrator of P4U in November 2018. Under the High Court order, the scope of the Concurrent Administrator's role is restricted to investigating the facts and circumstances leading up to the administration of P4U in order to consider whether such facts and circumstances involve any wrongful conduct and / or breach of competition law by third parties, such as to give rise to any claims or causes of action by P4U against such third parties and, if relevant, to issue and prosecute such claims on behalf of P4U.

On 18 December 2018, P4U issued proceedings in the English High Court against:

- EE Limited;
- Deutsche Telekom AG;
- Orange SA;
- Vodafone Limited;
- Vodafone Group PLC;
- Telefonica UK Limited;
- Telefonica SA; and
- Telefonica O2 Holdings Limited (formerly Telefonica Europe PLC).

P4U's legal advisers in connection with the Litigation are QE, who have appointed Counsel and other advisers as necessary for supporting P4U's case in the proceedings.

The three claims made by P4U are that:

- Each Defendant was party to an agreement and/or decision and/or concerted practice in breach of EU and/or English competition law;
- EE was in breach of its contract with P4U, relying on express and/or implied terms as to good faith; and
- DT and Orange procured and induced EE's breach of contract, and/or committed common law conspiracy.

The Defendants have denied all the substantive allegations made by P4U in its particulars of claim.

Pursuant to an order made by Mr Justice Roth in October 2020, the Litigation has been split into two parts, with the first trial focused on the issues of infringement and breach and the second trial (which will take place only if P4U is successful in all or part of its claims in the first trial) to be focused on the issues of causation and quantum. As described in the sixteenth progress report, P4U was involved in trial preparations throughout 2020 and 2021. This included an extensive process of document disclosure and the preparation of factual witness statements and expert evidence.

The first trial was heard before Mr Justice Roth over 35 days between 16 May and 28 July 2022. This included 6 days of witness evidence provided by former directors called by P4U, 20 days of evidence from witnesses called by the Defendants and 2 days of expert evidence, as well as time for the parties' oral opening and closing arguments. The Court has not given any indication of the timing for handing down the judgment of Mr Justice Roth.

Since July 2022, activity in respect of the Litigation has been limited pending receipt of the first trial judgment. The costs incurred by P4U during this period principally relate to: (i) reviewing and finalising the transcripts of the proceedings in the first trial; (ii) agreement of the amounts transferred as security for costs (noted below); and (iii) ongoing costs of data hosting.

Depending on the outcome of the first trial, the Litigation may proceed to a second trial dealing with the questions of causation and quantum. The timing for any such trial is not known at this time. As is the nature of complex litigation, delays may occur.

As previously noted, P4U has retained a significant cash balance for the purpose of funding the Litigation and providing for potential adverse costs awards should the Defendants prevail. See Appendix A of this report for further information. During the period covered by this report, a further £11.6 million was paid into a designated account as security for the Defendants' costs up to July 2022. The total security provided to date is £48.6 million, being 65% of the costs incurred for the relevant periods (that amount determined by agreement with the O2 Defendants and the Vodafone Defendants, and the judgement of Mr Justice Roth dated 20 July 2020 in respect of EE, DT and Orange).

Copies of the public documents relating to the Litigation may be found at <https://www.aldanmanagement.com/phones4u>.

Sale and wind-down of store network

As previously reported, we were advised by our legal advisors that several stores had been re-let which means P4U's lease has been deemed to be surrendered by operation of law. There is now only one property remaining, where the lease expires in November 2023. We are continuing to monitor the situation so that this matter can be brought to a close.

Receipts and payments

There have been no significant receipts in the period except for £782k of bank interest. All material payments made during the period are related to the Litigation referred to above.

4.2 Policy Administration Services Limited

Policy Administration Services Limited (PAS) is an FCA authorised insurance intermediary that sold mobile phone insurance to the public on behalf of its underwriter, London General Insurance Company Limited (LGI). On appointment, there were approximately 800,000 policyholders of which approximately 75% had a Phones 4U Care policy and approximately 25% had a Premierplan policy. As described below we are now winding down the business in an orderly fashion, minimising customer disruption and working closely with our business partners to exit cost-effectively.

Trading and closure

The customer base continued to decline in line with expectations, and at the end of June 2022 there were approximately 61,000 policyholders. This number reduced further to approximately 59,000 in August 2022 (of which approximately there were 26,000 Phones 4U Care and 33,000 Premierplan policies). Continuing trading at this number of policyholders was increasingly marginal and, coupled with regulatory changes which came into effect in October 2022, meant that continued trading of the business was no longer viable. It was therefore determined to terminate policy cover for all the remaining policyholders with effect from September 2022.

In July 2022 and August 2022 termination notices were issued to all remaining policy holders with insurance cover ending between 1 and 30 September 2022 in line with individual policyholder renewal dates. Cover for the final remaining policies ended on 30 September 2022.

Arrangements were made with LGI and LSG for the continued handling of policyholder claims and complaints after the termination of the policies and through a run-off period. We continue to monitor the processing of claims and complaints and the supply chain to ensure that the service provided by LSG is as efficient and cost effective as possible. Monthly management information reports for LGI continue to be produced to enable them to meet their regulatory obligations.

Asset Realisations

PAS remained profitable up until all policies were terminated in September 2022. As outlined above to allow for the conclusion of any ongoing residual matters arrangements were made with LGI and LSG for the ongoing handling of claims and complaints following the termination of policies.

Regulatory Update

Following the termination of remaining policies, on 1 December 2022, PAS made an application to the FCA for cancellation of its 'Authorised' status. The cancellation process will take six months to conclude and at the time of writing, PAS remains an FCA authorised firm and continues to be authorised and regulated for insurance distribution, and management of customer claims and complaints. Over this remaining period PAS will continue to engage LSG to manage the customer claims and complaints handling processes through until the end of May 2023, at which point responsibility will pass back to LGI. We continue to monitor and regularly audit claims and complaints processes and have identified no major or systemic risk in the way LSG handles customers' policies. PAS receives very few complaints and of the three cases referred to the FOS during the last 12 months, two have been adjudicated by the FOS, with one awaiting the outcome of the FOS review. Neither of the two adjudicated complaints were upheld.

PAS is the parent company of a captive reinsurer in the Isle of Man ("IOM"), P4UC, which reinsures the insurance business. Aon, the captive manager of P4UC, continues to operate in accordance with the management agreement.

The latest board meeting of P4UC was held in August 2022 when a full report of the business was given, and the directors continue to be satisfied with trading and governance arrangements. Auditors Crowe Clark Whitehill have completed an audit of the 2021 annual accounts and identified no material matters of concern.

As at 20 January 2023, £47.5m has been paid in dividends from P4UC to PAS since the date of appointment.

4.3 Other companies

Aside from minimal receipts of bank interest, there have been no asset realisations in any of the other four companies, except for concluding the debtor balances of £0.3m received from certain MobileServ debtors, during the period covered by this report.

Other than potential future realisations from the Litigation, there are no further known assets to realise in any of these four companies.

We believe that each of these four companies should remain in administration in order to benefit from any future Litigation realisations in P4U's estate, by virtue of their intercompany claims with other group entities.

We will bring these administrations to an end as soon as it is possible and appropriate to do so, bearing in mind any benefits to the wider group for them continuing in administration under our control.

Phosphorus Acquisition

The director's Statement of Affairs listed a prepayments figure of £7.3k. We have not realised this, nor have we incurred the costs of pursuing it. Following our initial review of this balance, it was deemed irrecoverable.

4.4 Secured creditors

As previously reported, the RCF lenders relied upon set-off, pro-rata sharing and reinstatement provisions under the finance documentation to affect a series of set-offs. As a result, the RCF lenders have been repaid in full, except for a nominal sum, in effect leaving only the Noteholders as secured creditors with balances outstanding in the administrations.

We have previously reported that during the set-off process, the Security Trustee exercised its right under the intercreditor agreement to withhold funds in order to indemnify itself. As at 20 January 2023, the Security Trustee held approximately £1m (less certain legal and trustee fees). A further £1m is held on trust by GLAS Trust Corporation Limited in relation to potential claims of the Senior Note Trustee.

We expect that all retained funds (net of any legal and trustee fees) will be returned to the secured creditors, but we have reflected the risk that funds may be required to pay any necessary future legal costs for the recovery of the above amounts.

We consider the Noteholders to have the primary economic interest in realisations made in the administrations of the Companies. Although we remain of the view there will be insufficient funds to repay the Noteholders in full, the estimated outcome for the Noteholders is uncertain as it depends on the outcome, timing and costs of the Litigation.

We have now made four interim distributions totalling £219.3m. The Joint Administrators have now clarified a number of points in respect of the secured lenders' debt, repayments made to date and the ongoing interest accrual in the event there is the prospect of the secured lenders being paid in full. At present there is and continues to be a shortfall to the secured lenders. Legal advice has confirmed that distributions paid by the Joint Administrators should be appropriated first to post-Administration interest, then principal.

4.5 Administrators' remuneration

We have drawn fees up to 30 September 2022 in respect of P4U, MobileServ, PAS and Phosphorus Acquisition. We are in the process of preparing our billing for the period 1 October 2022 to 31 December 2022 and expect to draw these after issuing this report.

The Concurrent Administrator has drawn fees on a monthly basis, the most recent of which has been drawn to December 2022. The Concurrent Administrator expects to draw his fees to January 2023 shortly after this report has been issued.

Fees for the other Companies are drawn on an ad-hoc basis and only where there are sufficient funds available.

All fees drawn are clearly shown in the respective receipts and payments accounts in Appendix A.

Further information on our remuneration policy, together with all information and analysis required by Statement of Insolvency Practice No.9 ("SIP 9") and insolvency legislation is set out in Appendix C.

