In accordance with rule 1.49 of the Insolvency (England and Wales) Rules 2016

This notice is for use when delivering a particular document and is not a general website notice.

Notice of use of website to deliver a document

Name of company	Company number
Phosphorus Holdco Plc	07479181

In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number
	7184 of 2014

We (b) David James Kelly and Ian David Green, the joint administrators of the company, give notice to creditors and members that the following documents are available for viewing and downloading on a website:

1. *The Joint administrators' progress report for period 7 February 2019 to 6 August 2019*
2. *Letter to creditors enclosing notice seeking decisions by correspondence dated 28 August 2019*

The website address is (f) www.pwc.co.uk/phones4u

A password is not required to view and download the document.

These documents will be available on the website until at least two months after this insolvency procedure ends, or the last office-holder receives their release.

A recipient of this notice may request, free of charge, a hard copy of the documents by (h)

- writing to May Mehdi at the address below; or
- telephoning May Mehdi on 0113 289 4742; or
- emailing creditorenquiries@uk.pwc.com (*)

(*) Please include in the email title the name of the insolvent company and in the body of the e-mail your/the creditor's name and your postal address, if different from the address to which this notice was sent.

Please use the above email address to request hard copies only and not for general queries.

A hard copy of the documents should be delivered free of charge within 5 business days of the receipt of a request.

Dated: 28 August 2019

The joint administrators contact details are PricewaterhouseCoopers LLP, 8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL

Email address: maysoon.mehdi@pwc.com
Telephone number: 0113 289 4742

David James Kelly and Ian David Green have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents and without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The joint 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

The joint administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the joint administrators. Personal data will be kept secure and processed only for matters relating to the joint administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the joint administrators

To all unsecured creditors

4 September 2019

Our ref: MM/AT/PhosphorusHoldco/AM009/wp20190829

Dear Sirs

Phosphorus Holdco Plc - in administration ("the Company")

Please find enclosed a copy of our latest progress report to creditors. As you will see in the report the Administrators are pleased to confirm that the long running and complex litigation we have been pursing on your behalf has been concluded and will enable us to pay a dividend to unsecured creditors.

At the date of appointment the Company had limited funds available and the litigation was only able to be progressed due to the willingness of ourselves and our legal advisors Brown Rudnick to put our fees at risk. As this matter has now been resolved we are seeking to pay a dividend and bring the liquidation to a close.

As part of this process we are:

i. Seeking agreement on a final fee resolution; and
ii. Asking for final proofs of debt to be submitted to enable the calculation and declaration of a dividend.

In respect of our fees we wrote to you on 22 August 2017 seeking a decision on various resolutions including the basis of our fees in relation to our investigation work and pursuit of claims against third parties (defined in the Remuneration Report dated 22 August 2017 as "the Included Work"). All these resolutions were duly approved by creditors.

We did not seek approval to draw fees for all our other work as joint administrators (defined as "the Excluded Work"). Instead, we explained that we would return to creditors seeking further fee approval once the outcome of the claims became clearer.

In the attached progress report we explain in more detail the settlement achieved, the proposed basis of our remuneration, the analysis of our costs and the anticipated dividend process for unsecured creditors.

In recognition of the size of the dividend available to creditors;

- We have forgone our success fee to which we were entitled under the litigation funding agreement; and
- We are proposing to cap our final fee at £287,529 including expenses in respect of the Excluded Work, for which our time costs to date are £474,356.

PricewaterhouseCoopers LLP, Central Square, 29 Wellington Street, Leeds, LS1 4DL
T: +44 (0) 113 289 4000, F: +44 (0) 113 289 4460, www.pwc.co.uk

Action required by you

We are asking the creditors to decide on the following resolution:

1. That our remuneration be determined as a set fee of £278,529 in relation to the Excluded Work (as described in pages 9 to 17 of Appendix 3).

Please read this letter and its enclosures carefully and then complete and return the forms as summarised below:

Forms to complete:	1. Notice to creditors seeking decisions by correspondence 2. (if not previously returned) A completed proof of debt form
Return address:	c/o PwC, Level 8, Central Square, 29 Wellington Street, Leeds, LS1 4DL or by email to maysoon.mehdi@pwc.com
Deadline for submission:	23.59 hours on 27 September 2019

As now required by Rule 3.39 (4) of the Insolvency (England and Wales) Rules 2016, when a decision of creditors is requested, creditors are provided with an opportunity to form a committee if sufficient creditors are willing to act on it. Please see the attached form for more details.

If you have any queries, please contact May Mehdi on maysoon.mehdi@pwc.com or 0113 289 4742.

Yours faithfully

David J Kelly
Joint administrator

Enclosures

Appendix 1	Basis of our remuneration
Appendix 2	Notice to creditors seeking decision by correspondence
Appendix 3	Progress report for period ended 6 August 2019

David James Kelly and Ian David Green have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents without personal liability. They are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. The joint 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.

The joint administrators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the joint administrators.

Personal data will be kept secure and processed only for matters relating to the joint administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the joint administrators.

Appendix 1- Basis of our remuneration

As confirmed in the attached progress report, as a result of our investigations and a lengthy formal mediation process between the Company and certain third parties, a settlement of £4,550,000 has been reached in respect of all claims asserted by the Company.

