

---

Joint liquidators' second progress  
report from 2 September 2016 to  
1 September 2017

***4u Wi-Fi Limited***  
***Jump 4u Limited***  
***Life Mobile Limited***  
*(all in Creditors' Voluntary  
Liquidation)*

20 October 2017

Our ref:  
MS/AT/P4U/CVL/033

# Contents

---

Abbreviations and definitions	2
Key messages	3
Overview of what we've done to date	5
Progress since we last reported	6
Outcome for creditors	8
Other information	9
Appendix A: Receipts and payments	11
Appendix B: Expenses	14
Appendix C: Remuneration update	17
Appendix D: Other information	28

---

# Abbreviations and definitions

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

Abbreviation or definition	Meaning
“4U Wi-Fi”	4U Wi-Fi Limited
“Jump 4U”	Jump 4U Limited
“Life Mobile”	Life Mobile Limited
“P4U”	Phones 4U Limited
“CDDA”	Company Directors’ Disqualification Act 1986
“CVL”	Creditors’ Voluntary Liquidation
“EE”	Everything Everywhere Limited
“the Bank”	Lloyds Bank Plc
“HMRC”	HM Revenue & Customs
“DLC”	Direct Legal Collections
“ICAEW”	Institute of Chartered Accountants in England and Wales
“IR16”	Insolvency (England and Wales) Rules 2016
“IA86”	Insolvency Act 1986
“the Companies”	4U Wi-Fi Limited, Jump 4U limited and Life Mobile Limited
“the Group” or “Phones 4U”	the Companies together with Phones 4U Limited, 4U Limited, Phones 4 U Group Limited, Phones4U Finance plc, Mobileserv Limited, Phosphorus Acquisition Limited, Policy Administration Services Limited, Phosphorus Holdco Plc (all in administration)
“the Liquidators”, “we” or “our”	David James Kelly, Ian David Green and Robert John Moran
“secured creditors”	Creditors with security in respect of their debt, in accordance with Section 248 IA86
“preferential creditors”	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
“unsecured creditors”	Creditors who are neither secured nor preferential

# Key messages

## Why we've sent you this report

I'm writing to update you on the progress of the liquidation of the Companies in the 12 months since our last report dated 31 October 2016.

You can still view our earlier reports on our website at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u).

## How much creditors may receive

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

### 4U Wi-Fi Limited

<b>Class of creditor</b>	<b>Current estimate (p in £)</b>	<b>Previous estimate (p in £)</b>
Secured creditors	n/a - See Note 1.	n/a
Preferential creditors	n/a - See Note 2.	n/a
Unsecured creditors	Less than 0.8p	0.8p – 1p

### Jump 4U Limited

<b>Class of creditor</b>	<b>Current estimate (p in £)</b>	<b>Previous estimate (p in £)</b>
Secured creditors	n/a - See Note 1.	n/a
Preferential creditors	n/a - See Note 2.	n/a
Unsecured creditors	Less than 0.5p	0.1p - 0.6p

### Life Mobile Limited

<b>Class of creditor</b>	<b>Current estimate (p in £)</b>	<b>Previous estimate (p in £)</b>
Secured creditors	n/a - See Note 3.	n/a
Preferential creditors	n/a - See Note 2.	n/a
Unsecured creditors	4p	4p – 5p

*\*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.*

**Note 1.** There are no secured creditors.

**Note 2.** There are no preferential creditors. Phones 4U Limited was the principal employer in the Group and preferential claims are therefore only expected in that company.

**Note 3.** There is a fixed charge registered against Life Mobile Limited. However, there is no outstanding debt.

## *What you need to do*

For the reasons explained in this report, we are now able to commence the agreement of claims against the Companies and consider them for dividend purposes.

If you haven't already done so, please send your claim to us so that we can agree it. A claim form can be downloaded from our website at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u) or you can get one by telephoning Michael Sullivan on 0113 289 4656.

---

# *Overview of what we've done to date*

This is our second progress report. As advised earlier, you may wish to also refer to our previous report which can be found at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u).

Creditors will be aware that the Companies were previously in administration which ended on 2 September 2015, when the Companies moved into creditors' voluntary liquidation and the joint administrators we were appointed as joint liquidators. At that time, assets included the transfer of funds held in the administrations and the continued collection of further book debts. We refer you to our previous report which provided further details of the realisation of these and other assets.

When we last reported, the key outstanding matters in the liquidations were as follows:

- The continued collection of outstanding book debts for Jump 4U and Life Mobile.
- Awaiting the outcome of HMRC's claim against certain companies sharing a VAT group registration, including the Companies.
- Payment of a first and final dividend to unsecured creditors.

As HMRC was expected to be the largest creditor by far, we had not commenced any work on processing or agreeing any claims against the Companies. The level of HMRC's claim would determine the amount of dividend available and therefore what level of work would be required.

