

Joint Administrators' thirteenth progress report for the period from 21 July 2020 to 20 January 2021

Phones 4U Limited

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

Phones 4U 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)

16 February 2021

Table of contents

1. Abbreviations and definitions	3
2. Key messages	6
3. Introduction	8
4. Summary of the possible outcome for creditors	9
5. Progress in the period	11
Appendix A: Receipts and payments	17
Appendix B: Expenses	24
Appendix C: Remuneration update	27
Appendix D: Statutory and other information relating to the administrations	44
Appendix E: Estimated financial outcome statement	45

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
“Aon”	Aon Insurance Managers Isle of Man Limited
“the Appellants”	DT, Orange, the O2 Defendants and the Vodafone Defendants together
“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 of P4U 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
“IDD”	Insurance Distribution Directive
“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
“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 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 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.

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. The administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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. Key messages

Why we've sent you this report

As required by insolvency legislation, this is our thirteenth 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.

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. As further explained in Section 5.1, the Litigation is continuing in accordance with the Court timetable and, in October 2020, the Court ordered a split trial, with the first trial (on issues of infringement and breach) scheduled to commence in May 2022. During the period covered by this report, the appeal by certain of the Defendants against part of the Disclosure Order was heard by the Court of Appeal and, on 2 February 2021, judgment was handed down, dismissing the substantive arguments of that appeal. The deadline for standard document disclosure is 19 February 2021, with further disclosure anticipated, for example, following the Court of Appeal decision and in response to specific disclosure requests, in the weeks and months thereafter. As is the nature of complex litigation, delays may occur.

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 (e.g. iPhone 6). 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 have been 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

If you are a former or current employee, 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 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, some £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. We continue to believe it is unlikely that there will be sufficient realisations to pay the principal outstanding on the Notes in full. Please refer to Section 4 for further details.

Commercially sensitive matters

In Section 5.1 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 2021, 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 within our estimated outcome calculations (see Appendix E), except to the extent that PwC and third-party costs have been incurred to 20 January 2021.

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.

3. Introduction

We previously wrote to all known creditors to give notice that we were appointed administrators of certain companies in the Phones 4U Group, as summarised below:

Company	Date of Appointments
Phones 4U Limited*	15 September 2014
Phones 4 U Group Limited*	15 September 2014
Phones4U Finance plc*	15 September 2014
MobileServ Limited*	15 September 2014
Phosphorus Acquisition Limited*	15 September 2014
Policy Administration Services Limited*	16 September 2014
4U Limited (now dissolved)	15 September 2014
4U Wi-Fi Limited (now dissolved)	15 September 2014
Jump 4U Limited (now dissolved)	15 September 2014)
Life Mobile Limited (now dissolved)	15 September 2014
Phosphorus Holdco Plc	8 October 2014

This progress report covers only the six companies contained within a common security structure (all indicated by * above). A separate report has been issued to the creditors of Phosphorus Holdco Plc (which remains in administration) as it is outside of the security structure.

In accordance with Rule 18.6 IR16, we write to provide creditors with details of the progress of each administration in the six months to 20 January 2021.

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 the content of which is not repeated here unless considered beneficial or necessary for the purposes of this update. We anticipate that our next report will be circulated in approximately six months' time.

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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4. 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. An estimated financial outcome statement is provided in Appendix E. 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					
Estimated % recovery for secured creditors:	100% for the RCF lenders and 85% for the Noteholders (on the basis set out in Section 5.4 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 5 of this report, most notably the progress of the Litigation work stream.					
	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 1				
Estimated % recovery for preferential creditors:	100%	Note 1				
Forecast timing:	Paid	Note 1				

Note 1 - 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>	£173,147,665	£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>

5. 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 Administration is now Litigation (section 5.1 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 (progress of the Concurrent Administrator only);
- Provided updates to the Committee;
- Continued surrender of property leases and wind down of the existing property portfolio;
- 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.

5.1 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) (collectively the "Defendants").

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.

During the first half of 2019, the Defendants filed their defences to P4U's claims, denying all substantive allegations. In October 2019, P4U filed replies to the defences and, in January 2020, responded to requests for further information

made by DT and Orange regarding the nature of the case made against each of them. Case management conferences were held in March and July 2020 to resolve procedural matters, including certain aspects of disclosure as recorded in the Disclosure Order.

The primary focus of the litigation work stream during the period covered by this report is the preparation of disclosure on behalf of P4U in accordance with the scope agreed with the Defendants and as set out in the Disclosure Order. In addition to extensive searches across documents held by the company itself, QE has been working with the Joint Administrators, PwC and its legal advisers to identify documents held by the Joint Administrators which were agreed to be included in the scope of the disclosure process. QE has also been working with the Joint Administrators in order to meet P4U's obligation under the Disclosure Order to provide a witness statement describing the realisations made by the Joint Administrators in respect of P4U's assets.

The deadline for standard disclosure by all parties was originally set at 29 January 2021 but was extended, by agreement between all parties, to 19 February 2021. QE continues to correspond with the Defendants' legal advisers in respect of various procedural matters relating to the case in order to resolve issues without judicial involvement as far as possible.

In connection with P4U's disclosure, as previously reported, P4U was required under the Disclosure Order to write to PwC to request that the firm (as distinct from P4U or the Joint Administrators themselves) consents to the provision of emails held by the Joint Administrators (including, for this purpose, their predecessors) dated between 1 August and 14 September 2014 i.e. before the commencement of the P4U administration. P4U itself is not able to conduct disclosure searches for such documents as they are not within its control for the purpose of the CPR. PwC has agreed to voluntarily provide the access requested, and QE has therefore been working with PwC and its legal advisers to ensure that relevant documents are provided as part of P4U's standard disclosure. In accordance with the terms of the Disclosure Order, P4U will also disclose the D Return.

Part of the Disclosure Order requiring certain Defendants to request access to personal devices and emails of relevant individuals for the purpose of identifying work-related communications was stayed following their applications in August 2020 for permission to appeal the relevant order. The Appellants' arguments were heard by the Court of Appeal on 19-20 January 2021 and the substantive points in the Disclosure Order were upheld by the judgment of Sir Geoffrey Vos, Master of the Rolls, Lady Justice Asplin and Lord Justice Green, which was handed down on 2 February 2021. P4U will write to the relevant Defendants to request that they implement the, previously stayed, provisions of the Disclosure Order by requesting the relevant access without further delay.

At the second case management conference in July 2020, Mr Justice Roth requested that P4U and the Defendants make written submissions on the issue of a split trial given that, in his view, the issues of liability, causation and quantum are sufficiently discrete that they could better be heard across two trials. Following a hearing of arguments on this point on 5 October 2020, Mr Justice Roth made an order for a split trial under which the first trial will determine issues of infringement and breach, and the second will cover causation and quantum. The first trial is listed for 10.5 weeks commencing on 11 May 2022.

As previously noted, P4U has retained a significant cash balance for the purpose of funding the Litigation and providing for potential adverse cost awards should the Defendants prevail in the Litigation. See Appendix A of this report for further information.

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

During the period of this report, we have managed the surrender of a further two properties either through negotiations with landlords or through operation of law (which is where the lease expires), therefore negating P4U's future liability beyond the expiry date. This has further enabled the reduction of administration expense claims against P4U.

We have also been advised by our legal advisers that several stores have now been re-let which means P4U's lease has been deemed to be surrendered by operation of law. There are now only three remaining properties, and we are continuing to liaise with the landlords of these properties with our legal advisers.

5.2 Policy Administration Services Limited

PAS is an FCA authorised insurance intermediary that sold mobile phone insurance to the public on behalf of its underwriter 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.

Trading

At the outset of the COVID-19 crisis PAS and LSG (the run-off service provider) took appropriate action to ensure the service to PAS's customers continued with as little disruption as possible. These actions included the establishment of home working for call centre staff and the temporary reduction in customer call centre hours to Monday – Friday 9.00-17:00.