After accounting for the professional costs of the investigations and activity required to support the legal action and repayment of the third party litigation funding, we estimate there will be a dividend to unsecured creditors of the Company.

Pursuant to the terms of a Deed of Waiver and Release dated 26 April 2019 between the Administrators, the litigation funders and our lawyers Brown Rudnick LLP (the "Litigation Funding Settlement"), it was agreed that the settlement funds received would be used by the Company as follows:

1. To repay the litigation funders pursuant to the litigation funding agreement (in order to pursue the litigation various costs and expenses needed to be paid and funding was sought to meet the these, absent which we would not have been able to continue with the litigation);
2. To pay the legal fees and disbursements of Brown Rudnick LLP of £1,266,417 (excluding VAT); and
3. To pay the Administrators' remuneration up to the value of £1,403,666 (excluding VAT), subject first to obtaining the necessary approval from the Company's creditors. The administrators remuneration covers the period from the date of appointment (8 October 2014) to (6 August 2019).

The surplus remaining after the deduction of these costs and any further administration expenses is available for the Company's creditors.

With regards to point 3 above, we set out below the manner in which our remuneration is to be determined.

The Included Work

As explained earlier, creditors previously agreed that we could draw fees on a time cost basis in respect of our investigation work and pursuit of claims against third parties ("the Included Work"). At the time of seeking that consent, the cost of the Included Work was £798,947. The final level of costs, after completion of the settlement agreement, was £1,116,137.

No fees have been drawn since the date of appointment for the Included Work, but we expect to draw £1,116,137 in due course.

The Excluded Work

Our total remuneration is capped at £1,403,666 plus VAT by the Litigation Funding Settlement. After deduction of already approved fees in relation to the Included Work, the amount remaining for our remuneration is £287,529 plus VAT.

Our time costs for the period to date are £474,356, and further costs are still to be incurred in the region of £60,000. Collectively these will be in excess of the capped amount. Therefore, we are proposing that creditors approve a set fee in relation to this work at the discounted amount of £287,529 plus VAT. The Administrators will write off the balance of £246,827

The Excluded Work is explained at Appendix C in our progress report.

The Included Work had a direct financial benefit for creditors. For the most part, the Excluded Work was required by statute, regulation or was necessary for the orderly management and wind-down of the Company's affairs prior to its anticipated dissolution in due course.

Accordingly, the Excluded Work did not have a direct financial benefit for creditors, other than in the effective management of costs and supporting progression of the case to the point of now preparing for a dividend to be made available for creditors.

Future work still to be completed

Also at Appendix C in our progress report, we provide details on the key areas of work relating to the Excluded Work that is still to be completed in the administration prior to dissolution.

Appendix 2- Notice to creditors seeking decisions by correspondence

Notice to creditors seeking decisions by correspondence

Name of Company	Company Number
Phosphorus Holdco Plc	07479181

In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 7184 of 2014

(a) Insert full names of administrators

We (a) David James Kelly and Ian David Green both of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT, joint administrators of the company give notice to creditors that we are seeking decisions by correspondence on the following resolutions:

(b) Insert resolution

(b) THAT the administrators' fees for dealing with matters arising in respect of the Excluded Work be fixed as a set fee of £287,529 plus VAT including expenses.

AND as to whether a creditors' committee should be established if sufficient creditors are willing to be members. Information on the formation, rights, duties and functions of a committee can be found in the attached guide for creditors.

(c) Enter decision date

We therefore invite you to vote on the above. To submit your vote please indicate below whether you are voting for or against the resolution and whether or not you want a committee to be established and return this notice to us by post at the address below, to be received by us by 23.59 hrs on (c) 27 September 2019 (the decision date).

In order to be entitled to vote we must receive from you by 23.59 hrs on the decision date, a proof in respect of your claim in accordance with the Insolvency (England and Wales) Rules 2016 (IR16), failing which your vote will be disregarded. A proof of debt form which you can use is attached.

If your debt is treated as a small debt in accordance with rule 14.31(1) IR16 (creditors with claims of £1,000 or less), you must still deliver a proof to us by 23.59 hrs on the decision date if you wish to vote.

If you have opted out from receiving notices you may nevertheless vote if you provide a proof as set out above.

Creditors who meet one of the thresholds in section 246ZE of the Insolvency Act 1986 may, within five business days from the date of delivery of this notice, require a physical meeting to be held to consider the matter(s) set out above. The relevant thresholds are 10% in value of creditors, 10% in number of creditors, or 10 creditors.

If you wish to nominate any creditor(s) to be members of a creditors' committee if creditors decide that a committee should be established, please deliver your nomination to us by 19 September 2019. A nomination can only be accepted if we are satisfied as to the creditor's eligibility under rule 17.4 IR16.

A creditor may appeal a decision in accordance with rule 15.35 IR16 by applying to court not later than 21 days after the decision date.