Further details are provided in the following pages of this report.

## *Change of liquidator*

Robert Hunt, one of the previous joint liquidators, has retired from the firm. To make sure that outstanding issues in the liquidation continue to be pursued, an application was made to Court to remove him and appoint David Kelly as joint liquidator. David Kelly is licensed in the United Kingdom to act as an insolvency practitioner by ICAEW.

The application was granted and so David Kelly replaced Robert Hunt as joint liquidator with effect from 8 November 2016. Robert Hunt will be released from all liability in respect of his conduct as liquidator with effect from 28 days from the date of this report. Creditors have 28 days from receiving this notice to apply to Court to vary or discharge the Court Order.

---

# *Progress since we last reported*

## *Realisation of assets*

### *4U Wi-Fi Limited*

As explained in our previous report, there are no further assets to be realised in the liquidation. The only receipts during the year represent interest earned on funds held, totalling £347.92.

### *Jump 4U Limited*

Our collection agent (DLC) has continued with the recovery of monthly outstanding book debts and during the period of this report has recovered £2,895.53. We do not anticipate any significant future receipts.

Other receipts include bank interest of £249.17.

### *Life Mobile Limited*

As for Jump 4U, book debts have continued to be collected by DLC on a monthly basis and during the period of this report, the sum of £4,574.70 has been received. A further £101.44 has also been received from various debt management companies. We will cease pursuit of the remaining book debt balances in both companies if any ongoing benefit to the liquidations is outweighed by the efforts and costs involved.

Other receipts include bank interest of £2,005.00.

## *The HMRC claim*

Since their appointment in 2014, the joint administrators of P4U have been liaising with HMRC to agree the correct treatment of certain complex VAT matters. As the Companies are joint and severally liable to HMRC for the liabilities of the VAT group prior to the commencement of the administration on 15 September 2014, we are unable to distribute funds to creditors until this matter is resolved.

In the absence of agreement with HMRC, the joint administrators of P4U had decided to seek directions of the court. However, it was subsequently agreed with HMRC that the liability in question should rank as a provable unsecured claim. A claim for £75.2m has since been received from HMRC and compares to the estimate of £69.2m as first reported in the directors' statement of affairs.

We are now reviewing the quantum of the claim for dividend purposes.

## *Statutory and compliance*

During the period of this report, we have dealt with the following statutory and compliance matters:

- Preparing and issuing the first annual report;
- Completing periodic case reviews as required by our regulatory body; and
- Preparing and submitting contributions to the quarterly VAT returns for the Group, for periods ending September 2016, December 2016, March 2017 and June 2017.

Statutory and compliance obligations will continue to be fulfilled as required.

## *Other matters*

As advised earlier in our report, we are now in a position to progress the agreement of claims for the purpose of paying a first and final distribution to unsecured creditors. Once this is complete, we will prepare our final account and close the liquidation.

## *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.



# Outcome for creditors

## Secured creditors

As advised in our previous report, at the date of the commencement of the preceding administration, Life Mobile had granted a fixed charge over cash credit balances. However, there was no outstanding debt in the company. As such there are no creditors in any of the Companies that have a secured or propriety interest in the Companies' assets.

## Preferential creditors (mainly employees)

We also confirmed in our previous report that all employee contracts resided in P4U which was the principal employer for all of the Group's employees. Therefore, there are no preferential creditors or claims in any of the Companies.

## Unsecured creditors

Dividends become available for unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay any secured and preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for secured creditors may be ring-fenced for the benefit of unsecured creditors. This prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

In this case, the prescribed part doesn't apply because there is no floating charge registered against any of the Companies.

It is currently anticipated that a small dividend will be payable to the unsecured creditors of the Companies. The following table provides a summary of unsecured claims and dividend prospects in each estate.

Company	Statement of Affairs	Claims received	Claims awaited *	Estimated dividend prospects
4U Wi-Fi Limited	£69.4m	£75.5m	£142k	Less than 0.8%
Jump 4U Limited	£74.8m	£75.5m	£5.5m	Less than 0.5%
Life Mobile Limited	£87.8m	£93m	£4.2m	4%

\* Estimated value outstanding as per the directors' Statement of Affairs.

The estimated level of dividend for unsecured creditors has been calculated based on the level of claims received to date and where no claim has been received, on the value recorded in the Statement of Affairs.

The claims received in Life Mobile of £93m include a claim received from P4U for £17.2m following the discharge of Life Mobile's overdraft by P4U (£14.2m) and pre-appointment intercompany debt (£3m). Claims received in all estates include HMRC's claim of £75.2m.

Unsecured creditors have previously been invited to submit their claim against the relevant company and work has commenced to review the claims that have been received.