Appendix C also includes an estimate of the future time costs we expect to incur as we continue to progress the outstanding matters in the administrations. These matters are set out further below in Section 4.6 but also include statutory, accounting and treasury functions which will continue on each administration until they come to an end. As noted elsewhere in this report, we have not included any expected future costs in relation to the Litigation.

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing.

Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx?la=en>

A copy may also be obtained free of charge by telephoning Matthew Duckworth on +44(0)113 289 4916.

5. What we still need to do

We provide below an overview of the key matters to be concluded before the administrations can be brought to an end. Please note that we have only included the significant areas of work and therefore this is not an exhaustive list.

Company	What we still need to do
Phones 4u Limited	<ul style="list-style-type: none">• Continue Litigation (Concurrent Administrator only);• Liaise with Concurrent Administrator and QE (Joint Administrators);• Further and final distributions to Noteholders;• Finalise residual property matters;• Provide updates to the Committee;• Submit the application for the extension of the Administration;• Ongoing corporation tax, VAT and regulatory compliance; and• Recovery of monies held by the Security Trustee and GLAS Trust Corporation Limited.
Policy Administration Services Limited	<ul style="list-style-type: none">• Monitor residual claims and complaints processing following closure of the PAS business• Conclude various actions associated with the termination of agreements between PAS and other parties• Submit the application for the extension of the Administration;• Finalise tax and VAT matters and obtain clearance from HMRC; and• Further and final distributions to Noteholders.
MobileServ Limited Phones 4 U Group Limited Phones4u Finance Plc Phosphorus Acquisition Limited	<ul style="list-style-type: none">• Realise intercompany assets from other Group companies in the case of further realisations in those entities;• Submit the application for the extension of the Administration;• Complete ongoing statutory and compliance, tax and VAT matters until such a time as the administrations can be brought to an end; and• Obtain clearance from HMRC before exiting administration

6. Other matters

6.1 Ending the administration

We are currently applying to the Court to extend the administrations of all of the Companies until 15 March 2026. The primary reason for seeking to extend the administrations is the timeline of the Litigation reflecting our belief in the potential continuing value to the creditors of each of the administrations. Given the affairs of the Companies are inextricably linked in this regard, we consider it appropriate for the administrations of each Company to continue for the same period. We have asked the secured creditors for approval of the extension during the period of this report.

Subject to the resolution of the Litigation and its attendant impact on potential realisations in the estates of each of the Companies, the administrations are separate insolvency processes and therefore may end at different times and in different ways depending on the circumstances in each case. Each administration will be brought to an end once its purpose has been achieved, our work has been completed and statutory obligations fulfilled.

6.2 Discharge from liability

As we were appointed by the Court on an application of the directors of the Companies, we will need to apply to Court to obtain discharge from liability in respect of our actions as Joint Administrators. The Joint Administrators have yet to seek such approval but intend to do so in due course and at the appropriate time.

6.3 Next report

We anticipate that we will circulate our next report to creditors in approximately six months' time.

6.4 Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

6.5 Our receipts and payments account

We set out in Appendix A an account of our receipts and payments for each of the administrations from 21 July 2022 to 20 January 2023.

6.6 Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses. The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period. The statement also does not include any potential future costs of the Litigation.

6.7 Our fees

We set out in Appendix C an update on the Joint Administrators' and the Concurrent Administrator's remuneration which covers fees and other related matters in this case.

6.8 Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing.

Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by telephoning Matthew Duckworth on 0113 289 4916.

Appendix A: Receipts and payments

Phones 4u Limited – in administration

From 21 July 2022 to 20 January 2023

Directors' statement of affairs £	15 September 2014 to 20 July 2022 £	21 July 2022 to 20 January 2023 £	Total to 20 January 2023 £
Floating charge			
Receipts			
1,003,700	-	-	-
35,168,467	32,458,267.76	-	32,458,267.76
1,526,401	3,037,898.06	0.46	3,037,898.52
Undisclosed	313,113,974.09	-	313,113,974.09
73,581,338	92,967,951.25	-	92,967,951.25
	8,283,588.21	-	8,283,588.21
	1,928,408.51	-	1,928,408.51
	6,803,928.09	-	6,803,928.09
	447,000.00	-	447,000.00
	1,500,000.00	-	1,500,000.00
	148,464.98	56.00	148,520.98
156,652	996,971.86	-	996,971.86
	100,000.00	-	100,000.00
	2,953,484.22	782,468.78	3,735,953.00
2,250,000	743,400.01	-	743,400.01
	211,123.33	-	211,123.33
	201,702.32	-	201,702.32
46,122	-	-	-
	1,271,218.70	-	1,271,218.70
	216,670.57	-	216,670.57
	14,218,577.86	-	14,218,577.86
	180,100.00	-	180,100.00
5,870,969	-	-	-
250,000	-	-	-
	192,307.12	-	192,307.12
	100,951.68	-	100,951.68
Undisclosed	482,075,988.62	782,525.24	482,858,513.86

Directors' statement of affairs £	15 September 2014 to 20 July 2022 £	21 July 2022 to 20 January 2023 £	Total to 20 January 2023 £
Floating charge			
Payments			
	55,823,705.12	25,000.00	55,848,705.12
	556,577.00	-	556,577.00
	24,781.48	162.10	24,943.58
	34,590.37	-	34,590.37
	505,695.10	-	505,695.10
	1,812,964.73	-	1,812,964.73
	1,131,484.96	-	1,131,484.96
	123,017.66	-	123,017.66
	10,936,387.68	-	10,936,387.68
	407,739.04	-	407,739.04
	-	-	-
	-	-	-
	274,190.95	-	274,190.95
	2,843,238.20	-	2,843,238.20
	11,961,105.35	72,557.93	12,033,663.28
	3,524.80	-	3,524.80
	25,220,430.28	3,606,803.87	28,827,234.15
	1,446,941.50	157,926.00	1,604,867.50
	36,948,151.68	11,606,340.70	48,554,492.38
	14,402.97	-	14,402.97
	22,249,359.50	162,970.30	22,412,329.80
	473,329.50	77,301.00	550,630.50
	125,000.00	-	125,000.00
	256,911.60	-	256,911.60
	477,619.91	-	477,619.91
	191,666.67	-	191,666.67
	85,565.83	-	85,565.83

Pension schemes	19,871.26	-	19,871.26
Petty cash	300.00	-	300.00
Pre-appointment expenses	30,255.91	-	30,255.91
Property expenses	8,261.76	-	8,261.76
Purchases	17,913.02	-	17,913.02
Rates	97,529.17	-	97,529.17
Rent	6,172,022.11	-	6,172,022.11
Security costs	104,451.14	-	104,451.14
Service charges	308,476.82	-	308,476.82
Statutory advertising	444.46	-	444.46
Storage costs	1,448,151.72	4,132.68	1,452,284.40
Sundry appointment related costs	32,771.75	870.67	33,642.42
Transport and carriage	354,899.40	-	354,899.40
Unclaimed dividends paid to the ISA	16,192.43	-	16,192.43
Utilities	993,574.86	-	993,574.86
Total payments	183,533,497.69	15,714,065.25	199,247,562.94
Net floating charge realisations	298,542,490.93	(14,931,540.01)	283,610,950.92
Secured creditors			
RCF - letters of credit called up	15,810,000.00	-	15,810,000.00
RCF - letters of credit uncalled (held by Security Trustee)	-	-	-
Total RCF indebtedness	15,810,000.00	-	15,810,000.00
Senior secured noteholders	191,003,502.30	-	191,003,502.30
Total distributions to Noteholders	191,003,502.30	-	191,003,502.30
Cash-backed indemnities	3,000,000.00	-	3,000,000.00
Recovery of costs and interest	2,289,791.18	-	2,289,791.18
Total secured creditor entitlements	212,103,293.48	-	212,103,293.48
Preferential creditors			
Distribution to preferential creditors (100 pence in the £)	1,716,513.98	-	1,716,513.98
Total preferential creditor distribution	1,716,513.98	-	1,716,513.98
Unsecured creditors			
Distribution to unsecured creditors (0.27 pence in the £)	458,887.65	-	458,887.65
Total unsecured creditor distribution	458,887.65	-	458,887.65
VAT control account	(2,108,680.13)	1,044,124.41	(1,064,555.72)
Balance held in interest bearing current accounts	82,155,115.69	(13,887,415.60)	68,267,700.09
Represented by			
Held in Barclays			1,983,843.73
Held in HSBC			10,067,531.03
Invested in high interest account			56,216,325.33
Total			68,267,700.09

Notes to the R&P

Note 1 - Please note that the Court ordered the redaction of certain commercially sensitive information from the directors' statement of affairs;

Note 2 - Amounts shown exclude VAT;

Note 3 - As explained further in Appendix C our fees are based on time costs. The receipts and payments account shows the amounts paid in the period and total to date. Office holders' fees incurred in the period largely relate to complying with our statutory obligations as administrators, such as preparing progress reports to creditors, complying with our VAT and Corporation Tax duties, preparing payments to agents and suppliers and managing funds held in money-market accounts.

Note 4 - Included within our office holders' expenses is £46,628 paid in total, in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B;

Note 5 - On 30 November 2015 we paid a dividend to preferential creditors at the rate of 100 pence in the £;

Note 6 - On 20 March 2019 we paid a dividend to unsecured creditors (by virtue of the prescribed part) at the rate of 0.27 pence in the £;

Note 7 - Legal fees incurred in the period largely relate to ongoing issues being dealt with by the Joint Administrators separate to the Litigation

Note 8 - For immediate liquidity requirements, the Company invests in short-term money market deposits:

Deposit Type	£m
Short-term deposits	56.2
Interest-bearing accounts	12
Total	68.2

The administrators manage the estate's funds with a cautious outlook and with regard to appropriate policies (designed by treasury specialists) as amended from time to time whilst attending to other relevant considerations.