Call centres are now operating close to pre-COVID-19 levels running a Monday-Saturday service, which started in July. There has been no significant impact on the delivery of services to the PAS customers or the profitability of the PAS business due to the COVID-19 crisis.

We continue to monitor the situation closely and liaise with LSG, to ensure appropriate processes and systems are in place going forward to support the PAS business and its customers.

The PAS business continues to perform well overall. The customer base has declined more slowly than expected to approximately 79,000 policyholders as at the end of December 2020; Phones 4U Care and Premierplan products having approximately 36,000 and 43,000 policyholders respectively. Claims costs per policy remain broadly in line with forecast.

PAS was one of the entities included in the application to the Court for extension of the administrations. This was granted by the Court, extending the PAS administration through to 15 March 2023. The forecast PAS trading and cost figures included in this report have therefore been prepared on the basis that trading will continue through to March 2022 followed by a 12-month run off period through to March 2023 to enable the conclusion of any residual trading matters and the completion of administration closure procedures.

We continue to employ strategies to promote the longevity of the business. All policies automatically renew on a monthly basis until they are cancelled by customers. In accordance with industry 'best practice' to ensure customers are treated fairly, we send policyholders annual reminder letters to check that they continue to need their policy. The latest customer contact process started in August and was completed by November 2020. Customers will be contacted by letter or where considered more appropriate and effective, via email or SMS. The next planned customer contact is scheduled to be completed in the Autumn of 2021.

We continue to monitor the supply chain to ensure that the service provided by LSG is as efficient and cost effective as possible. PAS continues to benefit from LSG's supply chain relationships, particularly in securing Apple stock at favourable prices.

Detailed monthly management information reports for the underwriter continue to be produced to enable them to meet their regulatory obligations.

Discussions with LSG and other stakeholders have continued in the period to plan for a smooth exit of the business once it is no longer viable for PAS to continue trading. Our current thinking is that we will provide customers with notice of termination at the appropriate time, but also offer them the opportunity to obtain a new policy with another provider, providing continuity of cover to those customers who want it. As part of the closure process we will make suitable arrangements for late claims and termination of all third-party relationships.

Asset Realisations

As outlined above, trading forecasts identify that the PAS business will continue to remain profitable through to March 2022. While a conservative approach has been taken to the estimation of trading profitability, these estimates are highly sensitive to policy cancellation and subject to regular review.

Regulatory Update

PAS continues to be authorised and regulated by the FCA for insurance and manages customer claims and complaints processes on behalf of the underwriter LGI. With the introduction of the IDD, PAS's FCA permission has been automatically changed from "insurance mediation activities" to "insurance distribution activities". 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 22 cases referred to the FOS during the last 12 months, 18 have been adjudicated by the FOS, with 4 awaiting the outcome. None of the 18 adjudicated complaints were upheld.

We continue to monitor regulatory changes impacting the market.

PAS is the parent company of a captive reinsurer in the Isle of Man, 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 November 2020 when a full report of the business was given, and the independent directors continue to be satisfied with trading and governance arrangements. Auditors Crowe Clark Whitehill have completed an audit of the 2019 annual accounts and identified no material matters of concern.

It has been agreed with the board of P4UC that the solvency buffer held by the captive will remain at £1.1m.

As at 20 January 2021, some £45.1m has been paid in dividends from P4UC to PAS, of which £1.7m was paid during the period.

5.3 Other companies

In earlier sections we have provided details of the main trading companies. We set out below further information on the other Companies that are subject to this report.

There were no asset realisations in any of the companies below during the period of this report.

Other than realisations from the Litigation and certain MobileServ debtors, 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.

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.

5.4 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 setoffs. 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 2021, 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, in our estimated financial outcome statement (see Appendix E).

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 now stands at 85%. We provide our estimated financial outcome statement in Appendix E.

We have now made four interim distributions totalling £219.3m and representing 51% of the Noteholders' principal claims.

5.5 Administrators' remuneration

We have drawn fees up to 31 March 2020 in respect of P4U, MobileServ and PAS and are in the process of drawing fees for the period 1 April 2020 to 31 December 2020; we expect to draw these shortly after the period end. Fees for all 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 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 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 in Section 5 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:

www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf

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

5.6 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 the Concurrent Administrator and QE (Joint Administrators);• Further and final distributions to Noteholders;• Finalise residual property matters;• Provide updates to the Committee;• 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">• Facilitate ongoing trading and implement the current strategy to maximise realisations from future profitable trading, being a long-term run-off scenario, which is expected to continue for at least two years;• Formulate an agreed closure plan with all stakeholders and the regulators;• Finalise tax and VAT matters and obtain clearance from HMRC; and• Further and final distributions to Noteholders.
MobileServ Limited	<ul style="list-style-type: none">• Realise intercompany assets from other Group companies in the case of further realisations in those entities;• Realise remaining outstanding debtors; and• Complete ongoing statutory and compliance, tax and VAT matters until such a time that the administrations can be brought to an end.• Obtain clearance from HMRC before exiting administration
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;• Complete ongoing statutory and compliance, tax and VAT matters until such a time that the administrations can be brought to an end.• Obtain clearance from HMRC before exiting administration

5.7 Ending the administration

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.

5.8 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. We have yet to seek such approval but intend to do so in due course and at the appropriate time.

5.9 Next report

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

5.10 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.

5.11 Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administration from 21 July 2020 to 20 January 2021.

5.12 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.

5.13 Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

5.14 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/creditors-guide-administrators-fees-final.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 2020 to 20 January 2021

Directors' statement of affairs £		15 September 2014 to 20 July 2020 £	21 July 2020 to 20 January 2021 £	Total to 20 January 2021 £
Floating charge				
Receipts				
1,003,700	Accrued income	-	-	-
35,188,467	Amounts related to stock	30,308,407.18	-	30,308,407.18
1,526,401	Book debts	3,037,453.60	45.90	3,037,499.50
Undisclosed	Network commissions	313,113,974.09	-	313,113,974.09
73,581,338	Cash at bank	92,967,951.25	-	92,967,951.25
	Contribution to costs from group companies	8,283,588.21	-	8,283,588.21
	Contributions to legal fees	1,928,408.51	-	1,928,408.51
	Contributions to rent	6,803,928.09	-	6,803,928.09
	Contributions to wages	447,000.00	-	447,000.00
	Employment Benefit Trust settlement	1,500,000.00	-	1,500,000.00
	Insurance refunds	148,464.98	-	148,464.98
156,652	Intercompany debtors	996,971.86	-	996,971.86
	Intellectual property rights	100,000.00	-	100,000.00
	Interest received gross	2,608,353.29	27,371.60	2,635,724.89
2,250,000	Lease premiums	743,400.01	-	743,400.01
	Miscellaneous receipts	41,797.60	-	41,797.60
	Office equipment	201,702.32	-	201,702.32
46,122	Pre-payments	-	-	-
	Rates refunds	1,271,218.70	-	1,271,218.70
	Other refunds	216,670.57	-	216,670.57
	Sale of business	14,218,577.86	-	14,218,577.86
	Software licences	180,100.00	-	180,100.00
5,870,969	Subrogated inter-company claims	-	-	-
250,000	Tangible fixed assets	-	-	-
	Third party funds	192,307.12	-	192,307.12
	VAT Bad Debt Relief	-	100,951.68	100,951.68
Undisclosed	Total receipts	479,310,275.24	128,369.18	479,438,644.42