Signed

Dated 28 August 2019

Address for correspondence

Administrators' postal address: PricewaterhouseCoopers LLP, 8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Administrators' contact telephone number: 0113 289 4742

In accordance with rule 15.9 of the Insolvency (England and Wales) Rules 2016

Name of Company	Company Number
Phosphorus Holdco Plc	07479181
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 7184 of 2014

To be completed by creditor and returned to the postal address above if you wish to vote

Insert creditor's name and address, and registered number if a company

I/We ____

Company number (if creditor is a company) ______________________

of____

____

vote as follows:

	Delete as applicable *
Resolution (1) THAT the administrators' fees for dealing with matters arising in respect of the Excluded Work be fixed as a set fee of £287,529 plus VAT.	*** for / against**

Decision whether a creditors' committee should be established

I/we want a creditors' committee to be established if sufficient creditors are willing to be members.* **OR**

I/we do not want a creditors' committee to be established. *
***Delete as applicable**

Committee member:
I/we nominate [creditor to insert name of creditor*] ______________________ to be a member of the committee if one is established.
*If you wish to nominate a creditor to be a member of a committee if one is established, please insert here the name of that creditor. A creditor can nominate themselves or another creditor. If the creditor is a company you must insert the company's name

Committee member's consent to act and representative:

I/we consent to act as a member of the committee and authorise [insert representative's name here*] ______________________________to represent me/us on the committee with authority to act generally.

* A creditor which is a company or other body corporate must be represented by an individual. A creditor who is an individual can be represented by another individual but does not need to be. If you don't insert the name of a representative, the nominated creditor can still be represented on any committee, but may need to provide a letter of authority to the representative before they can act. A representative may be authorised to act either generally or specifically. If you wish to authorise your representative to act specifically, please amend the authority above and state in what respect they are authorised to act.

THIS FORM CONTINUES ON THE NEXT PAGE...

Name of Company Phosphorus Holdco Plc	Company Number 07479181
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 7184 of 2014

I/we enclose my/our proof of debt (if not previously submitted).

Signature of creditor or person authorised to act on behalf of the creditor:

____

Name in block capitals:

____

Position with or relation to the creditor (e.g. director, company secretary, solicitor):

____

Date: ____

Appendix 3- Progress report for period ended 6 August 2019

Joint administrators' progress report for the period 7 February 2019 to 6 August 2019

Phosphorus Holdco Plc
(in administration)

28 August 2019

High Court of Justice, Chancery Division, Companies Court

Case no. 7184 of 2014

Contents

Abbreviations and definitions

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

Abbreviation or definition	Meaning
“Administrators”, “we”, “us”, “our”	David James Kelly and Ian David Green
“Brown Rudnick”	Brown Rudnick LLP
”HMRC”	HM Revenue & Customs
“IR16”	Insolvency (England and Wales) Rules 2016
“IA86”	Insolvency Act 1986
“PIK Notes”	£208m aggregate principal amount of Senior PIK Toggle Notes due 2019
“PIK Noteholders”	Holders of the above Notes
“preferential creditors”	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
“Proposals”	The administrators’ statement of proposals for achieving the purpose of the administration
“Sch.B1 IA86”	Schedule B1 to Insolvency Act 1986
“secured creditors”	Creditors with security in respect of their debt, in accordance with Section 248 IA86
“the Company”	Phosphorus Holdco Plc
“the Group” or “Phones 4U”	The Company together with Phones 4u Limited, Phone 4U Group Limited, Phones4U Finance Plc, MobileServ Limited, Phosphorus Acquisition Limited, 4U Limited, 4U Wi-Fi Limited, Jump 4U Limited, Life Mobile Limited and Policy Administration Services Limited (see www.pwc.co.uk/phones4u for details of insolvency procedures affecting these companies).
“unsecured creditors”	Creditors who are neither secured nor preferential
“Included Work”	The joint administrators’ time costs in relation to investigatory work and pursuit of claims against third parties (as defined in the Remuneration Report dated 22 August 2017) which was duly approved by creditors on 11 September 2017.
“Excluded Work”	All other work undertaken by the joint administrators in managing the administration and the Company’s affairs that is not the Included Work.
“Scoggin”	Scoggin International Fund Limited

Key messages

Introduction

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

Company	*Date of appointment*
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
4U Limited	15 September 2014
4U Wi-Fi Limited	15 September 2014
Jump 4U Limited	15 September 2014
Life Mobile Limited	15 September 2014
Policy Administration Services Limited*	16 September 2014
Phosphorus Holdco Plc	8 October 2014

This progress report covers only Phosphorus Holdco Plc. On 12 August 2019, a separate report was issued to the creditors of the six companies contained within a common security structure (all indicated by * above). On 24 October 2018, a separate progress report was issued to the creditors of 4U Wi-Fi Limited, Jump 4U Limited, Life Mobile Limited (all now in liquidation). The administration of 4U Limited ended on 10 September 2015 and the company has since been dissolved.

We refer you to our Proposals for an explanation of why the various companies were put into administration and how the purpose of the each administration is expected to be achieved. Our earlier reports explained the progress in this case to 6 February 2019 and 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.

Why we've sent you this report

We're writing to update you on the progress of the administration of the Company in the six months to 6 August 2019.

This report includes an analysis of our time costs and expenses incurred in relation to the Excluded Work for which we are seeking the creditors' approval.

You can still view our earlier reports on our website at www.pwc.co.uk/phones4u. Please get in touch with May Mehdi on 0113 289 4742.

How much creditors may receive

The following table summarises the possible outcome for creditors*, based on what we currently know.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	n/a	n/a
Preferential creditors	n/a	n/a
Unsecured creditors	Less than 2	Unknown

**Please note this guidance on dividends is only an indication and should not be used as the main basis of any bad debt provision or debt trading.*

As previously reported, there are no secured or preferential creditors in the administration and amounts become available for unsecured creditors only if there are sufficient funds remaining after the expenses of the administration have been discharged.