Phones 4 U Group Limited – in administration

From 21 July 2022 to 20 January 2023

Directors' statement of affairs £	15 September 2014 to 20 July 2022 £	21 July 2022 to 20 January 2023 £	Total to 20 January 2023 £
Floating charge			
Receipts			
-	-	-	-
-	-	-	-
-	-	-	-
Payments			
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Represented by			
			£
Held in Barclays account			-
Total			-

Notes to the R&P

Note 1 - No transactions have been incurred either historically or during the period of this report.

Phones4u Finance Plc – in administration

From 21 July 2022 to 20 January 2023

Directors' statement of affairs	15 September 2014 to 20 July 2022	21 July 2022 to 20 January 2023	Total to 20 January 2023
£	£	£	£
Floating charge			
Receipts			
-	198.18	1.94	200.12
4,759	4,758.97	-	4,758.97
38,807	-	-	-
43,566	4,957.15	1.94	4,959.09
Payments			
	8.60	-	8.60
	4,760.57	-	4,760.57
-	4,769.17	-	4,769.17
43,566	Net floating charge realisations	187.98	189.92
	VAT control account	-	
43,566	Balance held in interest bearing current account	187.98	189.92
Represented by			£
Barclays Account (Floating)			189.92
Total			189.92

Notes to the R&P

Note 1 - Amounts shown exclude VAT.

Phosphorus Acquisition Limited – in administration

From 21 July 2022 to 20 January 2023

Directors' statement of affairs	15 September 2014 to 20 July 2022	21 July 2022 to 20 January 2023	Total to 20 January 2023
£	£	£	£
Floating charge			
Receipts			
69,473	69,472.80	-	69,472.80
	2,115.68	2,274.77	4,390.45
129,806	285,245.06	-	285,245.06
7,328	-	-	-
206,607	356,833.54	2,274.77	359,108.31
Payments			
	21.40	-	21.40
	7,007.79	-	7,007.79
	110,394.65	9,791.75	120,186.40
	525.55	-	525.55
	425.00	-	425.00
	118,374.39	9,791.75	128,166.14
	Net floating charge realisations	(7,516.98)	230,942.17
	VAT control account	(596.28)	(12,030.48)
	Balance held in interest bearing current account	(8,113.26)	218,911.69
Represented by			£
Barclays Account (Floating)			218,911.69
Total			218,911.69

Notes to the R&P

Note 1 - Amounts shown exclude VAT;

Note 2 - Included within our office holders' expenses is £419.36 paid in total, in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B;

Note 3 - As explained further in Appendix C our fees are based on time costs. The receipts and payments account shows the amounts paid in the period and total to date.

MobileServ Limited – in administration

From 21 July 2022 to 20 January 2023

Directors' statement of affairs	15 September 2014 to 20 July 2022	21 July 2022 to 20 January 2023	Total to 20 January 2023	
£	£	£	£	
Floating charge				
Receipts				
(19,630,391)	Cash at bank (overdraft on appointment - Sterling account)	(15,610,098.07)	-	(15,610,098.07)
	Transfer from Phones 4U Limited to cover overdraft	19,630,391.02	-	19,630,391.02
	Cash at bank (currency accounts)	-	-	-
	Euro account	715,752.19	-	715,752.19
	US Dollar account	9,916.80	-	9,916.80
463,684	Employees' loan account	55,045.73	333,000.00	388,045.73
427,096	Intercompany debtors	27,573.57	-	27,573.57
	Interest received gross	339,953.82	39,910.51	379,864.33
	Investments	444,556.23	-	444,556.23
	Sundry debts and refunds	435.00	-	435.00
	Third party funds	-	-	-
(18,739,611)	Total receipts	5,613,526.29	372,910.51	5,986,436.80
Payments				
	Bank charges	61,861.60	-	61,861.60
	Legal fees	172,479.18	8,897.50	181,376.68
	Office holders' fees (time cost basis)	308,293.60	26,581.75	334,875.35
	Office holders' fees (prescribed part fees)	30,000.00	-	30,000.00
	Office holders' expenses	589.72	-	589.72
	Corporation tax	4,998.39	-	4,998.39
	Sundry appointment related costs	1,557.00	-	1,557.00
	Total payments	579,779.49	35,479.25	615,258.74
	Net floating charge realisations	5,033,746.80	337,431.26	5,371,178.06
Unsecured creditors				
	Distribution to unsecured creditors (0.07 pence in the £)	570,000.00	-	570,000.00
	Total unsecured creditor distribution	570,000.00	-	570,000.00
	VAT control account	7,063.74	(2,310.95)	4,752.79
	Balance held in interest bearing current accounts	4,470,810.54	335,120.31	4,805,930.85
Represented by				
	Barclays Account (Floating)			2,456,423.62
	Held in HSBC account			2,349,507.23
	Total			4,805,930.85

Notes to the R&P

Note 1 - MobileServ Limited had an overdraft of £19.6m and a cash balance of £4.0m, the latter of which was not reflected on the directors' statement of affairs. Debit balances in the account of one of the Companies were set-off or transferred pursuant to the overdraft arrangements in satisfaction of MobileServ's overdraft liabilities, leaving the cash balance of £4.0m in this administration;

Note 2 - MobileServ Limited held foreign currency accounts with balances of €988k and US\$15k which have now been converted to Sterling;

Note 3 - Amounts shown exclude VAT;

Note 4 - Included within our office holders' expenses is £419.36 paid in total, in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B;

Note 5 - As explained further in Appendix C our fees are based on time costs. The receipts and payments account shows the amounts paid in the period and total to date;

Note 6 - On 14 August 2019 we paid a dividend to unsecured creditors (by virtue of the prescribed part) at the rate of 0.07 pence in the £.

Note 7 - The legal fees incurred in the period are predominantly in relation to legal advice obtained whereby the solicitors of the Company liaised with the solicitors of the former employees in order for repayment of the loan account

Policy Administration Services Limited – in administration

From 21 July 2022 to 20 January 2023

Directors' statement of affairs		16 September 2014 to 20 July 2022	21 July 2022 to 20 January 2023	Total to 20 January 2023
£		£	£	£
Trading statement				
Receipts				
27,000,000	Customer insurance premiums	149,509,431.67	631,646.52	150,141,078.19
	Customer refunds and claims paid in cash	(3,700,279.59)	(417,524.64)	(4,117,804.23)
	Dividends received from P4UC	47,548,220.65	-	47,548,220.65
	Interest received gross	608,136.57	245,173.45	853,310.02
	Sales of irreparable phones	3,592,898.91	-	3,592,898.91
	Sale of office equipment	583.33	-	583.33
27,000,000	Total trading receipts	197,558,991.54	459,295.33	198,018,286.87
Payments				
	Agents' fees	31,659,970.01	678,515.69	32,338,485.70
	Bank charges	399,081.01	11,413.48	410,494.49
	Duress payments	931,978.33	-	931,978.33
	Insurance	75,595,956.65	518,421.95	76,114,378.60
	IT costs	568,216.03	11,411.55	579,627.58
	Legal fees	1,397,645.83	51,940.53	1,449,586.36
	Office costs	413,132.00	-	413,132.00
	Office holders' expenses	31,895.16	-	31,895.16
	Office holders' fees	8,389,949.03	515,752.24	8,905,701.27
	Property	18,612.88	-	18,612.88
	Stock purchase	24,566,356.64	561,367.51	25,127,724.15
	Trade creditors	102,640.77	-	102,640.77
	Warehouse costs	357,826.00	-	357,826.00
	Wages and salaries	832,199.41	-	832,199.41
	Release of Funds to P4UC	-	1,600,000.00	1,600,000.00
	Total trading payments	145,265,459.75	3,948,822.95	149,214,282.70
	Trading account surplus	52,293,531.79	(3,489,527.62)	48,804,004.17

Directors' statement of affairs £	Total to 20 July 2022 £	21 July 2022 to 20 January 2023 £	Total to 20 January 2023 £
Floating charge			
Receipts			
35,948	-	-	-
14,724,121	13,825,702.60	-	13,825,702.60
47,960	-	-	-
4,912,977	-	-	-
	52,293,531.79	(3,489,527.62)	48,804,004.17
19,721,006	66,119,234.39	(3,489,527.62)	62,629,706.77
Payments			
	9,493,932.60	233,899.56	9,727,832.16
	9,493,932.60	233,899.56	9,727,832.16
	2,621,204.37	122,998.62	2,744,202.99
	54,004,097.42	(3,846,425.80)	50,157,671.62
Secured creditors			
	28,296,497.70	-	28,296,497.70
	28,296,497.70	-	28,296,497.70
Unsecured creditors			
	570,760.00	-	570,760.00
	570,760.00	-	570,760.00
	25,136,839.72	(3,846,425.80)	21,290,413.92
Balance held in interest bearing accounts			
			£
			3,125,287.40
			49,999.20
			18,115,127.32
			21,290,413.92

Notes to the R&P

Note 1 - Stock referred to in the directors' statement of affairs was utilised during trading;

Note 2 - The VAT control account shows the net position of the VAT payable and receivable by PAS. We have agreed with HMRC that VAT is recoverable at 15% of some payments. We continue to submit and agree VAT returns on a quarterly basis with HMRC and any recoveries will be reflected in the VAT control account. We also recover 100% of the VAT incurred on PAS claims costs from the insurer;

Note 3 - Cash held in P4UC is not included in this report;

Note 4 - On 8 November 2019 we paid a dividend to unsecured creditors (by virtue of the prescribed part) at the rate of 1.5 pence in the £;

Note 5 - Included within our office holders' expenses is £3,340.79 paid in total, in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B;

Note 6 - As explained further in Appendix C our fees are based on time costs. The receipts and payments account shows the amounts paid in the period and total to date.