Directors' statement of affairs	15 September 2014 to 20 July 2020	21 July 2020 to 20 January 2021	Total to 20 January 2021
£	£	£	£
Floating charge			
Payments			
Agents' fees	55,784,139.38	14,565.74	55,798,705.12
Amounts relating to stock	556,577.00	-	556,577.00
Bank charges	24,392.48	128.50	24,518.98
Cleaning and site clearance	34,590.37	-	34,590.37
Consultancy fees	505,695.10	-	505,695.10
Corporation tax	551,231.94	837,484.87	1,388,716.81
Dues and payments	1,131,484.96	-	1,131,484.96
Employee expenses	123,017.66	-	123,017.66
Gross wages, salaries and employers NIC	10,936,387.68	-	10,936,387.68
Insurance	407,235.04	168.00	407,403.04
Investigations - Investigations Legal Fees	3,036,182.52	-	3,036,182.52
Investigations - Concurrent Administrator's Fees	181,080.40	-	181,080.40
Irrecoverable VAT	274,190.95	-	274,190.95
IT costs	2,843,238.20	-	2,843,238.20
Legal fees	11,785,035.91	4,003.00	11,789,038.91
Lease/hire charges	3,524.80	-	3,524.80
Litigation - Litigation Legal Fees	2,718,501.61	2,471,162.05	5,189,663.66
Litigation - Litigation Concurrent Administrator's Fees	107,153.00	148,912.00	256,065.00
Litigation - Security for costs	9,776,333.25	-	9,776,333.25
Office costs, stationery and postage	14,402.97	-	14,402.97
Office holders' fees (time cost basis)	20,907,273.50	139,962.08	21,047,235.58
Office holders' fees - Litigation (time cost basis)	-	9,527.92	9,527.92
Office holders' fees (Prescribed Part distribution)	125,000.00	-	125,000.00
Office holders' expenses	256,911.60	-	256,911.60
Office holders' expenses (PwC Legal LLP)	477,619.91	-	477,619.91
Oracle Settlement	191,666.67	-	191,666.67
Other payroll deductions	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	6,216,694.58	-	6,216,694.58
Security costs	104,451.14	-	104,451.14
Service charges	308,476.82	-	308,476.82
Statutory advertising	444.46	-	444.46
Storage costs	1,434,097.80	2,942.52	1,437,040.32
Sundry appointment related costs	28,144.37	2,647.00	30,791.37
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	132,469,539.71	3,631,501.68	136,101,041.39

Net floating charge realisations	346,840,735.53	(3,503,132.50)	343,337,603.03
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	938,058.16	177,444.42	1,115,502.58
Balance held in interest bearing current accounts	133,500,098.58	(3,325,688.08)	130,174,410.50
Represented by			
Held in Barclays			3,009,901.06
Held in HSBC			18,001,744.23
Invested in high interest account			109,162,765.21
Total			130,174,410.50

Please note that the Court ordered the redaction of certain commercially sensitive information from the directors' statement of affairs.

Please be advised that the VAT bad debt relief shown in the receipts section above is an adjustment made during the period following a reconciliation of our VAT control account - it is not necessarily cash received during the period.

Phones 4 U Group Limited – in administration

From 21 July 2020 to 20 January 2021

Directors' statement of affairs	15 September 2014 to 20 July 2020	21 July 2020 to 20 January 2021	Total to 20 January 2021
£	£	£	£
Floating charge			
Receipts			
- None	-	-	-
- Total receipts	-	-	-
Payments			
- None	-	-	-
- Total payments	-	-	-
- Net floating charge realisations	-	-	-
Represented by			
Held in Barclays account			-
Total			-

Phones4u Finance Plc – in administration
From 21 July 2020 to 20 January 2021

Directors' statement of affairs	15 September 2014 to 20 July 2020	21 July 2020 to 20 January 2021	Total to 20 January 2021
£	£	£	£
Floating charge			
Receipts			
- Bank interest	197.82	-	197.82
4,759 Cash at bank	4,758.97	-	4,758.97
38,807 Intercompany debtors	-	-	-
43,566 Total receipts	4,766.49	-	4,956.79
Payments			
Bank charges	8.60	-	8.60
Legal fees	4,760.57	-	4,760.57
- Total payments	4,766.17	-	4,769.17
43,566 Net floating charge realisations	0.32	-	187.62
VAT control account		-	
43,566 Balance held in interest bearing current account	0.32	-	187.62
Represented by			£
Held in Barclays account			187.62
Total			187.62

Phosphorus Acquisition Limited – in administration
From 21 July 2020 to 20 January 2021

Directors' statement of affairs	15 September 2014 to 20 July 2020	21 July 2020 to 20 January 2021	Total to 20 January 2021
£	£	£	£
Floating charge			
Receipts			
69,473 Cash at bank	69,472.80	-	69,472.80
Bank interest	1,539.79	-	1,539.79
129,808 Intercompany debtors	285,245.06	-	285,245.06
7,328 Prepayments	-	-	-
206,607 Total receipts	356,257.65	-	356,257.65
Payments			
Bank charges	21.40	-	21.40
Legal fees	7,007.79	-	7,007.79
Office holders' fees	48,831.00	-	48,831.00
Office holders' expenses	525.55	-	525.55
Sundry appointment related costs	425.00	-	425.00
Total payments	56,810.74	-	56,810.74
Net floating charge realisations	299,446.91	-	299,446.91
VAT control account	-	-	-
Balance held in interest bearing current account	299,446.91	-	299,446.91
Represented by			£
Held in Barclays account			299,446.91
Total			299,446.91

MobileServ Limited – in administration
From 21 July 2020 to 20 January 2021

Directors' statement of affairs		15 September 2014 to 20 July 2020	21 July 2020 to 20 January 2021	Total to 20 January 2021
£		£	£	£
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	-	55,045.73
427,096	Intercompany debtors	27,573.57	-	27,573.57
	Interest received gross	326,156.26	-	326,156.26
	Investments	444,556.23	-	444,556.23
	Sundry debts and refunds	435.00	-	435.00
	Third party funds	-	-	-
(18,739,611)	Total receipts	5,599,728.73	-	5,599,728.73
Payments				
	Bank charges	61,763.70	6.50	61,770.20
	Legal fees	101,269.23	19,347.50	120,616.73
	Office holders' fees (time cost basis)	158,649.15	6,870.50	165,519.65
	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	358,827.19	26,224.50	385,051.69
Net floating charge realisations		5,240,901.54	(26,224.50)	5,214,677.04
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	(18,827.40)	24,592.94	5,765.54
Balance held in interest bearing current accounts		4,652,074.14	(1,631.56)	4,650,442.58
Represented by				£
	Held in Barclays account			4,650,449.08
	Held in HSBC account			(6.50)
	Total			4,650,442.58

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.

Policy Administration Services Limited – in administration
From 21 July 2020 to 20 January 2021

Directors' statement of affairs		16 September 2014 to 20 July 2020	21 July 2020 to 20 January 2021	Total to 20 January 2021
£		£	£	£
Trading statement				
Receipts				
27,000,000	Customer insurance premiums	135,618,169.20	3,947,027.96	139,565,197.16
	Customer refunds and claims paid in cash	(3,323,966.15)	(148,059.49)	(3,472,025.64)
	Dividends received from P4UC	43,398,220.65	1,750,000.00	45,148,220.65
	Interest received gross	517,171.91	6,954.84	524,126.75
	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	179,803,077.85	5,555,923.31	185,359,001.16
Payments				
	Agents' fees	29,284,335.68	625,626.40	29,909,962.08
	Bank charges	297,533.21	25,360.17	322,893.38
	Duress payments	931,978.33	-	931,978.33
	Insurance	67,371,294.44	2,197,989.99	69,569,284.43
	IT costs	519,200.23	22,001.38	541,201.61
	Legal fees	1,364,177.80	25.93	1,364,203.73
	Office costs	413,132.00	-	413,132.00
	Office holders' expenses	31,895.16	-	31,895.16
	Office holders' fees	6,366,339.28	243,544.75	6,609,884.03
	Property	18,612.88	-	18,612.88
	Stock purchase	23,295,899.61	546,978.03	23,842,877.64
	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
	Total trading payments	131,187,064.80	3,661,526.65	134,848,591.45
	Trading account surplus	48,616,013.05	1,894,396.66	50,510,409.71