We have previously advised that any dividend is wholly dependent on the outcome of recoveries arising from our investigatory work. We are pleased to advise that as a result of our investigations and the lengthy and complex legal arguments a formal mediation process between the Company and certain third parties was agreed and arising from which, a settlement has been reached in respect of all claims asserted by the Company.

The level of any dividend will be affected by the total level of unsecured claims against the Company. As per the directors' statement of affairs, the total unsecured liabilities of the Company could be up to £284.3m, made up of the PIK Note debt of £208m, a £69.2m unsecured claim for VAT liability arising due to the Company being a member of the Phones 4u VAT group and £1m of other direct liabilities.

Progress reports to the creditors of Phones 4U Limited, which can be found at www.pwc.co.uk/phones4u, provide further explanation and details on the VAT liability with HMRC.

What you need to do

Applicable to ALL creditors

As set out in the covering letter to this report, all creditors that wish to vote in relation to any decision procedure during the administration or object to a decision sought by deemed consent, including the current proposed resolution for approval of our remuneration will need to return both:

1. The Notice to creditors seeking decisions by correspondence; and
2. A completed proof of debt (if not previously provided).

All creditors wishing to receive the anticipated dividend payment must also submit a proof of debt.

We anticipate issuing a formal Notice of Intended Dividend in due course, but, in the meantime, subject to the specific instructions to PIK Noteholders below, we continue to invite creditors to submit their claims so that we can agree them for dividend purposes.

PIK Noteholders

It has been agreed that PIK Noteholders need not submit individual proofs of debt for dividend purposes because Citibank will do so on your behalf. However, as mentioned above, PIK Noteholders should note that such an individual proof will be required, if not already provided, should the PIK Noteholder wish to vote in relation to the current, or any future, decision procedure. We understand that Citibank, N.A., London Branch (as Trustee, Paying Agent and Transfer Agent and Security Agent) and Citigroup Global Markets Deutschland AG (as Registrar) will be issuing a separate notice to PIK Noteholders in due course with specific instructions.

Progress since we last reported

Investigations and actions

As referred to in our most recent progress report to creditors for the period ending 6 February 2019, the only material asset in the administration related to the potential claims against third parties. In order to pursue these claims, we sought and secured litigation funding from the market. Those funds contributed towards formulating the claims, seeking advice from counsel, and issuing pre-action correspondence to the potential defendants.

We are now pleased to advise that as a result of our investigations and a formal mediation process between the Company and certain third parties, a settlement totalling £4,550,000 has been reached in respect of all claims asserted by the Company.

After accounting for the professional costs of the investigations and repayment of the third party litigation funding, we estimate there will be a small dividend to unsecured creditors of the company.

Other matters

In the last six months, we have also fulfilled our statutory obligations including preparing and issuing the ninth progress report for creditors.

Dividend to creditors

Following the realisation of the claim against third parties we believe it is more cost effective and therefore in the best interests of the creditors to make a distribution within the Administration. We will be applying to Court to seek approval to distribute and we will advise creditors of the result in our next report.

Our receipts and payments account and estimated outcome statement

We set out in Appendix A an account of our receipts and payments for the period 7 February 2019 to 6 August 2019 together with a cumulative account since our appointment. Also attached at Appendix A is our estimated outcome statement which shows that funds totalling approximately £566k should be available to unsecured creditors. Creditors should note that the estimated outcome statement is only an illustration of anticipated future dividends to creditors and should not be relied upon in any way. The amount actually available for distribution to creditors may be materially different.

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.

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.

At the time of issuing this report, we are also asking creditors to determine the basis of our remuneration in relation to our Excluded Work. We will update creditors on the outcome in our next report.

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/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en

You can also get a copy free of charge by telephoning May Mehdi on 0113 289 4742.

What we still need to do

We still have the following key tasks to complete prior to the conclusion of the administration:

- Seek tax and VAT clearance for the Company;
- Apply to Court to seek approval to distribute to unsecured creditors in the administration;
- Issue the Notice of Intention to Distribute ("NOID") at the earliest possible date once the Court order has been granted;
- Claims agreement process for all claims received to date and in the proving period;
- Pay the distribution to the unsecured creditors of the Company and deal with any unclaimed funds;
- Draft and issue the joint administrators' final account in the administration to all known creditors prior to the end of the current administration term in March 2020; and
- Draft and issue the notice of dissolution to be sent to the Registrar of Companies.

Subject to receiving the require tax clearances, we do not believe a further extension to the period of the administration is required. Therefore we believe all remaining work will be completed by March 2020.

Next steps

We expect to send our next report to creditors at the end of the administration or in about six months, whichever is the sooner.

If you've got any questions, please get in touch with May Mehdi on 0113 289 4742.

Yours faithfully
For and on behalf of the Company

David Kelly
Joint administrator

David James Kelly and Ian David Green have been appointed as joint administrators of Phosphorus Holdco plc to manage its affairs, business and property as its agents without personal liability. Both are licensed in the United Kingdom to act as an Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

The joint 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. The joint administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the joint administrators. Personal data will be kept secure and processed only for matters relating to the joint administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the joint administrators.