**If you have not already submitted your claim, the relevant form can be downloaded from our website at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u). Or you can obtain a hard copy by telephoning Michael Sullivan on 0113 289 4656. Please ensure that you attach all relevant information in support of your claim and forward it to our office at PricewaterhouseCoopers LLP, Waterfront Plaza, 8 Laganbank Road, Belfast, BT1 3LR or e-mail it to [creditor.services@uk.pwc.com](mailto:creditor.services@uk.pwc.com), as soon as possible.**

---

## Other information

### Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidations from 2 September 2016 to 1 September 2017.

### 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 a liquidation expense in due course because amounts due will depend on the position at the end of the tax accounting period.

### Our fees

During the preceding administration, creditors fixed the basis of the joint administrators' fees by reference to time properly given by them and their staff in dealing with the administration.

The fee basis agreed in the administration continues to apply in the liquidation. This means that our fees for acting as liquidators will also be calculated by reference to time properly given.

The following table shows the time costs that we have incurred from 2 September 2015 to 1 September 2017.

	<b>4U Wi-Fi Limited</b>	<b>Jump 4U Limited</b>	<b>Life Mobile Limited</b>
Time costs incurred to date	£43,357.95	£60,793.40	£72,596.30
Fees drawn	£33,783.25	£48,402.75	£56,788.25
<b>Unbilled fees</b>	<b>£9,574.70</b>	<b>£12,390.65</b>	<b>£15,808.05</b>
Number of hours to date	131.05	181.75	206.50
Average hourly rate	£330.85	£333.49	£351.56

We set out in Appendix C, an update on our fees, disbursements and other related matters.

### 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 IR86. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR86. This information can also be found in the guide to fees at:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-liquidators-fees-final.ashx?la=en>

You can also get a copy free of charge by telephoning Michael Sullivan on 0113 289 4656.

### What we still need to do

As previously discussed, we continue to receive small amounts of book debts collected by our agents, DLC. However, we are unlikely to delay distribution of the dividend for potential future receipts that are expected to be minimal.

As the treatment of the HMRC claim has been resolved, we are currently reviewing the claim now received, alongside claims from the small number of other creditors.

Once this review process is substantially complete, we will issue a notice of our intended dividend giving creditors who haven't submitted claims, a limited amount of further time in which to do so. The dividend will be paid within two months of that deadline.

Once this first and final dividend has been paid, we will deal with any uncashed dividend cheques and then prepare the case for closure, including issuing our final report.

## *Next report*

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is the sooner.

If you've got any questions, please get in touch with Michael Sullivan, on 113 289 4656.

Yours faithfully  
For and on behalf of the Companies



David Kelly  
Joint liquidator

*David James Kelly, Ian David Green and Robert John Moran were appointed as joint liquidators of Life Mobile Limited, 4u Wi-Fi Limited and Jump 4u Limited to manage their affairs, business and property as agents without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.*

*The joint liquidators 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 liquidators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the liquidation.*

# Appendix A: Receipts and payments

## 4u Wi-Fi Limited

From 2 September 2016 to 1 September 2017

	Total from appointment to 1 September 2016	Total for the period from 2 September 2016 to 1 September 2017	Total
	£	£	£
<b>Receipts</b>			
Release of funds from Joint Administrators	754,182.21	-	754,182.21
Sundry debts & refunds	12,090.00	-	12,090.00
Bank Interest Gross	1,841.15	347.92	2,189.07
Statutory advertising	44.67	-	44.67
<b>Total receipts</b>	<b>768,158.03</b>	<b>347.92</b>	<b>768,505.95</b>
<b>Payments</b>			
Prior appointee office holder fees (Time cost basis)	-	(26,338.25)	(26,338.25)
Office holders' fees (Time cost basis)	-	(33,783.25)	(33,783.25)
Office holders' expenses	-	(192.36)	(192.36)
Legal fees & expenses	-	(30,193.83)	(30,193.83)
Mail redirection charge	(240.00)	-	(240.00)
Statutory advertising	(89.34)	-	(89.34)
Bank charges	-	(15.00)	(15.00)
<b>Total payments</b>	<b>(329.34)</b>	<b>(90,522.69)</b>	<b>(90,852.03)</b>
<b>Net receipts &amp; payments</b>	<b>767,828.69</b>	<b>(90,174.77)</b>	<b>677,653.92</b>
VAT control account	(8.93)	-	(8.93)
<b>Balance held in interest bearing current accounts</b>	<b>767,819.76</b>	<b>(90,174.77)</b>	<b>677,644.99</b>
<b>Represented by</b>			<b>£</b>
Held in Barclays account			677,644.99
Held in Lloyds account			-
<b>Total</b>			<b>677,644.99</b>

Note 1. The statement of affairs received in the preceding administration is not shown above because the assets were substantially realised in the administration and it would therefore not be a meaningful comparison to the liquidation account.