Directors' statement of affairs £	16 September 2014 to 20 July 2020 £	21 July 2020 to 20 January 2021 £	Total to 20 January 2021 £
Floating charge			
Receipts			
35,948 Accrued income	-	-	-
14,724,121 Cash at bank	13,825,702.60	-	13,825,702.60
47,960 Prepayments	-	-	-
4,912,977 Stock	-	-	-
Trading account balance (see above)	48,616,013.05	1,894,396.66	50,510,409.71
19,721,006 Total receipts	62,441,715.65	1,894,396.66	64,336,112.31
Payments			
Corporation tax	8,307,630.94	343,503.66	8,651,134.60
Total payments	8,307,630.94	343,503.66	8,651,134.60
VAT control account (Net Irrecoverable VAT)	2,259,904.10	43,313.16	2,303,217.26
Floating charge realisations	51,874,180.61	1,507,579.84	53,381,760.45
Secured creditors			
Distribution to senior secured Noteholders	28,296,497.70	-	28,296,497.70
Total secured creditor entitlements	28,296,497.70	-	28,296,497.70
Unsecured creditors			
Distribution to unsecured creditors	570,760.00	-	570,760.00
Total unsecured creditor entitlements	570,760.00	-	570,760.00
Balance held in interest bearing accounts	23,006,922.91	1,507,579.84	24,514,502.75
Represented by			£
Held at Barclays			5,790,937.26
Held at Lloyds			1,982,386.26
Held at ANZ			16,741,179.23
Total			24,514,502.75

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.

Appendix B: Expenses

As required by Rule 18.4 IR16, the following tables provide a summary of expenses incurred during the period of this report and an estimate of our future expenses.

Expenses are amounts properly payable by us as administrators from the estates and include our fees but exclude distributions to creditors. The statements also exclude any potential liabilities related to Litigation and other commercially sensitive matters that may be payable as an expense of the administration in due course. In addition, they do not include any potential tax liabilities that may be payable as expenses of the administrations in due course because amounts 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 show expenses actually paid during the period and the total paid to date. The classification of future expenses shown below may differ from where their classification on the receipts and payments account.

Phones 4U Limited – in administration From 21 July 2020 to 20 January 2021

	Expenses incurred brought forward from 20 July 2020 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2021 (£)	Estimated future (£)	Anticipated total (£)
Agents' fees	55,784,139.70	14,565.42	55,798,705.12	-	55,798,705.12
Amounts relating to stock	556,577.00	-	556,577.00	-	556,577.00
Bank charges	24,392.23	126.75	24,518.98	9,000.00	33,518.98
Cleaning and site clearance	34,590.37	-	34,590.37	-	34,590.37
Consultancy fees	505,695.10	-	505,695.10	-	505,695.10
Dress 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	407,234.92	168.12	407,403.04	672.00	408,075.04
Investigations (Legal Fees)	3,067,070.00	(30,887.48)	3,036,182.52	-	3,036,182.52
Investigations (Concurrent Administrator's fees)	181,080.00	-	181,080.00	-	181,080.00
Irrecoverable VAT	274,191.03	-	274,191.03	-	274,191.03
IT costs	2,843,238.22	-	2,843,238.22	-	2,843,238.22
Legal fees (P4U)	11,778,162.21	996,001.77	12,774,163.98	540,328.00	13,314,491.98
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
Office holders' fees	21,877,060.50	694,529.85	22,571,590.35	1,519,850.00	24,091,440.35
Office holders' expenses	661,374.65	39,540.87	700,915.52	200,000.00	900,915.52
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	6,216,694.58	-	6,216,694.58	496,000.00	6,712,694.58
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	1,434,097.55	3,363.19	1,437,460.74	42,000.00	1,479,460.74
Sundry appointment related costs	28,144.27	2,647.10	30,791.37	-	30,791.37
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	113,097,629.16	1,720,055.59	114,817,684.75	3,507,850.00	118,325,534.75

Note 1

Expenses relating to Litigation and other commercially sensitive matters have been excluded from all categories of expenses within the above forecast, except to the extent that they have been incurred to 20 January 2021. The estimated future and anticipated total expenses should therefore be treated with a degree of caution.

Note 2

Legal fees incurred for each company are shown in their respective expenses statements on the following pages. We continue to review and recharge legal expenses paid by P4U on behalf of other Group companies and recharge them as appropriate.

Phones 4 U Group Limited – in administration

From 21 July 2020 to 20 January 2021

	Expenses incurred brought forward from 20 July 2020 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2021 (£)	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
Office holders' fees (time cost basis)	173,586.22	4,706.50	178,292.72	93,779.05	272,071.77
Total	189,855.32	4,706.50	194,561.82	94,779.05	289,340.87

Phones4u Finance Plc – in administration

From 21 July 2020 to 20 January 2021

	Expenses incurred brought forward from 20 July 2020 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2021 (£)	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
Office holders' fees (time cost basis)	110,098.00	4,381.00	114,479.00	93,779.05	208,258.05
Professional fees	79,966.56	-	79,966.56	-	79,966.56
Total	199,964.97	4,381.00	204,345.97	94,779.05	299,125.02

MobileServ Limited – in administration

From 21 July 2020 to 20 January 2021

	Expenses incurred brought forward from 20 July 2020 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2021 (£)	Estimated future expenses (£)	Anticipated total expenses (£)
Bank charges	61,763.70	6.50	61,770.20	100.00	61,870.20
Legal fees	109,094.23	11,522.50	120,616.73	80,000.00	200,616.73
Office holders' expenses	779.90	-	779.90	1,000.00	1,779.90
Office holders' fees (time cost basis)	201,784.97	16,465.80	218,250.77	118,779.05	337,029.82
Sundry appointment related costs	1,557.00	-	1,557.00	1,000.00	2,557.00
Total	374,979.80	27,994.80	402,974.60	200,879.05	603,853.65

Phosphorus Acquisition Limited – in administration
From 21 July 2020 to 20 January 2021

	Expenses incurred brought forward from 20 July 2020 (£)	Expenses incurred in this period (£)	Total expenses to 20 January 2021 (£)	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
Office holders' fees (time cost basis)	91,844.50	3,729.75	95,374.25	93,779.05	189,153.30
Sundry appointment related costs	434.00	-	434.00	1,000.00	1,434.00
Total	99,666.22	3,729.75	103,395.97	95,879.05	199,275.02

Policy Administration Services Limited – in administration
From 21 July 2020 to 20 January 2021

	Expenses incurred brought forward from 20 Jul 2020 (£)	Expenses incurred in this period (£)	Total expenses to 20 Jan 2021 (£)	Estimated future expenses (£)	Estimated total expenses (£)
Agents' fees	29,794,105.74	808,102.26	30,602,208.00	3,987,863.12	34,590,071
Bank charges	392,069.28	25,360.17	417,429.45	63,298.70	480,728
Duress payments	931,978.33	-	931,978.33	-	931,978
Insurance	67,816,484.24	2,189,781.18	70,006,265.42	7,546,777.60	77,553,043
IT costs	519,200.23	22,001.38	541,201.61	23,698.62	564,900
Legal fees	1,364,177.80	25.93	1,364,203.73	459,075.27	1,823,279
Office costs	413,132.00	-	413,132.00	-	413,132
Office holders' fees	6,901,703.78	403,545.90	7,305,249.68	2,501,218.76	9,806,468.44
Office holders' expenses	33,530.94	150.08	33,681.02	11,075.00	44,756
Property	18,612.88	-	18,612.88	-	18,613
Stock purchase	23,394,714.33	514,116.68	23,908,831.01	1,794,242.04	25,703,073
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	132,872,375.73	3,963,083.58	136,835,459.31	16,387,249.11	153,222,708.43

Appendix C: Remuneration update

Office holders' charging policy

The time charged to the administrations is by reference to the time properly given by the Administrators and various grades of their staff in attending to matters arising.