Appendix A: Receipts and payments and estimated outcome statement

Directors' statement of affairs		7 August 2018 to 6 February 2019	8 October 2014 to 6 February 2019	7 February 2019 to 6 August 2019	Total to 6 August 2019
£		£	£	£	£
	Receipts				
14,424.00	Cash in hand	-	14,423.24	-	14,423.24
2,894.00	Intercompany debtors	-	-	-	-
	Legal fees & expenses		6,236.83	-	6,236.83
	Litigation funding costs		362,400.00	(362,400.00)	-
	Investigation settlement agreement		-	4,550,000.00	4,550,000.00
	Bank interest gross	439.61	979.31	3,178.27	4,157.58
17,318.00	**Total receipts**	**439.61**	**384,039.38**	**4,190,778.27**	**4,574,817.65**
	Payments				
	Joint administrators' fees (time cost basis)		-	-	-
	Joint administrators' expenses		-	-	-
	Bank charges	-	15.00	-	15.00
	Legal Fees- Brown Rudnick		102,160.50	1,220,876.00	1,323,036.50
	Legal Disbursements- Brown Rudnick	-	89,200.00	45,540.86	134,740.86
	Legal Fees- A&O		6,236.83	-	6,236.83
	Litigation funding costs		-	523,250.00	523,250.00
	Professional Fees- CEDR Limited	3,780.00	3,780.00	1,260.00	5,040.00
	Irrecoverable VAT		35,552.10	254,798.51	290,350.61
278,042,628	Distribution to unsecured creditors (estimated at <2p in the £)		-	-	-
	Total payments	**3,780.00**	**236,944.43**	**2,045,725.37**	**2,282,669.80**
	Net receipts & payments	**(3,340.39)**	**147,094.95**	**2,145,052.90**	**2,292,147.85**
(278,025,310)	**Balance held in interest bearing current account**	**(38,892.49)**	**147,094.95**	**2,145,052.90**	**2,292,147.85**
	Represented by				**£**
	Held in Barclays a/c				(2,292,147.85)

Directors' statement of affairs		Total to 6 August 2019	Estimated future costs	Estimated final outcome
£		£	£	£
	Receipts			
14,424.00	Cash in hand	14,423.24	-	14,423.24
2,894.00	Intercompany debtors	-	-	-
	Legal fees & expenses	6,236.83	-	6,236.83
	Litigation funding costs	-	-	-
	Investigation settlement agreement	4,550,000.00	-	4,550,000.00
	Bank interest gross	4,157.58	-	4,157.58
17,318.00	**Total receipts**	**4,574,817.65**	**-**	**4,574,817.65**
	Payments			
	Joint administrators' fees (time cost basis)	-	1,385,623.00	1,385,623.00
	Joint administrators' expenses	-	18,042.51	18,042.51
	Bank charges	15.00		15.00
	Legal Fees- Brown Rudnick	1,323,036.50	-	1,323,036.50
	Legal Disbursements- Brown Rudnick	134,740.86	-	134,740.86
	Legal Fees- A&O	6,236.83	35,000.00	41,236.83
	Litigation funding costs	523,250.00	-	523,250.00
	Professional Fees- CEDR Limited	5,040.00	-	5,040.00
	Irrecoverable VAT	290,350.61	287,733.10	578,083.71
278,042,628	Distribution to unsecured creditors (estimated at <2p in the £)	-	565,749.24	565,749.24
	Total payments	**2,282,669.80**	**2,292,147.85**	**4,574,817.65**
	Net receipts & payments	**2,292,147.85**	**(2,292,147.85)**	**-**
(278,025,310)	**Balance held in interest bearing current account**	**2,292,147.85**	**-**	**-**
	Represented by	**£**		
	Held in Barclays a/c	(2,292,147.85)		

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as administrators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

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

	Expenses incurred brought forward £	**Incurred in this period £**	**Total expenses incurred to 6 August 2019 £**	**Total expenses paid to 6 August 2019 £**	**Estimated future expenses £**	**Estimated total expenses £**
Administrators' Included remuneration	1,086,926.75	29,210.25	1,116,137.00	-	-	1,116,137.00
Administrators' Excluded remuneration	398,061.95	76,294.00	474,355.95	-	52,586.50	526,942.45
Administrators' expenses- Category 1	17,368.37	-	17,368.37	-	500.00	17,868.37
Administrators' expenses- Category 2	100.14	24.00	124.14	-	50.00	174.14
Legal fees and expenses- Allen & Overy LLP	12,468.26	5,363.12	17,831.38	-	17,168.62	35,000.00
Legal fees- Brown Rudnick LLP	1,357,944.00	(34,097.50)	1,323,036.50	(1,323,036.50)	-	1,323,036.50
Legal expenses- Brown Rudnick LLP	130,532.00	4,208.87	134,740.87	(134,740.87)	-	134,740.87
Litigation funding costs- Scoggin	-	523,250.00	523,250.00	(523,250.00)	-	523,250.00
Professional fees- CEDR Limited	3,780.00	1,260.00	5,040.00	(5,040.00)	-	5,040.00
Bank charges	15.00	-	15.00	(15.00)	-	15.00
Irrecoverable VAT	-	290,350.61	290,350.61	(290,350.61)	287,733.10	578,083.71
Total	**3,007,196.47**	**290,350.61**	**3,902,249.82**	**(2,276,432.98)**	**358,038.22**	**4,260,288.04**

** All of the above figures are shown exclusive of VAT. The VAT on applicable costs are not recoverable by the Company.*

For our Excluded Work, the above table shows what will be incurred in respect of future time costs. However, as per the Litigation Funding Settlement, our total remuneration is capped at £1,403.666 plus VAT therefore our total incurred time cannot be drawn.