Note 7 - For immediate liquidity requirements, the Company invests in short-term money market deposits:

Deposit Type	£m
Short-term deposits	18.1
Interest-bearing accounts	3.1
Total	21.2

Appendix B: Expenses

Expenses are amounts properly payable by us as administrators from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP 9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the secured and preferential creditors (preferential creditors in P4U only)) also has the responsibility for agreeing the policies for payment of Category 2 expenses.

The rate for services provided by the Administrators' own firms (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses have been incurred by us as administrators or our associates, together with details of the Category 1 expenses that have been incurred by PwC and will be recharged to the case.

Phones 4U Limited - in administration

Summary of disbursements incurred to 20 January 2023

Category	Policy	15 September 2014 to 21 July 2022 (£)	21 July 2022 to 20 January 2023 (£)	Total to 20 January 2023 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	20,457.14	-	20,457.14
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	30,092.99	-	30,092.99
2	PwC Legal LLP - time costs and disbursements.	477,619.91	-	477,619.91
1	All other disbursements reimbursed at cost:			
	External venue costs	35,691.05	-	35,691.05
	Concurrent Administrator disbursements	247.00	-	247.00
	Hotel accommodation	35,143.90	-	35,143.90
	Rail fares	27,482.48	-	27,482.48
	Air fares	45,474.16	-	45,474.16
	Postage	53,974.00	-	53,974.00
	Subsistence costs	9,562.09	-	9,562.09
	Taxi fares	7,960.46	-	7,960.46
	Mobile phone usage	1,933.77	-	1,933.77
	Storage	21,328.51	-	21,328.51
	Other	23,462.68	18.24	23,480.92
	Total	790,430.14	18.24	790,448.38

Phones 4 U Group Limited - in Administration
Summary of disbursements incurred to 20 January 2023

Category	Policy	15 September 2014 to 21 July 2022 (£)	21 July 2022 to 20 January 2023 (£)	Total to 20 January 2023 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	98.20	-	98.20
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	79.73	-	79.73
1	All other disbursements reimbursed at cost:	9,948.11	-	9,948.11
Total		10,126.04	-	10,126.04

Phones 4u Finance Plc - in Administration
Summary of disbursements incurred to 20 January 2023

Category	Policy	15 September 2014 to 21 July 2022 (£)	21 July 2022 to 20 January 2023 (£)	Total to 20 January 2023 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	13.25	-	13.25
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	85.26	-	85.26
1	All other disbursements reimbursed at cost:	-	-	-
	Stock exchange listing fees	1,757.90	-	1,757.90
	Other	1,833.10	-	1,833.10
Total		3,689.51	-	3,689.51

MobileServ Limited - in Administration
Summary of disbursements incurred to 20 January 2023

Category	Policy	15 September 2014 to 21 July 2022 (£)	21 July 2022 to 20 January 2023 (£)	Total to 20 January 2023 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	168.39	-	168.39
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	7.19	-	7.19
1	All other disbursements reimbursed at cost	604.32	-	604.32
Total		779.90	-	779.90

Phosphorus Acquisition Limited - in Administration
Summary of disbursements incurred to 20 January 2023

Category	Policy	15 September 2014 to 21 July 2022 (£)	21 July 2022 to 20 January 2023 (£)	Total to 20 January 2023 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	109.95	-	109.95
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	7.19	-	7.19
1	All other disbursements reimbursed at cost	441.39	-	441.39
Total		558.53	-	558.53

Policy Administration Services Limited - in Administration
Summary of disbursements incurred to 20 January 2023

Category	Policy	15 September 2014 to 21 July 2022 (£)	21 July 2022 to 20 January 2023 (£)	Total to 20 January 2023 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	235.96	-	235.96
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	3,118.98	-	3,118.98
1	All other disbursements reimbursed at cost:			
	Rail fares	12,658.23	-	12,658.23
	External venue costs	90.00	-	90.00
	Hotel accommodation	7,247.69	-	7,247.69
	Subsistence costs	3,577.41	-	3,577.41
	Taxi fares	2,110.13	-	2,110.13
	Car hire charges	1,485.92	-	1,485.92
	Postage	20.19	230.14	250.33
	Air fares	881.79	-	881.79
	Other	2,342.55	23.10	2,365.65
Total		33,768.85	253.24	34,022.09

The tables below provide details of the expenses incurred in the administrations. The tables also exclude any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The tables should be read in conjunction with the receipts and payments accounts at Appendix A, which shows expenses actually paid during the period and the total paid to date:

Phones 4u Limited – in administration
From 21 July 2022 to 20 January 2023

	Expenses incurred brought forward from 20 July 2022	Expenses incurred in this period	Total expenses to 20 January 2023	Estimated future	Anticipated total
	(£)	(£)	(£)	(£)	(£)
Agents' fees	55,823,705.12	25,000.00	55,848,705.12	-	55,848,705.12
Amounts relating to stock	556,577.00	-	556,577.00	-	556,577.00
Bank charges	24,781.48	162.10	24,943.58	9,112.00	34,055.58
Cleaning and site clearance	34,590.37	-	34,590.37	-	34,590.37
Consultancy fees	505,695.10	-	505,695.10	-	505,695.10
Duress payments	1,131,484.96	-	1,131,484.96	-	1,131,484.96
Employee expenses	123,017.66	-	123,017.66	-	123,017.66
Gross wages, salaries and employers NIC	10,936,387.90	-	10,936,387.90	-	10,936,387.90
Insurance	407,739.04	-	407,739.04	560.00	408,299.04
Investigations (Legal Fees)	-	-	-	-	-
Investigations (Concurrent Administrator's fees)	-	-	-	-	-
Irrecoverable VAT	274,190.95	-	274,190.95	-	274,190.95
IT costs	2,843,238.22	-	2,843,238.22	-	2,843,238.22
Legal fees (P4U)	11,961,411.35	72,251.93	12,033,663.28	540,328.00	12,573,991.28
Legal fees (other group entities)	20,126.02	-	20,126.02	-	20,126.02
Lease/hire charges	3,524.80	-	3,524.80	-	3,524.80
Litigation - Legal Fees	28,333,347.78	524,655.36	28,858,003.14	-	28,858,003.14
Litigation - Security for costs	36,948,151.68	11,606,340.70	48,554,492.38	-	48,554,492.38
Office holders' expenses	722,371.03	5,258.47	727,629.50	200,000.00	927,629.50
Office holders' expenses (PwC Legal LLP)	477,619.91	-	477,619.91	-	477,619.91
Other payroll deductions	85,565.83	-	85,565.83	-	85,565.83
Pension schemes	19,871.26	-	19,871.26	-	19,871.26
Petty cash	300.00	-	300.00	-	300.00
Pre-appointment expenses	30,255.91	-	30,255.91	-	30,255.91
Property expenses	8,261.76	-	8,261.76	-	8,261.76
Purchases	17,913.02	-	17,913.02	-	17,913.02
Rates	97,529.17	-	97,529.17	-	97,529.17
Rent	6,172,022.11	-	6,172,022.11	496,000.00	6,668,022.11
Security costs	104,451.14	-	104,451.14	-	104,451.14
Service charges	308,476.82	-	308,476.82	-	308,476.82
Statutory advertising	444.46	-	444.46	-	444.46
Storage costs	1,441,081.73	-	1,441,081.73	-	1,441,081.73
Sundry appointment related costs	33,506.08	870.67	34,376.75	26,880.00	61,256.75
Transport and carriage	354,899.40	-	354,899.40	-	354,899.40
Utilities	993,574.86	-	993,574.86	700,000.00	1,693,574.86
Contribution to expenses excluding legal fees from group companies	(7,289,818.05)	-	(7,289,818.05)	-	(7,289,818.05)
Total	153,506,295.87	12,234,539.23	165,740,835.10	1,972,880.00	167,713,715.10

Phones 4 U Group Limited – in administration
From 21 July 2022 to 20 January 2023

	Expenses incurred brought forward from 21 July 2022	Expenses incurred in this period	Total expenses to 20 January 2023	Estimated future expenses	Anticipated total expenses
	(£)	(£)	(£)	(£)	(£)
Legal fees	6,143.06	-	6,143.06	-	6,143.06
Office holders' expenses	10,126.04	-	10,126.04	1,000.00	11,126.04
Total	16,269.10	-	16,269.10	1,000.00	17,269.10

Phones4u Finance Plc – in administration

From 21 July 2022 to 20 January 2023

	Expenses incurred brought forward from 21 July 2022 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2023 (£)	Estimated future expenses (£)	Anticipated total expenses (£)
Bank charges	8.60	-	8.60	-	8.60
Legal fees	6,202.30	-	6,202.30	-	6,202.30
Office holders' expenses	3,689.51	-	3,689.51	1,000.00	4,689.51
Professional fees	79,966.56	-	79,966.56	-	79,966.56
Total	89,866.97	-	89,866.97	1,000.00	90,866.97

MobileServ Limited – in administration

From 21 July 2022 to 20 January 2023

	Expenses incurred brought forward from 21 July 2022 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2023 (£)	Estimated future expenses (£)	Anticipated total expenses (£)
Bank charges	61,861.60	-	61,861.60	100.00	61,961.60
Legal fees	172,479.18	8,897.50	181,376.68	80,000.00	261,376.68
Office holders' expenses	41,865.90	-	41,865.90	1,000.00	42,865.90
Sundry appointment related costs	1,557.00	-	1,557.00	1,000.00	2,557.00
Total	277,763.68	8,897.50	286,661.18	82,100.00	368,761.18

Phosphorus Acquisition Limited – in administration

From 21 July 2022 to 20 January 2023

	Expenses incurred brought forward from 21 July 2022 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2023 (£)	Estimated future expenses (£)	Anticipated total expenses (£)
Bank charges	21.40	-	21.40	100.00	121.40
Legal fees	7,007.79	-	7,007.79	-	7,007.79
Office holders' expenses	558.53	-	558.53	1,000.00	1,558.53
Sundry appointment related costs	434.00	-	434.00	1,000.00	1,434.00
Total	8,021.72	-	8,021.72	2,100.00	10,121.72