It is our policy to delegate tasks in the administrations to appropriate members of staff considering their level of experience and any requisite specialist knowledge, supervised accordingly, so as to maximise the cost-effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the Administrators themselves.

Our time charging policy and hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of staff actually or likely to be involved in these assignments. Time is charged by reference to actual work carried out on these assignments. There has been no allocation of any general overhead costs. The rates for the Joint Administrators and their staff are our normal rates for complex assignments.

The hourly rate for the Concurrent Administrator and their staff is the same as that of a PwC Partner and PwC Director respectively.

Specialist departments within our firm such as tax, VAT, property and pensions may charge time to these assignments if and when we require their expert advice. Such specialists' rates vary but the figures below provide an indication of the maximum rate per hour.

All staff who work on these assignments (including cashiers, support and secretarial staff) charge time directly to these assignments and are included within any analysis of time charged. Each grade of staff is allocated an hourly charge out rate which is reviewed from time to time. Work undertaken by cashiers, support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other members of staff. Time is charged by reference to actual work carried out on these assignments in six-minute units. The minimum time chargeable is three minutes (i.e. 0.05 hours).

In common with all professional firms, the scale rates used may periodically rise (for example to cover annual inflationary cost increases) over the period of the administrations. The following table shows the applicable rates for the period covered by this report:

Grade

Partner

Director

Senior Manager

Manager

Senior Associate - Qualified

Associate

Support Staff

Offshore professionals

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	From 1 July 2020 £
Partner	1,520
Director	1,465
Senior Manager	1,290
Manager	775
Senior Associate/Consultant	575
Associate/Assistant Consultant	285
Support Staff	230
Offshore professionals	-

Analysis of our time costs

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.

Please be advised that our ongoing review of our costs has identified errors with regard to certain prior charge out rates, which have now been rectified. The brought forward balances may therefore not match the previous report.

During the period of this report, we have identified time that was erroneously not reported in our last progress report to 20 July 2020, specifically for Phones 4u. This time is in relation to the Litigation workstream and primarily falls under the period March 2020 to July 2020. We have not billed this time due to the fact that creditors had not had the opportunity to review and appeal.

We set out below a summary of this time, which will be billed in the normal manner if no objections are received.

Phones 4U Limited – in administration

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Litigation	-	-	1.50	155.75	-	71.00	-	228.25	83,134.50	364.23
Total	-	-	1.50	155.75	-	71.00	-	228.25	83,134.50	364.23

Phones 4U Limited – in administration
Analysis of time costs for the period 21 July 2020 to 20 January 2021

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	4.95	10.20	6.40	-	-	21.55	12,132.75	563.00
Sale of business	2.50	-	-	-	-	-	-	2.50	2,387.50	955.00
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	0.25	3.00	-	-	3.25	1,538.75	473.46
Other assets	10.50	-	6.70	167.65	6.50	0.20	-	191.55	113,963.65	594.96
MNO Receivables	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Litigation	20.15	-	103.25	400.20	20.15	58.60	-	602.35	317,081.80	526.41
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	0.10	-	9.40	35.25	139.65	10.70	-	195.10	94,730.40	485.55
Statutory and compliance	-	-	5.40	53.25	25.50	34.80	-	118.95	56,057.85	471.27
Employees & pensions	-	-	-	-	0.80	0.30	-	1.10	461.10	419.18
Creditors	0.20	-	5.60	65.90	2.25	1.90	-	75.85	43,134.55	568.68
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	5.95	1.00	0.40	5.60	10.20	-	-	23.15	20,459.00	883.76
VAT	1.90	-	12.60	13.10	35.20	-	-	62.80	42,829.00	681.99
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
Total	41.30	1.00	148.30	751.40	249.65	106.50	-	1,298.15	704,776.35	542.91

Phones 4U Limited – in administration
Concurrent Administrator time costs for the period 21 July 2020 to 20 January 2021

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Litigation	41.60	125.90	-	-	-	-	-	167.50	145,484.00	868.56
Statutory and compliance	2.70	7.40	-	-	-	-	-	10.10	8,794.50	870.74
Creditors	11.00	6.90	-	-	-	-	-	17.90	16,301.00	910.67
Total	55.30	140.20	-	-	-	-	-	195.50	170,579.50	872.53

Phones 4U Limited – in administration
Aggregate time cost summary to 20 January 2021

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	3,868	2,074,035.70	536.17	884	434,850.00	2,508,885.70	527.94
Sale of business	938	503,070.00	536.52	-	-	503,070.00	536.52
Book debt realisations	377	176,385.95	467.71	-	-	176,385.95	467.71
Property	2,740	1,150,770.75	419.95	24	7,500.00	1,158,270.75	419.00
Other assets	2,548	1,176,645.35	461.76	268	100,000.00	1,276,645.35	453.41
MNO Receivables	3,663	1,739,407.35	474.85	Note 1	Note 1	Note 1	Note 1
Investigations	2,857	1,252,268.30	438.33	Note 1	Note 1	Note 1	Note 1
Litigation	885	428,509.30	484.41	Note 1	Note 1	Note 1	Note 1
Retention of title	1,015	424,411.25	418.04	-	-	424,411.25	418.04
Trading	2,211	947,358.30	428.53	-	-	947,358.30	428.53
Accounting and treasury	3,557	1,305,167.50	366.93	390	120,000.00	1,425,167.50	361.09
Statutory and compliance	3,723	1,549,758.15	416.24	1,230	445,000.00	1,994,758.15	402.68
Employees & pensions	4,644	1,476,265.95	317.87	-	-	1,476,265.95	317.87
Investigations	-	-	-	-	-	-	-
Creditors	7,383	3,151,508.00	426.87	102	37,500.00	3,189,008.00	426.05
Creditors committee	326	167,640.75	514.87	-	-	167,640.75	514.87
Tax	2,716	1,466,375.75	539.95	187	100,000.00	1,566,375.75	539.66
VAT	4,579	3,331,642.85	727.52	139	100,000.00	3,431,642.85	727.28
Books and records	985	275,346.30	279.43	93	25,000.00	300,346.30	278.45
Closure procedures	7	2,597.25	355.79	536	150,000.00	152,597.25	280.81
Total	49,022.79	22,599,164.75	460.99	3,853.37	1,519,850.00	24,119,014.75	456.14

Phones 4 U Group Limited – in administration
Analysis of time costs for the period 21 July 2020 to 20 January 2021

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	-	-	-	-	-	-
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	-	0.40	-	-	0.40	156.00	390.00
Statutory and compliance	-	-	0.40	0.40	7.65	-	-	8.45	4,002.25	473.64
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	0.75	-	-	0.75	222.75	297.00
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	0.50	-	-	0.50	232.50	465.00
VAT	-	-	-	-	0.20	-	-	0.20	93.00	465.00
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
Total	-	-	0.40	0.40	9.50	-	-	10.30	4,706.50	456.94

Phones 4 U Group Limited – in administration
Aggregate time cost summary to 20 January 2021

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	49.04	34,374.57	701.00	27.09	12,596.85	46,971.42	616.99
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	5.45	4,793.00	879.45	-	-	4,793.00	879.45
Retention of title	-	-	-	-	-	-	-
Investigations	8.10	6,756.50	834.14	-	-	6,756.50	834.14
Trading	18.95	8,198.75	432.65	-	-	8,198.75	432.65
Accounting and treasury	25.65	9,917.55	386.65	16.77	7,798.05	17,715.60	417.62
Statutory and compliance	171.71	65,152.90	379.44	52.03	24,193.95	89,346.85	399.33
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	42.95	22,449.50	522.69	42.14	19,595.10	42,044.60	494.12
VAT	13.45	5,214.85	387.72	42.14	19,595.10	24,809.95	446.30
Books and records	3.85	1,472.90	382.57	-	-	1,472.90	382.57
Closure procedures	2.30	1,150.50	500.22	15.00	10,000.00	11,150.50	644.54
Total	370.25	173,858.72	469.57	195.17	93,779.05	267,637.77	473.34