Appendix C: Remuneration update

Creditors approved our fees on a time costs basis in relation to Included Work on 11 September 2017, specifically for our time incurred in relation to the investigatory work (not unrelated matters arising in the administration). Further details were set out in our request to creditors dated 22 August 2017. To date, we have not drawn any fees in this respect.

The following table summarises our time costs in the administration:

	8 October 2014 to 6 February 2019	7 February 2019 to 6 August 2019	Total £
Included Work	1,086,929.75	29,210.25	1,116,137.00
Excluded Work	398,061.95	76,294.00	474,355.95
Totals	1,484,991.70	105,504.25	1,590,492.95

In conjunction with issuing this report we have also issued a request for creditors to fix the basis of our fees with regards to Excluded Work. We do not expect to draw these in full.

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Our time charging policy and hourly rates for the period 7 February 2019 to 6 August 2019

pwc

Phosphorus Holdco Plc
(In Administration)

Analysis of time costs for the period | **From:** *07 February 2019* | **To:** *06 August 2019*

	Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £	Cumulative time cost £
1	Strategy & Planning	4.9	-	4.5	-	3.6	20.5	-	33.5	14,043.50	419.84	
2	Sale of business	-	-	-	-	-	-	-	-	-	-	
3	Book debt realisations	-	-	-	-	-	-	-	-	-	-	
4	Property	-	-	-	-	-	-	-	-	-	-	
5	Other assets	3.9	-	-	-	4.0	-	-	7.9	5,171.00	654.56	
6	Retention of title	-	-	-	-	-	-	-	-	-	-	
7	Trading	-	-	-	-	-	-	-	-	-	-	
8	Accounting and treasury	-	-	-	1.3	3.8	0.9	-	6.0	2,533.50	422.25	
9	Statutory and compliance	1.9	-	14.9	15.8	28.9	34.6	-	96.0	40,349.75	420.27	
10	Employees & pensions	-	-	-	-	-	-	-	-	-	-	
11	Investigations	-	-	-	-	-	-	-	-	-	-	
12	Creditors	-	-	6.6	1.7	4.7	13.2	-	26.2	10,268.75	392.69	
13	Creditors committee	-	-	-	-	-	-	-	-	-	-	
14	Tax	-	-	-	-	3.2	1.3	-	4.5	1,369.50	307.75	
15	VAT	-	-	0.9	-	0.5	1.7	-	3.1	1,807.00	592.46	
16	Books and records	-	-	-	-	-	-	-	-	-	-	
17	Closure procedures	-	-	1.1	0.2	-	-	-	1.3	751.00	577.69	
	Total	**10.7**	**-**	**27.9**	**19.0**	**48.7**	**72.1**	**-**	**178.3**	**76,294.00**	**427.87**	
	Time identifiable and attributable to:											
	Investigations	19.2	-	18.7	-	1.3	2.1	-	41.3	29,210.25	708.13	1,116,137.00
	Total	**19.2**	**-**	**18.7**	**-**	**1.3**	**2.1**	**-**	**41.3**	**29,210.25**	**708.13**	**1,116,137.00**
	Total time	**29.9**	**-**	**46.6**	**19.0**	**50.0**	**74.2**	**-**	**219.6**	**105,504.25**	**480.53**	

Our time charging policy and hourly rates for the period 8 October 2014 to 6 August 2019

Phosphorus Holdco Plc
(In Administration)

Analysis of time costs for the period — **From:** 08 October 2014 **To:** 06 August 2019

	Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Total time cost £	Average hourly rate £
1	Strategy & Planning	36.4	-	15.7	8.4	19.9	24.1	-	104.5	58,597.35	561.01
2	Sale of business	-	-	-	-	-	-	-	-	-	-
3	Book debt realisations	-	-	-	-	0.6	-	-	0.6	240.00	400.00
4	Property	-	-	-	-	-	-	-	-	-	-
5	Other assets	4.4	-	-	-	4.0	0.5	2.0	10.9	6,156.00	564.77
6	Retention of title	-	-	-	-	-	-	-	-	-	-
7	Trading	-	-	-	-	0.1	-	-	0.1	42.50	425.00
8	Accounting and treasury	7.8	-	0.3	5.8	19.0	12.5	-	45.4	19,130.65	421.29
9	Statutory and compliance	25.1	4.7	148.3	115.3	273.7	79.0	3.2	649.2	273,312.70	421.01
10	Employees & pensions	-	-	-	-	-	-	-	-	-	-
11	Investigations	-	-	-	-	-	-	-	-	-	-
12	Creditors	16.9	6.4	47.7	10.4	73.1	14.5	0.5	169.5	83,170.10	490.68
13	Creditors committee	-	-	-	-	-	-	-	-	-	-
14	Tax	-	3.5	3.5	4.4	7.6	21.6	-	40.5	14,698.20	362.92
15	VAT	-	-	13.2	-	7.0	2.6	-	22.8	17,211.95	754.91
16	Books and records	0.5	-	-	0.1	0.2	2.3	-	3.1	1,045.50	342.79
17	Closure procedures	-	-	1.1	0.2	-	-	-	1.3	751.00	577.69
	Total	**91.1**	**14.6**	**229.8**	**144.6**	**405.1**	**157.0**	**5.7**	**1,047.8**	**474,355.95**	**452.72**
	Time identifiable and attributable to:										
	Investigations	204.4	276.0	591.2	289.7	599.0	1,099.1	-	3,059.3	1,116,137.00	364.83
	Total	**204.4**	**276.0**	**591.2**	**289.7**	**599.0**	**1,099.1**	**-**	**3,059.3**	**1,116,137.00**	**364.83**
	Total time	**295.5**	**290.6**	**821.0**	**434.4**	**1,004.1**	**1,256.0**	**5.7**	**4,107.1**	**1,590,492.95**	**387.25**