Note 2. Legal Fees – During the period of this report, we have undertaken an analysis of legal fees charged across the Group. The £30,193.83 is a result of a recharge from the Group attributed to 4u Wi-Fi Limited.

## Jump 4u Limited

From 2 September 2016 to 1 September 2017

	Total from appointment to 1 September 2016	Total for the period from 2 September 2016 to 1 September 2017	Total
	£	£	£
<b>Receipts</b>			
Release of funds from Joint Administrators	577,538.20	-	577,538.20
Book debts	4,729.27	2,895.53	7,624.80
Bank Interest Gross	1,449.49	249.17	1,698.66
Legal Actions, unfair preferences etc	152.75	-	152.75
Statutory advertising	44.66	-	44.66
<b>Total receipts</b>	<b>583,914.37</b>	<b>3,144.70</b>	<b>587,059.07</b>
<b>Payments</b>			
Debt collection fees	(999.39)	(404.51)	(1,403.90)
Refund of book debts	(234.52)	-	(234.52)
Prior appointee office holder fees (Time cost basis)	-	(70,855.00)	(70,855.00)
Office holders fees (Time cost basis)	-	(48,402.75)	(48,402.75)
Office holders' expenses	-	(192.36)	(192.36)
Legal fees & Expenses	(1,339.19)	-	(1,339.19)
IT costs - Data destruction	-	(6,422.00)	(6,422.00)
Mail redirection charge	(665.00)	-	(665.00)
Statutory advertising	(89.32)	-	(89.32)
Bank charges	-	(15.00)	(15.00)
<b>Total payments</b>	<b>(3,327.42)</b>	<b>(126,291.62)</b>	<b>(129,619.04)</b>
<b>Net receipts &amp; payments</b>	<b>580,586.95</b>	<b>(123,146.92)</b>	<b>457,440.03</b>
VAT control account	(5.84)	9.28	3.44
<b>Balance held in interest bearing current accounts</b>	<b>580,581.11</b>	<b>(123,137.64)</b>	<b>457,443.47</b>
<b>Represented by</b>			<b>£</b>
Held in Barclays account			457,443.47
Held in Lloyds account			-
<b>Total</b>			<b>457,443.47</b>

Note 1. The statement of affairs received in the preceding administration is not shown above because the assets were substantially realised in the administration and it would therefore not be a meaningful comparison to the liquidation account.

## Life Mobile Limited

From 2 September 2016 to 1 September 2017

	Total from appointment to 1 September 2016	Total for the period from 2 September 2016 to 1 September 2017	Total
	£		£
<b>Receipts</b>			
Cash in hand	4,322,155.37	-	4,322,155.37
Book debts	10,995.35	4,676.14	15,671.49
Interest received	9,654.39	2,005.00	11,659.39
<b>Total receipts</b>	<b>4,342,805.11</b>	<b>6,681.14</b>	<b>4,349,486.25</b>
<b>Payments</b>			
Debt collection fees	(1,438.01)	(533.74)	(1,971.75)
Prior appointee office holder fees (Time cost basis)	-	(116,233.84)	(116,233.84)
Office holders' fees (Time cost basis)	-	(56,788.25)	(56,788.25)
Office holders' expenses	-	(200.08)	(200.08)
Legal fees & Expenses	(9,449.09)	-	(9,449.09)
Statutory advertising	(44.66)	-	(44.66)
Bank charges	-	(15.00)	(15.00)
VAT paid in respect of administration	(206,666.89)	-	(206,666.89)
<b>Total payments</b>	<b>(217,598.65)</b>	<b>(173,770.91)</b>	<b>(391,369.56)</b>
<b>Net receipts &amp; payments (inc trading)</b>	<b>4,125,206.46</b>	<b>(167,089.77)</b>	<b>3,958,116.69</b>
VAT control account	819.04	(2.94)	816.10
<b>Balance held in interest bearing current accounts</b>	<b>4,126,025.50</b>	<b>(167,092.71)</b>	<b>3,958,932.79</b>
<b>Represented by</b>			<b>£</b>
Held in Barclays account			3,958,932.79
Held in Lloyds account			-
<b>Total</b>			<b>3,958,932.79</b>

Note 1. The statement of affairs received in the preceding administration is not shown above because the assets were substantially realised in the administration and it would therefore not be a meaningful comparison to the liquidation account.

## Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estates and include our fees, but exclude distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expenses 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.