Phones 4u Finance Plc – in administration
Analysis of time costs for the period 21 July 2020 to 20 January 2021

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	-	-	-	-	-	-
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	-	-	-	-	-	-	-
Statutory and compliance	-	-	0.35	0.30	8.25	-	-	8.90	4,241.50	476.57
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	0.10	-	-	0.10	46.50	465.00
VAT	-	-	-	-	0.20	-	-	0.20	93.00	465.00
Total	-	-	0.35	0.30	8.55	-	-	9.20	4,381.00	476.20

Phones 4u Finance Plc – in administration
Aggregate time cost summary to 20 January 2021

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	23.15	10,538.75	455.24	27.09	12,596.85	23,135.60	460.50
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	30.40	11,021.90	362.56	-	-	11,021.90	362.56
Statutory and compliance	169.22	61,509.35	363.49	16.77	7,798.05	69,307.40	372.64
Employees & pensions	10.40	2,615.00	251.44	52.03	24,193.95	26,808.95	429.42
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	13.25	4,428.65	334.24	42.14	19,595.10	24,023.75	433.72
VAT	18.65	5,931.10	318.02	42.14	19,595.10	25,526.20	419.91
Books and records	0.45	165.50	367.78	-	-	165.50	367.78
Closure procedures	0.10	52.50	525.00	15.00	10,000.00	10,052.50	665.73
Total	307.62	111,176.40	361.41	195.17	93,779.05	204,955.45	407.64

MobileServ Limited – in administration
Analysis of time costs for the period 21 July 2020 to 20 January 2021

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	1.00	-	-	1.00	465.00	465.00
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	9.25	-	-	-	9.25	5,318.75	575.00
Property	-	-	-	-	-	-	-	-	-	-
Other assets	0.80	-	6.50	-	-	-	-	7.30	5,086.50	696.78
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	0.30	1.80	0.90	-	3.00	1,276.80	425.60
Statutory and compliance	-	-	0.40	0.70	7.35	-	-	8.45	4,086.25	483.58
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	0.30	-	-	0.30	139.50	465.00
VAT	-	-	-	-	0.20	-	-	0.20	93.00	465.00
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
Total	0.80	-	6.90	10.25	10.65	0.90	-	29.50	16,465.80	558.16

MobileServ Limited – in administration
Aggregate time cost summary to 20 January 2021

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	34.20	15,895.80	464.79	27.09	12,596.85	28,492.65	464.88
Sale of business	0.15	81.00	540.00	-	-	81.00	540.00
Book debt realisations	16.45	8,929.25	542.81	-	-	8,929.25	542.81
Property	0.10	46.00	460.00	-	-	46.00	460.00
Other assets	43.50	22,274.90	512.07	20.00	25,000.00	47,274.90	744.49
MNO Receivables	0.75	405.00	540.00	-	-	405.00	540.00
Investigations	6.55	2,283.25	348.59	-	-	2,283.25	348.59
Trading	1.50	925.50	617.00	-	-	925.50	617.00
Accounting and treasury	80.75	31,102.15	385.17	16.77	7,798.05	38,900.20	398.89
Statutory and compliance	187.90	67,921.55	361.48	52.03	24,193.95	92,115.50	383.93
Employees & pensions	0.20	59.00	295.00	-	-	59.00	295.00
Creditors	62.34	26,985.82	432.88	-	-	26,985.82	432.88
Creditors committee	0.40	116.00	290.00	-	-	116.00	290.00
Tax	79.15	37,748.45	476.92	42.14	19,595.10	57,343.55	472.78
VAT	2.25	713.10	316.93	42.14	19,595.10	20,308.20	457.49
Books and records	4.45	1,394.50	313.37	-	-	1,394.50	313.37
Closure procedures	0.25	131.25	525.00	15.00	10,000.00	10,131.25	664.34
Total	520.89	217,012.52	416.62	215.17	118,779.05	335,791.57	456.20

Policy Administration Services Limited – in administration
Analysis of time costs for the period 21 July 2020 to 20 January 2021

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	0.40	-	-	-	2.00	-	-	2.40	1,312.00	546.67
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	0.30	14.60	-	287.80	272.95	31.10	-	606.75	314,193.95	517.83
Accounting and treasury	0.10	-	0.70	10.20	34.30	15.85	-	61.15	26,782.95	437.99
Statutory and compliance	-	4.70	0.50	1.60	75.20	-	-	82.00	40,168.50	489.86
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	0.10	-	-	-	-	-	-	0.10	95.50	955.00
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	0.10	-	-	8.30	16.50	-	-	24.90	15,301.50	614.52
VAT	-	-	2.80	2.30	0.30	-	-	5.40	5,691.50	1,053.98
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
Total	1.00	19.30	4.00	310.20	401.25	46.95	-	782.70	403,545.90	515.58

Policy Administration Services Limited – in administration
Aggregate time cost summary to 20 January 2021

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
1 Strategy & Planning	869	352,595	406	908	461,065	813,659.21	458
2 Sale of business	111	51,531	466	-	-	51,531.25	466
3 Book debt realisations	20	14,803	748	-	-	14,803.00	748
4 Property	14	7,579	551	-	-	7,579.00	551
5 Other assets	660	284,316	431	914	436,421	720,737.00	458
7 Trading	10,135	4,699,821	464	1,030	559,516	5,259,337.24	471
8 Accounting and treasury	1,176	406,345	346	742	405,262	811,606.60	423
9 Statutory and compliance	1,775	729,276	411	376	236,034	965,310.15	449
10 Employees & pensions	205	87,078	425	-	-	87,077.75	425
11 Investigations	9	3,239	352	-	-	3,239.00	352
12 Creditors	370	154,900	419	170	84,498	239,398.41	444
13 Creditors committee	49	21,725	439	62	29,839	51,564.41	464
14 Tax	491	248,181	505	145	80,837	329,017.66	517
15 VAT	212	174,564	824	168	59,861	234,424.75	617
16 Books and records	72	28,507	393	-	-	28,506.50	393
17 Closure procedures	73	40,792	558	259	147,885	188,676.50	569
Total	16,241	7,305,250	450	4,774	2,501,219	9,806,468	467

Phosphorus Acquisition Limited – in administration
Analysis of time costs for the period 21 July 2020 to 20 January 2021

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	-	-	-	-	-	-
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	-	0.10	-	-	0.10	46.50	465.00
Statutory and compliance	-	-	-	0.30	7.35	-	-	7.65	3,590.25	469.31
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	0.10	-	-	0.10	46.50	465.00
VAT	-	-	-	-	0.10	-	-	0.10	46.50	465.00
Total	-	-	-	0.30	7.65	-	-	7.95	3,729.75	469.15

Phosphorus Acquisition Limited – in administration
Aggregate time cost summary to 20 January 2021

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	21.20	8,698.40	410.30	27.09	12,596.85	21,295.25	440.99
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	29.65	9,685.40	326.66	-	-	9,685.40	326.66
Statutory and compliance	162.11	57,991.35	357.73	16.77	7,798.05	65,789.40	367.79
Employees & pensions	-	-	-	52.03	24,193.95	24,193.95	-
Investigations	5.70	1,848.50	324.30	-	-	1,848.50	324.30
Creditors	8.10	2,953.90	364.68	-	-	2,953.90	364.68
Creditors committee	0.20	58.00	290.00	-	-	58.00	290.00
Tax	20.80	6,418.60	308.59	42.14	19,595.10	26,013.70	413.31
VAT	2.25	697.00	309.78	42.14	19,595.10	20,292.10	457.13
Books and records	0.45	165.50	367.78	-	-	165.50	367.78
Closure procedures	0.30	146.50	488.33	15.00	10,000.00	10,146.50	663.17
Total	259.26	92,052.65	355.06	195.17	93,779.05	185,831.70	408.93

Payments to associates

We have made no payments to associates in the period covered by this report.