Policy Administration Services Limited – in administration
From 21 July 2022 to 20 January 2023

	Expenses incurred brought forward from 21 Jul 22 (£)	Expenses incurred in this period (£)	Total expenses to 20 Jan 2023 (£)	Estimated future expenses (£)	Estimated total expenses (£)
Agents' fees	32,093,477.11	466,662.28	32,560,139.39	1,552,805.00	34,112,944
Bank charges	493,617.08	11,413.48	505,030.56	4.00	505,035
Duress payments	931,978.33	-	931,978.33	-	931,978
Insurance	75,926,416.55	187,962.05	76,114,378.60	-	76,114,379
IT costs	568,216.03	11,411.55	579,627.58	-	579,628
Legal fees	1,427,235.20	22,351.16	1,449,586.36	373,711.65	1,823,298
Office costs	413,132.00	-	413,132.00	-	413,132
Office holders' expenses	33,768.03	-	33,768.03	10,987.97	44,756
Property	18,612.88	-	18,612.88	-	18,613
Stock purchase	25,051,317.00	324,612.98	25,375,929.98	-	25,375,930
Trade creditors	102,640.77	-	102,640.77	-	102,641
Warehouse costs	357,826.00	-	357,826.00	-	357,826
Wages and salaries	832,199.41	-	832,199.41	-	832,199
Total	138,250,436.39	1,024,413.50	139,274,849.89	1,937,508.62	141,212,358.51

Note 1

During the period of this report, we have undertaken an analysis of the figures that had previously been reported and identified a number of amendments to historic figures. These have been amended for the purposes of this report.

Appendix C: Remuneration update

Analysis of our time costs

Our fees were approved on a time costs by the secured and preferential creditors (preferential creditors in P4U only). To 30 September 2022, we have drawn fees of £32,478,723.32 in line with the approval given, as shown on the enclosed receipts and payments accounts. Please see the below for the split of fees drawn by entity:

- Phones 4u Limited - time cost basis: £22,962,960.30 (of which £550,630.50 relates to Litigation)
- Phones 4u Limited - prescribed part: £125,000.00
- MobileServ Limited - time cost basis: £334,875.35
- MobileServ Limited - prescribed part: £30,000.00
- Phosphorus Acquisition Limited: £120,186.40
- Policy Administration Services Limited: £8,905,701.27

The time cost charges incurred in the period covered by this report are shown in the tables below. These amounts do not necessarily reflect how much we will eventually draw as fees for this period.

The following tables provide further detail on the time spent on the various areas of work by the different grades of staff. For each company, we show (separately) the position for the period of this report, together with the cumulative position and estimated cost of our future work.

Phones 4U Limited – in administration

Analysis of PwC time costs for the period 21 July 2022 to 20 January 2023

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost	Average hourly rate
									£	£
Strategy & Planning	0.30	-	1.80	1.60	4.25	3.15	-	11.10	6,388.00	575.50
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	0.70	-	-	0.70	360.50	515.00
Other assets	3.00	-	0.30	-	1.90	0.30	-	5.50	3,747.80	681.42
MNO Receivables	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Litigation	-	-	5.00	-	-	-	-	5.00	4,300.00	860.00
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	0.10	-	-	-	-	-	-	0.10	98.00	980.00
Accounting and treasury	0.20	-	13.75	33.65	73.10	18.80	6.90	146.40	84,835.50	579.48
Statutory and compliance	0.70	-	12.90	4.70	14.00	11.80	-	44.10	27,434.00	622.09
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Creditors	0.70	-	9.10	0.10	3.90	-	-	13.80	10,693.50	774.89
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	0.50	-	-	10.00	1.65	-	-	12.15	11,214.75	923.02
VAT	-	-	1.50	0.20	3.60	-	-	5.30	4,075.00	768.87
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	0.50	-	-	-	-	0.50	450.00	900.00
Total	5.50	-	44.85	50.25	103.10	34.05	6.90	244.65	153,597.05	627.82

Phones 4U Limited – in administration
Aggregate PwC time cost summary to 20 January 2023

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	4,044.68	2,172,423.70	537.11	585.29	287,500.00	2,459,923.70	531.30
Sale of business	944.15	509,277.50	539.40	-	-	509,277.50	539.40
Book debt realisations	378.13	176,798.95	467.56	-	-	176,798.95	467.56
Property	2,742.75	1,151,995.75	420.01	3.22	1,000.00	1,152,995.75	419.89
Other assets	2,573.78	1,194,568.90	464.13	266.16	100,000.00	1,294,568.90	455.84
MNO Receivables	3,663.04	1,739,407.35	474.85	Note 1	Note 1	Note 1	Note 1
Investigations	2,612.53	1,166,030.05	446.32	Note 1	Note 1	Note 1	Note 1
Litigation	1,406.00	731,015.75	519.93	Note 1	Note 1	Note 1	Note 1
Retention of title	1,015.25	424,411.25	418.04	-	-	424,411.25	418.04
Trading	2,210.84	947,456.30	428.55	-	-	947,456.30	428.55
Accounting and treasury	4,329.78	1,702,457.80	393.20	1,356.91	465,000.00	2,167,457.80	381.15
Statutory and compliance	3,981.44	1,677,778.15	421.40	1,451.52	535,000.00	2,212,778.15	407.29
Employees & pensions	4,645.99	1,477,247.70	317.96	-	-	1,477,247.70	317.96
Investigations	-	-	-	-	-	-	-
Creditors	7,378.40	3,159,829.65	428.25	426.53	157,000.00	3,316,829.65	424.97
Creditors committee	326.85	168,359.50	515.10	-	-	168,359.50	515.10
Tax	2,802.83	1,522,591.00	543.23	185.59	100,000.00	1,622,591.00	542.96
VAT	4,693.78	3,411,537.10	726.82	139.21	100,000.00	3,511,537.10	726.58
Books and records	992.20	278,152.30	280.34	92.92	25,000.00	303,152.30	279.37
Closure procedures	7.80	3,047.25	390.67	630.93	200,000.00	203,047.25	317.89
Total	50,750.22	23,614,385.95	465.31	5,138.27	1,970,500.00	25,584,885.95	457.78

Note 1

Costs relating to the MNO receivables, Investigations and Litigation work streams have been excluded from the forecast

Phones 4U Limited – in administration

Concurrent Administrator time costs for the period 21 July 2022 to 20 January 2023

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Litigation	12.90	4.90	-	-	-	-	-	17.80	51,255.00	2,879.49
Statutory and compliance	1.50	6.50	-	-	-	-	-	8.00	7,417.50	927.19
Other assets	-	-	-	-	-	-	-	-	-	-
Creditors	4.90	14.40	-	-	-	-	-	19.30	17,978.00	931.50
Total	19.30	25.80	-	-	-	-	-	45.10	76,650.50	1,699.57

Phones 4U Limited – in administration

Concurrent Administrator aggregate time cost summary to 20 January 2023

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated total cost £	Average hourly rate £
Litigation	1,393.10	1,270,228.00	911.80	Note 1	Note 1	911.80
Statutory and compliance	59.60	53,020.50	889.61	Note 1	Note 1	889.61
Other assets	0.60	546.00	910.00	Note 1	Note 1	910.00
Creditors	141.60	129,117.00	911.84	Note 1	Note 1	911.84
Total	1,594.90	1,452,911.50	910.97			910.97

Note 1

Future costs relating to the Litigation work stream has been excluded from the forecast due to the nature of the work carried out by the Concurrent Administrator.

Phones 4 U Group Limited – in administration
Analysis of time costs for the period 21 July 2022 to 20 January 2023

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	0.25	3.00	-	3.25	1,253.75	385.77
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	0.20	0.35	0.35	-	0.90	457.50	508.33
Statutory and compliance	-	-	0.40	1.00	6.20	5.90	-	13.50	6,479.50	479.96
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	1.00	0.15	-	-	1.15	1,027.25	893.26
VAT	-	-	-	-	0.15	-	-	0.15	77.25	515.00
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
Total	-	-	0.40	2.20	7.10	9.25	-	18.95	9,295.25	490.51

Phones 4 U Group Limited – in administration
Aggregate time cost summary to 20 January 2023

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	54.14	36,475.82	674.00	40.95	21,089.25	57,565.07	605.37
Sale of business	2.65	1,256.00	473.96	-	-	1,256.00	473.96
Book debt realisations	4.70	4,277.00	910.00	-	-	4,277.00	910.00
Property	3.00	1,653.50	551.17	-	-	1,653.50	551.17
Other assets	6.65	5,728.00	861.35	-	-	5,728.00	861.35
Retention of title	-	-	-	-	-	-	-
Investigations	0.10	91.00	910.00	-	-	91.00	910.00
MNO Receivables	-	-	-	-	-	-	-
Trading	18.95	8,198.75	432.65	-	-	8,198.75	432.65
Accounting and treasury	33.15	12,981.30	391.59	20.16	10,382.40	23,363.70	438.26
Statutory and compliance	209.01	83,470.90	399.36	95.13	48,991.95	132,462.85	435.53
Employees & pensions	1.40	550.00	392.86	-	-	550.00	392.86
Creditors	16.95	6,612.20	390.10	-	-	6,612.20	390.10
Creditors committee	0.10	29.00	290.00	-	-	29.00	290.00
Tax	46.85	25,147.25	536.76	28.35	14,600.25	39,747.50	528.56
VAT	14.60	5,814.35	398.24	28.35	14,600.25	20,414.60	475.31
Books and records	3.85	1,472.90	382.57	-	-	1,472.90	382.57
Closure procedures	2.30	1,150.50	500.22	10.00	5,000.00	6,150.50	500.04
Total	418.40	194,908.47	465.84	222.94	114,664.10	309,572.57	482.70