### 4u Wi-Fi Limited

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £
Prior appointee office holders' fees (Time cost basis)	26,338.25	-	26,338.25	-	26,338.25
Office holders' fees (Time cost basis)	23,519.50	19,838.45	43,357.95	27,534.37	70,892.32
Office holders' expenses	-	202.36	202.36	-	202.36
Legal fees and expenses	30,193.83	-	30,193.83	-	30,193.83
Mail redirection charge	240.00	-	240.00	-	240.00
Statutory advertising	89.34	-	89.34	100.00	189.34
Bank charges	-	15.00	15.00	-	15.00
<b>Total</b>	<b>80,380.92</b>	<b>20,055.81</b>	<b>100,436.73</b>	<b>27,634.37</b>	<b>128,071.10</b>

## Jump 4u Limited

	<b>Brought forward from preceding period £</b>	<b>Incurred in the period under review £</b>	<b>Cumulative £</b>	<b>Estimated future £</b>	<b>Anticipated total £</b>
Debt collection fees	999.39	404.51	1,403.90	250.00	1,653.90
Refund of book debt	234.52	-	234.52	-	234.52
Prior appointee office holders' fees (Time cost basis)	70,834.25	-	70,834.25	-	70,834.25
Prior appointee office holders' expenses	20.75	-	20.75	-	20.75
Office holders' fees (Time cost basis)	36,450.75	24,342.65	60,793.40	32,064.50	92,857.90
Office holders' expenses	-	202.36	202.36	-	202.36
Legal fees and expenses	1,339.19	-	1,339.19	-	1,339.19
IT costs – Data destruction	-	6,422.00	6,422.00	-	6,422.00
Mail redirection	665.00	-	665.00	-	665.00
Statutory advertising	89.32	-	89.32	100.00	189.32
Bank charges	-	15.00	15.00	-	15.00
<b>Total</b>	<b>110,633.17</b>	<b>31,386.52</b>	<b>142,019.69</b>	<b>32,414.50</b>	<b>174,434.19</b>



## Life Mobile Limited

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £
Debt collection fees	1,438.01	533.74	1,971.75	250.00	2,221.75
Prior appointee office holders' fees (Time cost basis)	116,065.84	-	116,065.84	-	116,065.84
Prior appointee office holders' expenses	176.64	-	176.64	-	176.64
Office holders fees (Time cost basis)	42,874.25	29,722.05	72,596.30	38,544.20	111,140.50
Office holders' expenses	-	210.08	210.08	-	210.08
Legal fees and expenses	9,449.09	-	9,449.09	-	9,449.09
Statutory advertising	44.66	-	44.66	100.00	144.66
Bank charges	-	15.00	15.00	-	15.00
<b>Total</b>	<b>170,048.49</b>	<b>30,480.87</b>	<b>200,529.36</b>	<b>38,894.20</b>	<b>239,423.56</b>

## Appendix C: Remuneration update

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

We have assumed for the purpose of this report that all matters will complete in the next twelve months. The estimated future hours and costs of each liquidation are detailed in the appropriate time cost summary below.

### *4u Wi-Fi Limited - hours and average rates for the period 2 September 2016 to 1 September 2017*

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £	Cumulative time cost £
Strategy & Planning	-	-	1.60	-	3.85	-	-	5.45	2,033.10	373.05	4,377.10
Sale of business	-	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-	768.50
Other assets	-	-	-	-	-	-	-	-	-	-	58.00
Retention of title	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	615.00
Accounting and treasury	-	-	-	1.20	3.65	1.75	-	6.60	2,107.95	319.39	6,371.45
Statutory and compliance	0.20	-	0.75	6.90	25.75	6.20	-	39.80	13,158.00	330.60	23,391.50
Employees & pensions	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-	1,579.00
Creditors	-	-	0.20	0.50	3.00	-	-	3.70	1,156.75	312.64	2,233.25
Creditors committee	-	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	0.60	1.75	-	-	2.35	806.50	343.19	2,762.50
VAT	-	-	-	-	1.95	-	-	1.95	576.15	295.46	880.65
Books and records	-	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-	321.00
<b>Total for the period</b>	<b>0.20</b>	<b>-</b>	<b>2.55</b>	<b>9.20</b>	<b>39.95</b>	<b>7.95</b>	<b>-</b>	<b>59.85</b>	<b>19,838.45</b>	<b>331.47</b>	<b>43,357.95</b>
<b>Brought forward at 1 September 2016</b>								<b>71.20</b>	<b>23,519.50</b>		
<b>Total to 1 September 2017</b>								<b>131.05</b>	<b>43,357.95</b>		