Time charging policy

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

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

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

Grade	Up to 30 June 2019 £	From 1 July 2019 £
Partner	890	910
Director	780	800
Senior manager	590	605
Manager	510	525
Senior associate – qualified	425	435
Senior associate – unqualified	315	325
Associate	265	270
Support staff	135	140

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	Up to 30 June 2019 £	From 1 July 2019 £
Partner	1,445	1,385
Director	1,210	1,275
Senior manager	1,230	1,290
Manager	735	775
Senior Associate (qualified)	545	575
Senior Associate (unqualified)	-	330
Associate / assistant consultant	270	285
Support staff	160	170

Where the July 2019 rates are less than the previous year, we have taken account of the charge out rates of the specific individuals working on the case until closure.

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

Payments to associates

We have not made any payments to associates during the period.

Our work in the period since appointment

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

Area of work	Work undertaken	Why the work was necessary and any financial benefit for creditors
Accounting & treasury	• Conducting and reviewing periodic bank reconciliations; • Raising and issuing payments to agents and third parties; and • Maintaining accounting records, including receipts from third parties.	• To ensure the proper management of the administration bank account.
Statutory & compliance	• Preparing and issuing all necessary initial letters and notices regarding the administration and our appointment; • Preparing and circulating the joint administrators' proposals for achieving the purpose of administration; • Circulating a notice of the proposals to creditors, members and the Registrar of Companies; • Preparing an advertisement of the appointment in the relevant media; • Drafting and issuing our Remuneration Report dated 22 August 2017, which provided details of the work we expected to carry out during the case regarding the Included Work, our fees estimate and the expenses that were likely to be incurred; • Setting up and maintaining the content of the dedicated website for delivery of initial and ongoing communications and reports; • Preparing and issuing the six monthly progress reports to creditors; • Draft and issue of decision procedure documents to obtain fee approval for Excluded Work;	• To comply with mandatory statutory and other obligations placed on the joint administrators.

	• Filing statutory case documentation at Companies House; and • Various other internal compliance procedures.	
Creditors	• Reviewing and preparing correspondence to creditors and their representatives; • Receiving and following up creditor enquiries via telephone, email mailbox and post; and • Preparing the case files for a future dividend and carrying out any preliminary work required.	• To ensure the proper distribution of funds to creditors when available. • Work is required by statute and for the proper administration of the case.
Tax & VAT	• Gathering information for periodic VAT return submission; and • Dealing with tax/VAT related correspondence and enquiries via email and post.	• To comply with statutory and other obligations placed on the joint administrators.
Employees & Pensions	• Conducting an initial pension scheme review; and • Issuing the required notices to the relevant parties.	• To comply with statutory and other obligations placed on the joint administrators.
Strategy and planning	• Reviewing the administration strategy and amending as appropriate; • Preparing fee budgets and monitoring costs; • Updating checklists and diary management system; • Regular team case progression and strategy meetings to ensure the proper management of the case; and • Conducting case reviews after the first month, then preparation of six monthly internal case reviews.	• To ensure orderly management and progression of the case.

Our future work

We still need to do the following work in the administration.

Area of work	Work we need to do	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Creditors	• Engaging solicitors to apply for a court order to distribute funds to creditors in the administration; • Deal with ad hoc creditor enquiries; • Issue the notice of intention to unsecured creditors at the point we are ready to declare a dividend; • Review of any further claims received and agree for dividend purposes; • Issue the dividend to those creditors with agreed claims; and • Dealing with any unclaimed dividends.	• 26,026.50	• For the proper management of the administration and return of funds to creditors.
Tax	• Liaise with HMRC with regards to tax clearance.	• 5,000.00	• Statutory and regulatory requirements.
VAT	• Liaise with HMRC to remove from the VAT group; and • Liaise with HMRC to obtain VAT clearance.	• 3,885.00	• Statutory and regulatory requirements.
Statutory & compliance	• Comply with statutory filing requirements; • Maintain case records.	• 7,755.00	• Statutory and regulatory requirements.
Closure	• Deal with closure formalities; • Draft and issue of final accounts to creditors, Court and the Registrar; and • Close down internal systems and release the specific bond.	• 9,920.00	• To ensure that the Company's affairs are wound down in an orderly manner.