Narrative of work undertaken

Earlier in this section we included tables showing our time costs from 21 July 2020 to 20 January 2021 by grade of staff and area of work for the period covered by this progress report. The following table provides further narrative on the key areas of work during the period.

Area of work	Work undertaken during the period and why this work was necessary	What financial benefit the work provided to creditors or whether it was required by statute
Strategy & planning	<ul style="list-style-type: none"> • 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; • Liaison with legal and other advisors regarding ongoing matters in the administrations; and • Responding to requests from the Concurrent Administrator <p><i>(Policy Administration Services Limited only)</i></p> <ul style="list-style-type: none"> • Ongoing planning for the closure of the PAS scheme. • Strategy and planning in regards to potential extension of the administration. <p>This work was necessary for planning and project managing the many different workstreams.</p>	Assisted in the efficient, structured and timely management of the administrations, leading to a faster completion and return to creditors.
Trading	<p><i>(Policy Administration Services Limited only)</i></p> <ul style="list-style-type: none"> • 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 the LSG's performance; • Reviewing claims referred to the FOS and identifying root causes. <p>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.</p>	Maintaining profitability of the PAS business for the benefit of creditors.
Litigation	<p><i>Concurrent Administrator</i></p> <ul style="list-style-type: none"> • Oversight of Litigation including liaising with QE, Counsel and other advisers regarding strategy, project management, disclosure and inter-partes correspondence; • Preparation for and attendance at relevant Court hearings, including instruction of Counsel and QE; and • Liaison with PwC and Joint Administrators in connection with requirements of the Disclosure Order. 	Potential additional recoveries and response to requests mandated by the Court

Joint Administrators

- Responding to requests under the Disclosure Order; and
- Management of the significant cash reserves to fund Litigation.

Due to the potentially material and commercially sensitive nature of these investigations, it is not appropriate to disclose any further information.

Property	<ul style="list-style-type: none">• Liaising with landlords and their agents / solicitors regarding surrender of leases;• Liaising with our solicitors with regard to surrender of leases and re-let properties;• Liaising with landlords and responding to queries; and• Maintaining our property files with progress against each store. <p>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.</p>	Mitigates claims against the administrations.
Other matters	<ul style="list-style-type: none">• Liaising with our insurers for the purpose of maintaining adequate insurance cover for assets and risks in the post-appointment period. <p>This work was necessary to ensure appropriate insurance of assets and to ensure that assets are properly dealt with.</p> <p><i>(Policy Administration Services Limited only)</i></p> <ul style="list-style-type: none">• Attending board meetings with P4UC to oversee the running of the subsidiary. <p>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.</p>	<p>Mitigation of the risk of claims against the administration and loss of assets.</p> <p>Enhanced asset realisations because profits from the PAS business accumulate in P4UC and are paid to PAS by way of a dividend on a quarterly basis.</p>
Creditors & Committee	<ul style="list-style-type: none">• Planning and preparation of financial and operational information for creditors;• Preparing for and following up on Noteholder meetings;• Maintaining information on our dedicated website;• Responding to general creditor and customer enquiries;• Maintaining a database of creditor claims;• Maintaining the creditor helpline and mailbox in respect of creditor claims. <p><i>(Policy Administration Services Limited only)</i></p> <ul style="list-style-type: none">• Transferred any uncashed dividends that are over six months old in PAS to the ISA;• Maintaining the creditor helpline and mailbox in respect of creditor claims. <p>This work was necessary to determine the value of creditor claims so that a distribution strategy may be determined, and dividend payments made to creditors.</p>	<p>Provides information necessary to creditors (who have an economic interest in the outcome of the administration), both collectively and individually.</p> <p>Enables the distribution of the prescribed part dividends.</p>
VAT	<ul style="list-style-type: none">• Preparing and submitting quarterly VAT returns to HMRC;• Regular detailed reconciliations of transactions for VAT purposes; and• Liaising with HMRC. <p>This work was necessary to comply with our legal obligation to submit tax returns, to reach certainty on the post-administration tax position.</p>	Statutory and regulatory responsibilities.

Tax	<ul style="list-style-type: none"> Preparation of quarterly instalment payment calculations with respect to the FY20 period, including analysis with respect to the actual and estimated receipt and payment information for the period; and Ad hoc tax compliance matters e.g. liaising with HMRC on general issues. <p><i>(Policy Administration Services only)</i></p> <ul style="list-style-type: none"> Filing tax returns and making quarterly payments on account. Calculating and paying income tax due on interest payments on customer refunds. Considering the tax efficiency of the PAS scheme. <p>This work was necessary to comply with our legal obligation to submit tax returns, to reach certainty on the post-administration tax position and to enable agreement of HMRC's unsecured claim.</p>	Statutory and regulatory responsibilities.
Accounting and treasury	<ul style="list-style-type: none"> Dealing with general accounting and treasury functions, including payments, receipts and journal postings; and Actively managing cash holdings, including regular money market investments to increase returns whilst ensuring credit risk is appropriately managed. <p><i>(Policy Administration Services only)</i></p> <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. Liaising with Lloyds Bank regarding efficient and cost-effective transfer of premiums. Operating finance functions, including bank account transfers and payment requisitions. Managing funds held in order to maximise interest returns. <p>This work was necessary for preparing and authorising receipt and payment vouchers and carrying out bank reconciliations. For PAS, it ensures the correct allocation and accounting for premiums and refunds.</p>	<p>Ensured funds are managed securely and that such funds are generating returns.</p> <p>Complying with statutory and regulatory duties regarding the holding and accounting for funds.</p>
Statutory and compliance	<ul style="list-style-type: none"> Preparing and issuing our thirteenth progress report to creditors; 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. <p>This work was necessary to satisfy statutory and regulatory responsibilities.</p>	Statutory and regulatory responsibilities.
Books and records	<ul style="list-style-type: none"> Liaising with third party storage providers in relation to company books and records that we have a legal obligation to maintain. <p>This work was necessary to ensure the proper stewardship of company books and records.</p>	Statutory and regulatory responsibilities.

Our future work

The following table provides a summary of the key areas of work on which we expect to focus in the coming months in order to achieve the purpose of the administrations. Note, we have only included the significant areas of work and therefore this is not an exhaustive list.

Area of work	Work we need to do	Estimated cost to 20 March 2023 (£m)	Whether or not the work will provide a financial benefit to creditors
Strategy & 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. <p><i>(Policy Administration Services only)</i></p> <ul style="list-style-type: none"> Consideration of strategic approach in planning for a smooth exit of the business once it is no longer viable for PAS to continue trading 	0.95	Assist in the timely, structured and efficient completion of the administration and return to creditors.
Trading	<p><i>(Policy Administration Services only)</i></p> <ul style="list-style-type: none"> Actively monitoring the insurance business, its activities and those of LSG in including operations of the customer call centre and claims processes; Determining how best to promote the longevity of the scheme; Ongoing monitoring of the profit and loss and balance sheet, comparing forecast and actuals; and Managing and updating communications to all policyholders. 	0.56	Maintaining profitability of the PAS business for the benefit of creditors.
Assets (including Litigation and other assets) *	<ul style="list-style-type: none"> Liaising with QE, Counsel and other advisors regarding the Litigation; Active management of cash holdings, including placing regular money market investments to increase returns; Collection of outstanding debtors due. <p><i>(Policy Administration Services only)</i></p> <ul style="list-style-type: none"> Continue to monitor the performance and governance of P4UC; and Ensure P4UC has appropriate closure plans. 	0.56	Potential additional recoveries and response to requests mandated by the Court
Property	<ul style="list-style-type: none"> Manage and reduce any liabilities we have with respect to the property portfolio including ongoing leases and utility payments. 	0.01	Mitigate claims against the administrations.