## 4u Wi-Fi Limited - Time cost summary as at 1 September 2017

Aspect of assignment	Total hours to 1 September 2017	Total time cost to 1 September 2017 £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	12.15	4,377.10	360.26	5.00	1,981.40	6,358.50	370.76
Property	2.65	768.50	290.00	-	-	768.50	290.00
Other assets	0.20	58.00	290.00	-	-	58.00	290.00
Trading	2.30	615.00	267.39	-	-	615.00	267.39
Accounting and treasury	21.25	6,371.45	299.83	4.00	1,319.26	7,690.71	304.58
Statutory and compliance	67.05	23,391.50	348.87	32.00	12,280.10	35,671.60	360.14
Investigations	5.25	1,579.00	300.76	-	-	1,579.00	300.76
Creditors	7.35	2,233.25	303.84	13.00	4,344.96	6,578.21	323.25
Tax	9.05	2,762.50	305.25	1.50	503.66	3,266.16	309.59
VAT	3.00	880.65	293.55	1.50	484.36	1,365.01	303.34
Closure procedures	0.80	321.00	401.25	15.00	6,620.63	6,941.63	439.34
<b>Total</b>	<b>131.05</b>	<b>43,357.95</b>	<b>330.85</b>	<b>72.00</b>	<b>27,534.37</b>	<b>70,892.32</b>	<b>349.14</b>

## Jump 4u Limited - hours and average rates for the period 2 September 2016 to 1 September 2017

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £	Cumulative time cost £
Strategy & Planning	-	-	1.60	-	3.85	-	-	5.45	2,033.10	373.05	4,909.60
Sale of business	-	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-	116.00
Property	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	1.75	-	-	1.75	519.40	296.80	1,274.40
Retention of title	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	804.50
Accounting and treasury	-	-	-	2.50	10.85	3.80	-	17.15	5,373.25	313.31	17,012.00
Statutory and compliance	0.70	-	0.95	6.10	25.95	6.10	-	39.80	13,338.50	335.14	24,741.50
Employees & pensions	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-	1,593.00
Creditors	-	-	0.20	0.50	2.50	-	-	3.20	1,031.75	322.42	2,108.25
Creditors committee	-	-	-	-	-	-	-	-	-	-	-
Tax	-	0.50	-	0.60	1.55	-	-	2.65	1,352.50	510.38	6,583.50
VAT	-	-	-	-	1.95	-	-	1.95	576.15	295.46	998.15
Books and records	-	-	-	-	0.40	-	-	0.40	118.00	295.00	433.00
Closure procedures	-	-	-	-	-	-	-	-	-	-	219.50
<b>Total</b>	<b>0.70</b>	<b>0.50</b>	<b>2.75</b>	<b>9.70</b>	<b>48.80</b>	<b>9.90</b>	<b>-</b>	<b>72.35</b>	<b>24,342.65</b>	<b>336.46</b>	<b>60,793.40</b>
<b>Brought forward at 1 September 2016</b>								<b>109.40</b>	<b>36,450.75</b>		
<b>Total to 1 September 2017</b>								<b>181.75</b>	<b>60,793.40</b>		

## Jump 4u Limited - Time cost summary as at 1 September 2017

Aspect of assignment	Total hours to 1 September 2017	Total time cost to 1 September 2017 £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	14.00	4,909.60	350.69	4.50	1,735.89	6,645.49	359.22
Book debt realisations	0.40	116.00	290.00	-	-	116.00	290.00
Other assets	4.35	1,274.40	292.97	1.50	483.39	1,757.79	300.48
Trading	2.65	804.50	303.58	-	-	804.50	303.58
Accounting and treasury	57.65	17,012.00	295.09	11.75	3,814.05	20,826.05	300.09
Statutory and compliance	70.80	24,741.50	349.46	32.00	12,300.86	37,042.36	360.33
Investigations	5.30	1,593.00	300.57	-	-	1,593.00	300.57
Creditors	6.85	2,108.25	307.77	12.00	4,062.61	6,170.86	327.37
Tax	14.50	6,583.50	454.03	2.00	998.88	7,582.38	459.54
VAT	3.40	998.15	293.57	1.50	484.40	1,482.55	302.56
Books and records	1.40	433.00	309.29	0.40	136.09	569.09	316.16
Closure procedures	0.45	219.50	487.78	15.00	8,048.33	8,267.83	535.13
<b>Total</b>	<b>181.75</b>	<b>60,793.40</b>	<b>333.19</b>	<b>80.65</b>	<b>32,064.50</b>	<b>92,857.90</b>	<b>353.88</b>

*Life Mobile Limited - hours and average rates for the period 2 September 2016 to 1 September 2017*