Phones 4u Finance Plc – in administration
Analysis of time costs for the period 21 July 2022 to 20 January 2023

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	0.25	3.00	-	3.25	1,253.75	385.77
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	0.20	0.35	0.35	-	0.90	457.50	508.33
Statutory and compliance	-	-	0.40	1.00	6.00	5.90	-	13.30	6,376.50	479.44
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	1.00	0.15	-	-	1.15	1,027.25	893.26
VAT	-	-	-	-	0.15	-	-	0.15	77.25	515.00
Total	-	-	0.40	2.20	6.90	9.25	-	18.75	9,192.25	490.25

Phones 4u Finance Plc – in administration
Aggregate time cost summary to 20 January 2023

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	28.25	12,640.00	447.43	40.95	21,089.25	33,729.25	487.42
Sale of business	3.40	454.75	133.75	-	-	454.75	133.75
Property	0.10	46.00	460.00	-	-	46.00	460.00
Other assets	0.65	324.50	499.23	-	-	324.50	499.23
Trading	4.85	1,860.25	383.56	-	-	1,860.25	383.56
Accounting and treasury	33.05	12,369.15	374.26	20.16	10,382.40	22,751.55	427.58
Statutory and compliance	206.42	79,661.85	385.92	95.13	48,991.95	128,653.80	426.64
Employees & pensions	10.40	2,615.00	251.44	-	-	2,615.00	251.44
Investigations	6.05	1,948.75	322.11	-	-	1,948.75	322.11
Creditors	26.75	10,221.40	382.11	-	-	10,221.40	382.11
Creditors committee	0.20	58.00	290.00	-	-	58.00	290.00
Tax	16.75	6,877.40	410.59	28.35	14,600.25	21,477.65	476.22
VAT	19.60	6,393.60	326.20	28.35	14,600.25	20,993.85	437.83
Books and records	0.45	165.50	367.78	-	-	165.50	367.78
Closure procedures	0.10	52.50	525.00	10.00	5,000.00	5,052.50	500.25
Total	357.02	135,688.65	380.06	222.94	114,664.10	250,352.75	431.67

MobileServ Limited – in administration
Analysis of time costs for the period 21 July 2022 to 20 January 2023

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	0.40	-	-	-	1.95	3.00	-	5.35	2,521.25	471.26
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	1.00	-	-	-	-	-	-	1.00	980.00	980.00
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	3.40	-	0.25	0.30	-	3.95	3,034.00	768.10
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	0.35	0.80	3.90	3.80	-	8.85	4,318.50	487.97
Statutory and compliance	0.50	-	0.40	1.65	6.40	5.90	-	14.85	7,547.00	508.22
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	1.50	-	-	1.50	772.50	515.00
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	1.50	0.30	-	-	1.80	1,579.50	877.50
VAT	-	-	-	-	0.15	-	-	0.15	77.25	515.00
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
Total	1.90	-	4.15	3.95	14.45	13.00	-	37.45	20,830.00	556.21

MobileServ Limited – in administration
Aggregate time cost summary to 20 January 2023

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	155.40	48,867.05	314.46	40.95	21,089.25	69,956.30	356.28
Sale of business	0.15	81.00	540.00	-	-	81.00	540.00
Book debt realisations	35.30	20,150.50	570.84	-	-	20,150.50	570.84
Property	0.10	46.00	460.00	-	-	46.00	460.00
Other assets	133.15	75,634.40	568.04	2.00	1,000.00	76,634.40	567.03
MNO Receivables	0.75	405.00	540.00	-	-	405.00	540.00
Investigations	6.50	2,155.50	331.62	-	-	2,155.50	331.62
Trading	1.60	973.50	608.44	-	-	973.50	608.44
Accounting and treasury	116.75	46,778.35	400.67	20.16	10,382.40	57,160.75	417.51
Statutory and compliance	230.80	89,465.20	387.63	95.13	48,991.95	138,457.15	424.81
Employees & pensions	0.20	59.00	295.00	-	-	59.00	295.00
Creditors	64.04	27,847.52	434.85	-	-	27,847.52	434.85
Creditors committee	0.40	116.00	290.00	-	-	116.00	290.00
Tax	85.30	41,989.45	492.26	28.35	14,600.25	56,589.70	497.93
VAT	5.00	2,038.10	407.62	28.35	14,600.25	16,638.35	498.90
Books and records	5.35	1,912.00	357.38	-	-	1,912.00	357.38
Closure procedures	0.25	131.25	525.00	10.00	5,000.00	5,131.25	500.61
Total	841.04	358,649.82	426.44	224.94	115,664.10	474,313.92	444.96

Policy Administration Services Limited – in administration
Analysis of time costs for the period 21 July 2022 to 20 January 2023

Aspect of assignment								Total hours	Time cost £	Average hourly rate £
	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support			
Strategy & Planning	-	-	-	-	5.90	29.50	-	35.40	16,753.50	473.26
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	0.40	16.80	-	370.60	30.60	14.40	-	432.80	309,369.00	714.81
Accounting and treasury	0.20	-	4.90	15.50	26.15	23.15	3.20	73.10	39,521.50	540.65
Statutory and compliance	0.50	1.60	0.50	26.35	25.95	4.80	-	59.70	36,783.75	616.14
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	0.10	-	-	-	0.10	73.00	730.00
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	0.10	-	6.50	14.90	1.45	1.00	16.75	40.70	27,418.50	673.67
VAT	-	-	3.25	-	0.10	-	-	3.35	4,309.00	1,286.27
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	0.60	-	-	0.60	309.00	515.00
Total	1.20	18.40	15.15	427.45	90.75	72.85	19.95	645.75	434,537.25	672.92

Policy Administration Services Limited – in administration
Aggregate time cost summary to 20 January 2023

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	967	396,730	410	311	147,276	544,006	425
Sale of business	111	51,531	466	-	-	51,531	466
Book debt realisations	20	14,803	748	-	-	14,803	748
Property	14	7,579	551	-	-	7,579	551
Other assets	661	284,512	431	57	24,546	309,058	431
Trading	12,431	6,093,187	490	275	196,368	6,289,555	495
Accounting and treasury	1,492	557,455	374	454	245,460	802,915	413
Statutory and compliance	2,009	858,522	427	319	196,368	1,054,889	453
Employees & pensions	205	87,078	425	-	-	87,078	425
Investigations	9	3,239	352	-	-	3,239	352
Creditors	371	156,330	421	101	73,638	229,968	487
Creditors committee	49	21,725	439	-	-	21,725	439
Tax	637	363,947	571	109	73,638	437,585	586
VAT	224	190,286	849	19	24,546	214,832	883
Books and records	72	28,507	393	-	-	28,507	393
Closure procedures	74	41,101	558	258	147,576	188,677	569
Total	19,347	9,156,531	473	1,903	1,129,416	10,285,947	484

Phosphorus Acquisition Limited – in administration
Analysis of time costs for the period 21 July 2022 to 20 January 2023

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	1.05	21.50	-	22.55	7,103.25	315.00
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	0.10	0.10	0.75	0.95	-	1.90	901.50	474.47
Statutory and compliance	-	-	0.40	1.00	8.00	6.70	-	16.10	7,706.50	478.66
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	0.20	-	-	-	0.20	146.00	730.00
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	1.30	0.20	-	-	1.50	1,338.00	892.00
VAT	-	-	-	-	0.15	-	-	0.15	77.25	515.00
Total	-	-	0.50	2.60	10.15	29.15	-	42.40	17,272.50	407.37

Phosphorus Acquisition Limited – in administration
Aggregate time cost summary to 20 January 2023

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	49.70	18,607.15	374.39	40.95	21,089.25	39,696.40	437.91
Sale of business	0.15	81.00	540.00	-	-	81.00	540.00
Property	0.10	46.00	460.00	-	-	46.00	460.00
Other assets	2.40	1,091.25	454.69	-	-	1,091.25	454.69
Trading	5.85	2,171.25	371.15	-	-	2,171.25	371.15
Accounting and treasury	34.75	12,196.90	350.99	20.16	10,382.40	22,579.30	411.21
Statutory and compliance	202.91	78,101.10	384.91	95.13	48,991.95	127,093.05	426.43
Employees & pensions	-	-	-	-	-	-	-
Investigations	5.70	1,848.50	324.30	-	-	1,848.50	324.30
Creditors	8.30	3,099.90	373.48	-	-	3,099.90	373.48
Creditors committee	0.20	58.00	290.00	-	-	58.00	290.00
Tax	24.75	9,235.10	373.14	28.35	14,600.25	23,835.35	448.88
VAT	3.90	1,495.50	383.46	28.35	14,600.25	16,095.75	499.09
Books and records	0.45	165.50	367.78	-	-	165.50	367.78
Closure procedures	0.30	146.50	488.33	10.00	5,000.00	5,146.50	499.66
Total	339.46	128,343.65	378.08	222.94	114,664.10	243,007.75	432.09

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the administration.

Grade	Up to 30 June 2022 £	From 1 July 2022 £
Partner	980	980
Appointment taking director	865	960
Director	865	915
Assistant director (not appointee)	685	900
Senior Manager	685	860
Manager	595	730
Senior Associate	480	515
Associate	350	375
Support Staff	160	160
Offshore professionals	280	375

We have a diverse range of experience and capability within our director and senior manager teams. We have created two further grades within this population to reflect different levels of experience. We have differentiated between those directors who take insolvency appointments and lead insolvency cases (thereby providing considerable leverage to our appointment taking partners and reducing overall costs to insolvent estates), and those directors who help to support the delivery of our insolvency strategy. We have also created differential rates in our senior manager team, acknowledging those insolvency qualified and long serving insolvency experienced senior managers separately from those who are not yet insolvency qualified.

Role descriptions applicable to the new rates are below. In addition, as the range of work that may be undertaken by our offshore professional colleagues increases, we also provide updated information for that role.