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the administration and has been approved by creditors where required.

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred £
2	***Photocopying*** - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	24.00
2	***Mileage*** - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	All other disbursements reimbursed at cost	-
	Total	24.00

Our 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.

Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice (general)	Allen & Overy LLP	• Lawyers instructed in respect of the wider Phones4U Group with knowledge which would add value to the administration.	• Time and expenses.
Legal advice (investigations)	Brown Rudnick	• To assist with the investigation of claims brought by the Company.	• Time and expenses

Appendix D: Other information

Court details for the administration:	High Court of Justice, Chancery Division, Companies Court 7184 of 2014
Company's registered name:	Phosphorus Holdco Plc
Registered number:	07479181
Registered address:	Central Square, 8th Floor, 29 Wellington Street, Leeds, LS1 4DL
Date of the joint administrators' appointment:	8 October 2014
Joint administrators' names, addresses and contact details:	David James Kelly of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT Ian David Green of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT
Extension(s) to the initial period of appointment:	Extension granted by the Court to 15 March 2019
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).
Appointor's / applicant's name and address:	Court order following an application by the directors of the Company, based at Osprey House, Ore Close, Lymedale Business Park, Newcastle-under-Lyme, Staffordshire, ST5 9QD
Split of the joint 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.

Appendix E: Proof of debt form

Phosphorus Holdco Plc - in Administration
Proof of debt

As directed by Article 42(1) of the EC Regulation on Insolvency Proceedings 2000 the following is brought to your attention:

Notice to creditor in EU Member State	Language
Invitation to lodge a claim. Time limits to be observed.	English
Invitación para realizar un reclamo. Se deberán respetar los plazos establecidos.	Spanish
Opfordring til anmeldelse af fordringer. Vær opmærksom på fristerne.	Danish
Aufforderung zur Anmeldung einer Forderung. Etwaige Fristen beachten.	German
Πρόσκληση για έγερση αξίωσης. Υποχρεωτική τήρηση προθεσμίας	Greek
Invitation à produire une créance. Délais à respecter.	French
Invito all'insinuazione di un credito. Termine da osservare.	Italian
Oproep tot indiening van schuldvorderingen. In acht te nemen termijnen.	Dutch
Aviso de Reclamação de Créditos. Prazos Legais a Observar.	Portuguese
Kehotus saatavan ilmoittamiseen. Noudatettavat määräajat.	Finnish
Anmodan att anmäla fordran. Tidsfrister att iaktta.	Swedish
Pozvánka k uplatnění si nároku. Je nutno dodržet termíny.	Czech
Zaproszenie do wniesienia wniosku o odszkodowanie. Termin wniesienia wniosku jest obarczony obostrzeniami.	Polish
Felhívás követelés benyújtására. Vegye figyelembe az időkorlátokat.	Hungarian
Poziv k predložitvi zahtevka. Treba je upoštevati časovne omejitve.	Slovenian
Приглашение к подаче иска. Соблюдайте установленные сроки.	Russian
Pasiūlymas pateikti ieškinį. Paisytini laiko apribojimai.	Lithuanian
Stedina biex tagħmel talba. It-termini taż-żmien għandhom jiġu mħarsa.	Maltese
Palve nõude esitamiseks. Palun jälgige ajapiiranguid.	Estonian
Uzaicinājums prasības iesniegšanai. Prasības iesniegšanas laiks ir stingri ierobežots.	Latvian
Invitație pentru a depune o cerere. Luați în considerare data limită.	Romanian
Cuireadh éileamh a thaisceadh. Teorainn ama le comhlíonadh.	Irish
Покана за предявяване на иск. Трябва да се спази указания краен срок.	Bulgarian
Pozvánka na uplatnenie si nároku. Je nutné dodržať termíny.	Slovak

Please complete and return this form with supporting documentation as soon as possible to the Joint Administrators.

Creditors whose claims are secured or preferential (in part or in whole) should provide details of their claim to the above address. However, they need not use this claim form.

Phosphorus Holdco Plc - in Administration
Proof of debt

1) Name of creditor	
2) Address of creditor for correspondence	
3) Registered number (if creditor is a company)	
4) Total amount of your claim (including VAT) and outstanding uncapitalised interest at the date the administration commenced*	£
5) Total value (including VAT) of any monies owed by you to the company in administration	£
6) Total amount of any payments received by you in relation to the claim after the appointment of the administrators	£
7) If the amount in 4) includes outstanding uncapitalised interest, please state amount	£
8) Particulars of how and when the debt was incurred (please attach a continuation sheet if more space is needed)	
9) Particulars of any security held, the value of the security and the date it was given	
10) Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
11) Details of any documents by reference to which the debt can be substantiated	
12) Particular matters relating to the company's purchase of goods and services from you or any other matters that you feel should be reviewed (please provide on a separate sheet if needed)	
Signature of creditor or person authorised to act on behalf of the creditor	
Name in block capitals	
Position with or relation to the creditor (e.g. director, company secretary, solicitor)	
Address of person signing (if different from 2 above)	
Date	

For office holder's use only

If applicable Admitted to vote for: £	*If applicable* Admitted for dividend for: £
Date	Date
Signed	Signed
Name	Name

* You must deduct any trade or other discounts which would have been available to the company but for its administration, except any discount for immediate, early or cash settlement.