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £	Cumulative time cost £
Strategy & Planning	-	-	1.80	-	3.85	-	-	5.65	2,145.10	379.66	4,606.60
Sale of business	-	-	-	-	-	-	-	-	-	-	140.00
Book debt realisations	-	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	3.15	-	-	3.15	936.90	297.43	1,807.90
Retention of title	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	2,101.50
Accounting and treasury	-	-	-	2.90	15.90	7.10	-	25.90	7,902.45	305.11	15,789.70
Statutory and compliance	0.20	-	1.05	6.50	25.75	6.25	0.60	40.35	13,222.25	327.69	26,526.25
Employees & pensions	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-	1,579.00
Creditors	-	-	1.65	1.80	4.95	-	-	8.40	3,126.30	372.18	8,945.55
Creditors committee	-	-	-	-	-	-	-	-	-	-	-
Tax	-	0.50	-	0.60	1.80	-	-	2.90	1,426.25	491.81	7,178.50
VAT	-	-	-	-	2.30	-	-	2.30	682.55	296.76	1,771.55
Books and records	-	-	-	-	0.95	-	-	0.95	280.25	295.00	1,930.25
Closure procedures	-	-	-	-	-	-	-	-	-	-	219.50
<b>Total</b>	<b>0.20</b>	<b>0.50</b>	<b>4.50</b>	<b>11.80</b>	<b>58.65</b>	<b>13.35</b>	<b>0.60</b>	<b>89.60</b>	<b>29,722.05</b>	<b>331.72</b>	<b>72,596.30</b>
<b>Brought forward at 1 September 2016</b>								<b>116.90</b>	<b>42,874.25</b>		
<b>Total to 1 September 2017</b>								<b>206.50</b>	<b>72,596.30</b>		

## Life Mobile Limited - Time cost summary as at 1 September 2017

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	12.50	4,606.60	368.53	4.00	1,621.52	6,228.12	377.46
Sale of business	0.25	140.00	560.00	-	-	140.00	560.00
Other assets	6.15	1,807.90	293.97	2.00	646.73	2,454.63	301.18
Trading	5.40	2,101.50	389.17	-	-	2,101.50	389.17
Accounting and treasury	52.65	15,789.70	299.90	19.25	6,350.37	22,140.07	307.93
Statutory and compliance	77.25	26,526.25	343.38	36.00	13,597.92	40,124.17	354.30
Investigations	5.25	1,579.00	300.76	-	-	1,579.00	300.76
Creditors	22.65	8,945.55	394.95	14.50	6,299.40	15,244.95	410.36
Tax	14.95	7,178.50	480.17	2.00	1,056.37	8,234.87	485.83
VAT	6.05	1,771.55	292.82	1.75	563.68	2,335.23	299.39
Books and records	2.95	1,930.25	654.32	0.50	359.88	2,290.13	663.80
Closure procedures	0.45	219.50	487.78	15.00	8,048.33	8,267.83	535.13
<b>Total</b>	<b>206.50</b>	<b>72,596.30</b>	<b>351.56</b>	<b>95.00</b>	<b>38,544.20</b>	<b>111,140.50</b>	<b>368.63</b>

## *Our time charging policy and hourly rates*

We and our team charge our time for the work we need to do in the liquidations. 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 liquidation (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. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

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

<b>Grade</b>	<b>Up to 30 June 2017</b>	<b>From 1 July 2017</b>
	<b>£</b>	<b>£</b>
Partner	600	620
Director	500	525
Senior manager	435	450
Manager	345	355
Senior associate – qualified	260	268
Senior associate – unqualified	190	196
Associate	170	175
Support staff	89	92

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.

<b>Grade</b>	<b>Up to 30 June 2017</b>	<b>From 1 July 2017</b>
	<b>£</b>	<b>£</b>
Partner	1,250	1,315
Director	1,150	1,210
Senior manager	970	1,230
Manager	700	735
Senior Associate / consultant	515	545
Associate / assistant consultant	255	270
Support staff	150	160

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 in the period covered by this report.

## Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work: -

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors
Strategy & planning	<ul style="list-style-type: none"><li>• Case progression and strategy meetings;</li><li>• Six monthly internal case reviews; and</li><li>• Liaison with directors regarding strategy.</li></ul>	<ul style="list-style-type: none"><li>• To ensure orderly management and progression of the case.</li></ul>
Assets	<ul style="list-style-type: none"><li>• Liaising with agent regarding collection of book debts.</li></ul>	<ul style="list-style-type: none"><li>• To maximise and ensure most cost effective realisation of assets.</li></ul>
Creditor claims and distribution	<ul style="list-style-type: none"><li>• Review of unsecured claims;</li><li>• Drafting, issuing and filing of 14 day letters to awaited unsecured creditors;</li><li>• Dealing with received claims;</li><li>• Ad hoc creditor enquiries and correspondence from awaited creditors.</li></ul>	<ul style="list-style-type: none"><li>• To ensure the proper distribution of funds to creditors when available; and</li><li>• Work is required by statute and for the proper administration of the liquidation.</li></ul>
Accounting & treasury	<ul style="list-style-type: none"><li>• Review and authorising payments;</li><li>• Processing liquidation payments and receipts;</li><li>• Periodic bank reconciliations;</li><li>• Maintenance of case accounting records.</li></ul>	<ul style="list-style-type: none"><li>• To ensure proper management of the liquidation bank account.</li></ul>
Statutory & compliance	<ul style="list-style-type: none"><li>• Drafting and issuing progress report for the period;</li><li>• Filing of case documentation;</li><li>• Dealing with general case correspondence;</li><li>• Internal compliance procedures;</li><li>• Update of case job plans to in light of new IR16.</li></ul>	<ul style="list-style-type: none"><li>• To comply with mandatory statutory and other obligations placed on the Liquidators.</li></ul>