Title	Description
Appointment taking director	A licensed insolvency practitioner acting as an office holder on the insolvency appointment and subject to additional office-holder responsibilities compared to a Director who is not an appointed office-holder. Highly experienced in insolvency matters at a senior level, including managing complex insolvencies and supervising teams.
Assistant director	Individuals of Senior Manager title but who are highly experienced in insolvency matters and either with more than 10 years insolvency experience at Senior Manager level or are qualified to JIEB level.
Offshore professional	Offshore professional colleagues may provide assistance, albeit that the majority of the work on this case will be undertaken by the UK based team. An off-shore professional at the higher end of the fee bracket generally has appropriate insolvency experience or an accounting qualification, depending on the nature of the work and will assist with planning and control of various aspects of the insolvency. An off-shore professional at the lower end of the fee bracket will typically have a finance-related qualification and appropriate skills to complete basic insolvency related tasks and provide administrative support to the team including efficient document preparation and data entry, records management, and general data analytics. All work under the supervision of more senior staff.

We call on colleagues such as those in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. We may also utilise Technology Specialists from the wider Business Restructuring Services team or other parts of our firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	Up to 30 June 2022 £	From 1 July 2022 £
Partner	1,680	1,810
Director	1,540	1,660
Senior Manager	1,425	1,570
Manager	860	950
Senior Associate/Consultant	640	690
Associate/Assistant Consultant	345	375
Support Staff	190	190

In common with many professional firms, our scale rates may rise eg to cover annual inflationary cost increases.

Financial Benefit

As shown on the enclosed receipts and payments accounts, our work to date has generated recoveries (net of costs and excluding cash at bank on appointment) in the region of £225m for the benefit of all classes of creditors. The

estimated recovery for the Noteholders (who are expected to have the primary economic interest in the progress of the Companies' administrations) is uncertain as it depends on the outcome, timing and costs of the Litigation.

We explained in Section 4 of this report that a considerable amount of work is still required before these administrations can be concluded. We expect that this work is in the best interests of creditors.

Our analysis of our time costs referred to above includes time spent dealing with matters required by law or other regulation that do not necessarily or directly benefit the creditors financially. This work includes 'statutory and compliance' but also other work necessary for the orderly management of a company's affairs, such as tax and VAT returns and dealing with books and records.

Business relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We have not used any subcontractors on these cases in the period of this report.

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

Forensics technology costs

Creditors will note from our prior reports that we have incurred technology costs in relation to the Litigation work undertaken by our forensics team. We had incurred £448,462.55 in P4U and £41,086.00 in MobileServ to 20 July 2022.

During the period of this report, we have incurred a further £40,896.00 in P4U and none in MobileServ. Our cumulative totals are therefore £489,358.55 in P4U and £41,086.00 in MobileServ. We will be seeking approval for these costs at the appropriate time but have included the above for illustrative purposes.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury		
<ul style="list-style-type: none"> Dealing with general accounting and treasury functions, including payments, receipts and journal postings; Monitored and controlled the movement of funds, mitigated risk and maximised the interest made on investments; Performed regular bank reconciliations for all bank accounts; and Actively managing cash holdings, including regular money market investments to increase returns whilst ensuring credit risk is appropriately managed. 	<ul style="list-style-type: none"> This work was necessary for preparing and authorising receipt and payment vouchers and carrying out bank reconciliations. To generate a return on funds held in a secure manner. 	<ul style="list-style-type: none"> Ensured funds are managed securely and that such funds are generating returns. Complying with statutory and regulatory duties regarding the holding and accounting for funds.
<i>(Policy Administration Services only)</i>		
<ul style="list-style-type: none"> Collecting premiums and making refunds to customers and reconciliations to bank balance and cash flow; Transferring premiums to insurer account, including reconciliation and sign off from appointees; Operating finance functions, including bank account transfers and payment requisitions; and Managing funds held in order to maximise interest returns. 		
Litigation (Phones 4u Limited only)		
<p><i>Concurrent Administrators</i></p> <ul style="list-style-type: none"> Oversight of of Litigation including liaising with QE regarding strategy, project management, and inter-partes correspondence, principally relating to security for costs and settling of transcripts from the first trial; Reporting to Committee on matters relating to the Litigation. 	<ul style="list-style-type: none"> Due to the potentially material and commercially sensitive nature of these investigations, it is not appropriate to disclose any further information. 	<ul style="list-style-type: none"> Potential additional recoveries and response to requests mandated by the Court.
<p><i>Joint Administrators</i></p> <ul style="list-style-type: none"> Responding to requests under the Disclosure Order; and Management of the significant cash reserves to fund Litigation. 		
Creditors & Committee		

- Planning and preparation of financial and operational information for creditors;
 - Preparing for and following up on Noteholder meetings; and
 - Maintaining information on our dedicated website.
- This work was necessary to determine the value of creditor claims so that a distribution strategy could be determined and so dividend payments could be made to creditors.
- Provides information necessary to creditors (who have an economic interest in the outcome of the administration), both collectively and individually.
 - Enabled the distribution of the prescribed part dividends.

(Policy Administration Services only)

- Maintaining the creditor helpline and mailbox in respect of creditor claims.

Property

- Liaising with our solicitors with regard to outstanding property matters.
- This work was necessary to negotiate with landlords and liaise with agents in order to reduce P4U's liabilities in respect of its property portfolio and utility costs.
- Mitigates claims against the administrations.

Other Assets

- Realising remaining outstanding debtor balances in relation to MobileServ
- This work was necessary for the benefit of creditors as these realisations increase asset realisations
- Increases asset realisations which is for the benefit of creditors

Other matters

- Liaising with our insurers for the purpose of maintaining adequate insurance cover for assets and risks in the post-appointment period.
 - This work was necessary to ensure appropriate insurance of assets and to ensure that assets are properly dealt with.
 - Mitigation of the risk of claims against the administration and loss of assets.
- (Policy Administration Services only)*
- Attending board meetings with P4UC to oversee the running of the subsidiary.
 - This work was necessary to ensure that the captive is managed in accordance with the management agreement, thereby ensuring dividend payments to PAS are maximised.

Statutory and compliance

- Preparing and issuing our sixteenth progress report to creditors;
 - Planning and preparing for our seventeenth progress report to creditors;
 - Planning and preparing for the extension of the Administrations to March 2026;
 - Planning for statutory deadlines and collation of requisite information;
 - Maintaining cash records and filings;
 - Dealing with inbound post and other correspondence; and
 - Completing case management tasks on the case database.
- This work was necessary to satisfy statutory and regulatory responsibilities.
- Statutory and regulatory responsibilities.

Strategy and Planning

- Oversight of case progression and strategic decisions by appointment takers and other project management;
 - Budgeting and cost analysis;
 - Liaising with key stakeholder groups;
 - Preparing various forecasts, including but not limited to; cash flows and outcome statements; and
 - Liaison with legal and other advisors regarding ongoing matters in the administrations.
- This work was necessary for planning and project managing the many different workstreams.
 - Assisted in the efficient, structured and timely management of the administrations, leading to a faster completion and return to creditors.

(Policy Administration Services Limited only)

- Ongoing planning for the closure of the PAS scheme; and
- Strategy and planning in regards to potential extension of the administration.

Trading

(Policy Administration Services Limited only)

- Monitoring the trading activities of the insurance business and performance of LSG including the operations of the customer call centre and claims handling processes;
 - Reviewing data, analytics and all management information;
 - Attending monthly board meetings with the LSG PAS team to discuss the strategy and progress of the scheme;
 - Monthly operational meetings with LSG to discuss performance;
 - Reviewing service level agreements and qualitative metrics used to measure LSG's performance; and
 - Reviewing claims referred to the FOS and identifying root causes.
- This work is necessary for the ongoing successful and profitable trading of the PAS business, enabling us to monitor the activity of the PAS scheme and to determine its levels of profitability for forecasting and cost monitoring purposes. The work ensures that customers are treated fairly, and PAS complies with regulatory requirements.
 - Maintaining profitability of the PAS business for the benefit of creditors.

Tax

- Preparation and submission of the FY21 Corporation Tax returns; and
 - Ad hoc tax compliance matters e.g. liaising with HMRC on general issues.
- This work was necessary to comply with our legal obligation to submit tax returns, to reach certainty on the post-administration tax position and enabled us to agree HMRC's unsecured claim.
 - Statutory and regulatory responsibilities.
- ### *(Policy Administration Services only)*
- Filing tax returns and making quarterly payments on account;
 - Calculating and paying income tax due on interest payments on customer refunds; and
 - Considering the tax efficiency of the PAS scheme

VAT

- Preparing and submitting quarterly VAT returns to HMRC;
- Regular detailed reconciliations of transactions for VAT purposes; and
- Liaising with HMRC, specifically with regard to a VAT reclaim due in respect of the September 2022 VAT return totalling £972k.
- This work was necessary to comply with our legal obligation to submit tax returns, to reach certainty on the post-administration tax position.
- Statutory and regulatory responsibilities.

Books and records

- Liaising with third party storage providers in relation to company books and records that we have a legal obligation to maintain.
 - This work was necessary to ensure the proper stewardship of company books and records.
 - Statutory and regulatory responsibilities.
-

Our future work

We still need to do the following work to achieve the purpose of administration.