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. 	0.15	Direct benefit to creditors through payment of distributions and provision of information.
VAT liabilities	<ul style="list-style-type: none"> • Ongoing drafting and submission of quarterly VAT returns; • Finalise VAT matters 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. 	0.26	Statutory and regulatory requirements.
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. <p><i>(Policy Administration Services only)</i></p> <ul style="list-style-type: none"> • Filing tax returns and making quarterly payments on account; and • Calculating and paying income tax on interest payments on customer funds. 	0.24	Statutory and regulatory requirements and enables reaching certainty on the post-administration tax position.
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 dealing with funds invested on the money markets; • Carrying out periodic bank reconciliations; and • Corresponding with the bank regarding specific transfers. 	0.56	Ensure proper stewardship of the funds held. Management of the funds will generate greater recoveries for creditors.
Statutory & compliance	<ul style="list-style-type: none"> • Drafting and circulating six monthly progress reports to unsecured creditors; • Ongoing compliance with regulatory requirements; • Maintaining case files; and • Dealing with inbound correspondence and queries. 	0.80	Statutory and regulatory requirements.
Closure	<ul style="list-style-type: none"> • Dealing with closure formalities; • Obtaining tax and VAT clearances from HMRC; • Obtaining clearances from external third parties with regard to commitments made during the administrations; and • Closing down internal systems. 	0.34	Ensure that the Companies' affairs are wound down in an orderly manner.

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

Disbursements

Our firm's expenses policy allows for all properly incurred expenses to be recharged to the administrations. Disbursements are charged to the administrations as shown below.

SIP9 defines 'Category 2' expenses as those that are "directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the office holder and their firm, and that can be allocated to the appointment on a proper and reasonable basis".

All other disbursements are 'Category 1' disbursements which are reimbursed at cost. SIP9 defines 'Category 1' disbursements as "payments to independent third parties where there is specific expenditure directly referable to the appointment in question". These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his staff.

A summary of the disbursements incurred from 21 July 2020 to 20 January 2021 is provided below.

Phones 4U Limited – in administration

Summary of disbursements incurred to 20 January 2021

Category	Policy	15 September 2014 to 20 July 2020 (£)	21 July 2020 to 20 January 2021 (£)	Total to 20 January 2021 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	20,444.92	-	20,444.92
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. We negotiated a reduction in rates with the PwC Legal LLP. The reduced rates were applied from 11 February 2016 and are set out below with the previous rates included in brackets.	467,619.91	-	467,619.91
	Partner	£395 (£495)		
	Senior Manager	£280 (£355)		
	Manager	£210 (£265)		
	Solicitor	£140 (£245)		
	Trainee Solicitor	£125 (£160)		
	In common with all professional firms, the scale rates used may rise periodically (for example to cover annual inflationary cost increases) over the period of the administration. Any material amendments will be advised to creditors in the next statutory report.			
2	Specialist software usage:			
	License fees - at £100 per month for each named user accessing the online review platform and £50 per Gigabyte of data processed.	36,598.00	4,499.55	41,097.55
	Hosting - at £25 per Gigabyte of data processed per calendar month	334,592.00	33,979.00	368,571.00
	We are in the process of determining the most appropriate and cost effective method of seeking approval for these costs, which may involve seeking approval from the secured creditors in due course.			

1	All other disbursements reimbursed at cost:			
	External venue costs	35,601.05	90.00	35,691.05
	Concurrent Administrator disbursements	247.00	-	247.00
	Hotel accommodation	35,143.90	-	35,143.90
	Rail fares	27,162.48	320.00	27,482.48
	Air fares	45,474.16	-	45,474.16
	Postage	53,967.27	6.73	53,974.00
	Subsistence costs	9,562.09	-	9,562.09
	Taxi fares	7,878.46	82.00	7,960.46
	Mobile phone usage	1,933.77	-	1,933.77
	Storage	-	164.00	164.00
	Other	22,785.56	399.59	23,185.15
	Total	1,129,103.56	39,540.87	1,168,644.43

Phones 4 U Group Limited – in administration
Summary of disbursements incurred to 20 January 2021

Category	Policy	15 September 2014 to 20 July 2020 (£)	21 July 2020 to 20 January 2021 (£)	Total to 20 January 2021 (£)
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 2021

Category	Policy	15 September 2014 to 20 July 2020 (£)	21 July 2020 to 20 January 2021 (£)	Total to 20 January 2021 (£)
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 2021

Category	Policy	15 September 2014 to 20 July 2020 (£)	21 July 2020 to 20 January 2021 (£)	Total to 20 January 2021 (£)
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 2021

Category	Policy	15 September 2014 to 20 July 2020 (£)	21 July 2020 to 20 January 2021 (£)	Total to 20 January 2021 (£)
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 2021

Category	Policy	15 September 2014 to 20 July 2020 (£)	21 July 2020 to 20 January 2021 (£)	Total to 20 January 2021 (£)
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	13.46	6.73	20.19
	Air fares	881.79	-	881.79
	Other	2,201.37	53.35	2,254.72
Total		33,530.94	150.08	33,681.02

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 £286m 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 85%.

We explained in Section 5 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.

Subcontractors

The table below includes subcontractors we have used on these cases where the work could have otherwise been done by ourselves. This principally relates to the business rates refunds and utility and property management work.

In the circumstances of the case we are satisfied that subcontracting the work was more cost effective and therefore in the best interest of creditors.

Summary of legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Basis of fees
Business rates refund collections	CAPA	Commission
Business rates refund collections	Exacta Plc	Commission
Electronic data retrieval & removal	OCM Business Systems Limited	Time and expenses
Employee legal services	PwC Legal LLP	Time and expenses
Insurance broker	JLT Speciality Limited	Insurance policy cost
Lease assignments	Eversheds LLP	Time and expenses
Legal services	Shakespeares Legal LLP	Time and expenses
Legal services and advice	Allen & Overy LLP	Time and expenses
Legal services in relation to deeds	Knights Solicitors LLP	Time and expenses
Litigation services	Economic adviser (Confidential)	Time and expenses
Litigation services	Alvarez & Marsal	Time and expenses
Litigation services	Quinn Emmanuel Urquhart & Sullivan LLP	Time and expenses
Property consultants	Retail Agents 210 Limited	Time and expenses
Property legal services	DLA Piper LLP	Time and expenses
Sale of leasehold properties agent	Prime Retail Property Consultants LLP	Commission
Utility management	GMS Legal Services Limited	Fixed fee per site

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
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 (<i>both of the London address shown on the left</i>) Contact: rajan.kalsi@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.					
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 ("Joint Administrators"). 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.					

Appendix E: Estimated financial outcome statement

(£m)	EOS
Total asset realisations	434.4
Less costs of realisations	(21.2)
Net realisations	413.3
Total PAS	33.2
Other costs	
Administrators' fees (exc. PAS)	(23.7)
RCF set-off & Trustee Costs	(20.1)
Other professional fees	(9.7)
Other professional fees (relating to Investigations only)	(5.9)
Litigation costs	(6.3)
Litigation - Security for costs	(9.8)
Preferential creditors	(1.7)
Prescribed part	(1.1)
Corporation tax (exc PAS)	(1.9)
VAT	-
Total available to secured creditors	366.3
Super senior notes	430.0
Estimated return	85%
Total returns, £m	
Returned to date	219.3
Future return	147.0
Estimated return	366.3
Total returns, %	
Returned to date	51%
Future return	34%
Estimated return	85%