## Our future work

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

Area of work	Work we need to do	Whether or not the work will provide a financial benefit to creditors
Strategy & planning	<ul style="list-style-type: none"><li>• Reviewing the progress of liquidation strategy and amending as appropriate</li></ul>	<ul style="list-style-type: none"><li>• Incidental to the proper management of the liquidation.</li></ul>
Assets	<ul style="list-style-type: none"><li>• Continued collection of book debts.</li></ul>	<ul style="list-style-type: none"><li>• Enhanced asset realisation for the liquidations.</li></ul>
Creditor claims and distributions	<ul style="list-style-type: none"><li>• Ad hoc creditor enquiries;</li><li>• Drafting the notice of intended dividend;</li></ul>	<ul style="list-style-type: none"><li>• Direct benefit to creditors through payment of distribution and provision of information.</li></ul>

Area of work	Work we need to do	Whether or not the work will provide a financial benefit to creditors
	<ul style="list-style-type: none"> <li>• Review of further claims and agreement for dividend purposes;</li> <li>• Declaration and payment of first and final dividend to unsecured creditors based on available funds;</li> <li>• Deal with any uncashed dividend cheques and forwarding to ISA uncashed division account.</li> </ul>	
Accounting & treasury	<ul style="list-style-type: none"> <li>• Bank reconciliations;</li> <li>• Payments to third parties; and</li> <li>• Receipts from third parties;</li> <li>• Payment of unsecured dividend payment to third parties;</li> <li>• Monitor of uncashed dividend cheques;</li> <li>• Closure of bank accounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures proper stewardship of the funds held.</li> </ul>
Statutory & compliance	<ul style="list-style-type: none"> <li>• Reporting to creditors;</li> <li>• Complying with statutory filing requirements; and</li> <li>• Compliance with regulatory requirements;</li> <li>• Preparation and distribution of final report to creditors.</li> <li>• Maintaining case records.</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory and regulatory requirements.</li> </ul>
Tax and VAT	<ul style="list-style-type: none"> <li>• Liaising with HMRC with regards tax clearance;</li> <li>• Ongoing and completion of tax and VAT filings.</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory and regulatory requirements.</li> </ul>
Closure	<ul style="list-style-type: none"> <li>• Dealing with closure formalities;</li> <li>• Closing down internal systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures that the Companies affairs are wound down in an orderly manner.</li> </ul>

## 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 liquidations.

The following disbursements arose in the period of this report.

### 4u Wi-Fi Limited

Category	Policy	Costs incurred £
2	<b>Photocopying</b> - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	<b>Mileage</b> - 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:	
	Legal fees	169.65
	Statutory advertising	22.71
	Bond	10.00
<b>Total</b>		<b>202.36</b>

### Jump 4u Limited

Category	Policy	Costs incurred £
2	<b>Photocopying</b> - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	<b>Mileage</b> - 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:	
	Legal fees	169.65
	Statutory advertising	22.71
	Bond	10.00
<b>Total</b>		<b>202.36</b>

## Life Mobile Limited

Category	Policy	Costs incurred £
2	<i>Photocopying</i> - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	7.72
2	<i>Mileage</i> - 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:	
	Legal fees	169.65
	Statutory advertising	22.71
	Bond	10.00
<b>Total</b>		<b>210.08</b>

## Our relationships

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

## Summary of legal and other professional/subcontracted firms

To date, we have instructed the following professionals and sub-contractors on these cases:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Debt collection	• Direct Legal Collections (DLC)	• Knowledge and existing relationship	• Percentage basis
Debt collection	• J&P Associates Ltd	• Knowledge and existing relationship	• Percentage basis
Data destruction	• Assurant Solutions	• Knowledge and existing relationship	• Fixed fee

Our choice of the above legal and professional advisors was based upon our perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

We require all third party professionals to submit time costs analyses and narrative or a schedule of realisations achieved in support of invoices rendered. We review third party costs to ensure they are reasonable in the circumstances of the case.

---

## ***Appendix D: Other information***

Company's registered name:	4u Wi-Fi Limited	Jump 4u Limited	Life Mobile Limited
Trading name:	As above		
Registered number:	05956859	07493495	05956966
Registered address:	Central Square, Level 8, 29 Wellington Street, Leeds, LS1 4DL		
Date of the Liquidators' appointment:	2 September 2015		
Liquidators' names, addresses and contact details:	David James Kelly and Ian David Green, both of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT; and Robert John Moran of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT.		