Work to be undertaken	Estimated cost to 31 March 2026 (£m)	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury		
<ul style="list-style-type: none"> • Arranging payment of expenses of the administration when they fall due; • Dealing with receipts and journals to maintain accurate accounting records; • Actively monitoring and day to day dealing with returns from funds invested on the money markets; • Carrying out periodic bank reconciliations; • Corresponding with the bank regarding specific transfers; and • Closure of bank accounts 	<ul style="list-style-type: none"> • 0.75 	<ul style="list-style-type: none"> • Ensure proper stewardship of the funds held. • Management of the funds will generate greater recoveries for creditors.
Assets (including Litigation and other assets)*		
<ul style="list-style-type: none"> • Liaising with QE, Counsel and other advisors regarding the Litigation; and • Active management of cash holdings, including placing regular money market investments to increase returns. 	<ul style="list-style-type: none"> • 0.13 	<ul style="list-style-type: none"> • Potential additional recoveries and response to requested mandated by the Court.
<i>(Policy Administration Services only)</i>		
<ul style="list-style-type: none"> • Continue to monitor the performance and governance of P4UC; and • Ensure P4UC has appropriate closure plans 		
Creditors and Committee		
<ul style="list-style-type: none"> • Arranging, preparing for and attending meetings of the Committee; • Respond to creditor queries; and • When appropriate, declare and pay future interim and final distributions to secured creditors. 	<ul style="list-style-type: none"> • 0.23 	<ul style="list-style-type: none"> • Direct benefit to creditors through payment of distributions and provision of information.
Statutory and compliance		
<ul style="list-style-type: none"> • Making applications to court for extensions to the administrations as appropriate; • Drafting and circulating six monthly progress reports to unsecured creditors; • Ongoing compliance with regulatory requirements; 	<ul style="list-style-type: none"> • 0.93 	<ul style="list-style-type: none"> • Statutory and regulatory requirements.

- Maintaining case files; and
- Dealing with inbound correspondence and queries.

Strategy and Planning

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Ongoing preparation of estimated outcome statements, budgets, forecasts and other financial reporting tools; • In depth consideration of strategic approach in dealing with complex and interrelated work streams; • Strategy meetings, decisions and project management by the appointment takers; • Liaising with external advisors in relation to complex work streams within the administration; and • Progressing ongoing matters within the administrations. | <ul style="list-style-type: none"> • 0.52 | <ul style="list-style-type: none"> • Assist in the timely, structured and efficient completion of the administration and return to creditors. |
|--|--|--|

(Policy Administration Services only)

- Finalise and implement closure plan and approach for a smooth exit of the business.

Tax

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> • Drafting and submission of corporation tax returns; • Making payment to HMRC where applicable for corporation tax; • Ongoing liaison with HMRC; and • Finalise tax matters and obtain clearance from HMRC. | <ul style="list-style-type: none"> • 0.23 | <ul style="list-style-type: none"> • Statutory and regulatory requirements and enables reaching certainty on the post-administration tax position. |
|---|--|---|

(Policy Administration Services only)

- Filing tax returns and making quarterly payments on account;
- Calculating and paying income tax on interest payments on customer funds; and
- Considering the tax implications of closure of the PAS estate when exiting the scheme.

VAT Liabilities

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Ongoing drafting and submission of quarterly VAT returns; • Finalise VAT matters, de-register the Companies for VAT and obtain clearance from HMRC; • Reconciliation of the Companies' VAT position on a regular basis to ensure transactions are correctly accounted for; and • Liaison with HMRC as required. | <ul style="list-style-type: none"> • 0.18 | <ul style="list-style-type: none"> • Statutory and regulatory requirements. |
|--|--|--|

Property

- Manage and reduce any liabilities we have with respect to the property portfolio including ongoing leases and utility payments.
- 0.00
- Mitigate claims against the administrations.

Trading

(Policy Administration Services only)

- Overseeing the claims and complaints handling activities of LSG through the run off period;
- Concluding various actions associated with the termination of agreements between PAS and other parties; and
- Managing and updating communications to all remaining stakeholders.
- 0.20
- Ensure adherence to regulatory requirements regarding the fair treatment of customers

Closure

- Dealing with closure formalities including obtaining administrators' discharge from liability;
- Obtaining clearances from external third parties with regard to commitments made during the administrations; and
- Closing down internal systems.
- 0.37
- Ensure that the Companies' affairs are wound down in an orderly manner.

**Costs relating to the Litigation workstream have been excluded from the forecast.*

Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Insurance broker	<ul style="list-style-type: none"> Marsh Limited 	<ul style="list-style-type: none"> Industry knowledge 	<ul style="list-style-type: none"> Insurance policy cost
Legal services and advice	<ul style="list-style-type: none"> Allen & Overy LLP 	<ul style="list-style-type: none"> Industry knowledge 	<ul style="list-style-type: none"> Time and expenses
Legal services and advice (MobileServ only)	<ul style="list-style-type: none"> Fieldfisher LLP 	<ul style="list-style-type: none"> Industry knowledge 	<ul style="list-style-type: none"> Time and expenses
Litigation services	<ul style="list-style-type: none"> Alvarez & Marsal 	<ul style="list-style-type: none"> Specialist expertise 	<ul style="list-style-type: none"> Time and expenses
Litigation services	<ul style="list-style-type: none"> DT Economics LLP 	<ul style="list-style-type: none"> Specialist expertise 	<ul style="list-style-type: none"> Time and expenses
Litigation services	<ul style="list-style-type: none"> Quinn Emmanuel Urquhart & Sullivan LLP 	<ul style="list-style-type: none"> Litigation experience 	<ul style="list-style-type: none"> Time and expenses
Property legal services	<ul style="list-style-type: none"> DLA Piper LLP 	<ul style="list-style-type: none"> Industry knowledge Insolvency experience 	<ul style="list-style-type: none"> Time and expenses
Storage of books and records	<ul style="list-style-type: none"> Iron Mountain UK Limited 	<ul style="list-style-type: none"> Industry knowledge Insolvency experience 	<ul style="list-style-type: none"> Fee per box of books and records held
Trademark renewal assistance	<ul style="list-style-type: none"> Barker Brettell LLP 	<ul style="list-style-type: none"> Industry knowledge 	<ul style="list-style-type: none"> Fixed fee per trademark renewal
Legal services and advice	<ul style="list-style-type: none"> Law Offices of Robert S. Smith 	<ul style="list-style-type: none"> Industry knowledge 	<ul style="list-style-type: none"> Time and expenses
Supply chain management	<ul style="list-style-type: none"> Lifestyle Services Group Limited 	<ul style="list-style-type: none"> Supply chain knowledge 	<ul style="list-style-type: none"> Outsourcing agreement
Insurance services	<ul style="list-style-type: none"> London General Insurance Limited 	<ul style="list-style-type: none"> Industry knowledge 	<ul style="list-style-type: none"> Percentage of asset realisations
Software maintenance including data hosting and access	<ul style="list-style-type: none"> Documation Software Limited 	<ul style="list-style-type: none"> Specialist expertise 	<ul style="list-style-type: none"> Annual cost

We require all third party professionals to submit time costs analyses and narrative / a schedule of realisations achieved in support of invoices rendered. We receive detailed time breakdowns and narratives in order to review professional firms' costs prior to payment. Our review involves the following steps:

- Did the administrators issue the instructions listed in the invoice?
- Was the work performed as instructed?
- Was the work undertaken in line with the administrators' expectations, in respect of quality and the amount of time taken?
- Are the rates which have been applied reasonable?
- Overall, were the fees charged satisfactory and reasonable relative to the work performed?

Appendix D: Statutory and other information relating to the administrations

	Phones 4u Limited	Phones 4 U Group Limited	Phones 4U Finance Plc	MobileServ Limited	Phosphorus Acquisition	Policy Administration Services Limited
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Trading name:	Phones4U, Dialaphone					
Court details:	High Court of Justice, Chancery Division, Companies Court					
Court reference:	6516 of 2014	6507 of 2014	6506 of 2014	6511 of 2014	6508 of 2014	6504 of 2014
Registered number:	03154198	04943837	07552754	05863265	07405102	03907386
Registered address:	Central Square, 8th Floor, 29 Wellington Street, Leeds, LS1 4DL					
Date of the joint administrators' appointment:	15 September 2014 23 November 2018 (Paul David Copley as Concurrent Administrator)	15 September 2014				16 September 2014
Joint administrators' names, addresses and contact details:	David James Kelly of PwC, 7 More London, Riverside, London, SE1 2RT Robert John Moran of PwC, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT Paul David Copley of Aldan Management Limited, 42 Brook Street, London, W1K 5DB (Phones 4U Limited only) Contact: matthew.j.duckworth@pwc.com for P4u				Douglas Nigel Rackham and David James Kelly (both of the London address shown on the left) Contact: lee.f.borcoski@pwc.com for PAS	
Extension(s) to the initial period of appointment	Extensions granted by the Court to 15 September 2017 and 15 March 2020 A further extension has been granted by the Court to 15 March 2023					
Objective being pursued:	Objective (b) - achieving a better result for the company's creditors as a whole than would be likely if the company was wound up (without first being in administration) or failing that, objective (c) - realising property in order to make a distribution to one or more secured or preferential creditors. Objective (c) would only likely be applicable to the non-trading companies.					
Appointor's name and address:	Court order following an application by the directors of each company, based at Osprey House, Ore Close, Lymedale Business Park, Newcastle-under-Lyme, Staffordshire, ST5 9QD. Court order following an application dated 2 November 2018 by Ian David Green, David John Kelly and Robert John Moran, then joint administrators of Phones 4u Limited, based at 7 More London Riverside, London, SE1 2RT (in the case of Mr Green and Mr Kelly) and Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT (in the case of Mr Moran)					
Split of the Administrators' responsibilities:	In relation to Paragraph 100(2) Sch.B1 IA86, during the period for which the administration order is in force any act required or authorised under any enactment to be done by either or all of the Administrators may be done by any one or more of the persons for the time being holding that office. The Concurrent Administrator is responsible for investigating the facts and circumstances leading up to the administration of P4U in order to consider whether such facts and circumstances involve any wrongful conduct and/or breach of competition law by third parties, such as to give rise to any claims or causes of action by P4u against such third parties. The Concurrent Administrator is also responsible for issuing and prosecuting these claims. The Concurrent Administrator has all powers of an administrator under general law and may exercise powers in his own name.					

