



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 3 1 5 4 1 9 8

Company name in full Phones 4u Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) David James

Surname Kelly

### 3 Administrator's address

Building name/number 7 More London

Street Riverside

Post town London

County/Region

Postcode S E 1 2 R T

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Robert John

Surname Moran

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Cornwall Street

Street 19 Cornwall Street

Post town Birmingham

County/Region

Postcode B 3 2 D T

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
To date	<sup>d</sup> 2	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

### 7 Progress report

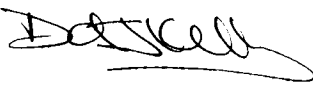
☐ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup>1

<sup>d</sup>8

<sup>m</sup>0

<sup>m</sup>8

<sup>y</sup>2

<sup>y</sup>0

<sup>y</sup>2

<sup>y</sup>2

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Matt Duckworth**

Company name **Pricewaterhouse Coopers LLP**

Address **8th Floor**

**Central Square**

**29 Wellington Street**

Post town **Leeds**

County/Region **West Yorkshire**

Postcode 

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Country **United Kingdom**

DX

Telephone **0113 289 4000**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

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

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

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# Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ❶  
Attach this to the relevant form.  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
All fields are mandatory unless specified or indicated by \*

## 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,  
- WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

## 2 Insolvency practitioner's name

Full forename(s)

Paul David

Surname

Copley

## 3 Insolvency practitioner's address

Building name/number

Aldan Management Limited

Street

42 Brook Street

Post town

London

County/Region

Postcode

W 1 K 5 D B

Country

# **Joint Administrators' sixteenth progress report for the period from 21 January 2022 to 20 July 2022**

## **Phones 4U Limited**

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

## **Phones 4U Group Limited**

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

## **Phones4U Finance Plc**

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

## **MobileServ Limited**

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

## **Phosphorus Acquisition Limited**

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

## **Policy Administration Services Limited**

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

**(all in administration)**

**18 August 2022**

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# 1. Abbreviations and definitions

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

Abbreviation or definition	Meaning
the “Companies”	Phones 4U Limited, Phones 4 U Group Limited, Phones4U Finance plc, MobileServ Limited, Phosphorus Acquisition Limited, Policy Administration Services Limited
the “Group” or “Phones 4u”	The Companies together with 4U Limited, 4U Wi-Fi Limited, Jump 4U Limited, Life Mobile Limited and Phosphorus Holdco plc (see <a href="http://www.pwc.co.uk/phones4u">www.pwc.co.uk/phones4u</a> for details of insolvency procedures affecting these companies)
“Joint Administrators” or “We”	David James Kelly and Robert John Moran in respect of Phones 4U Limited. David James Kelly and Robert John Moran in respect of Phones 4 U Group Limited, Phones4U Finance plc, MobileServ Limited, Phosphorus Acquisition Limited. Douglas Nigel Rackham and David James Kelly in respect of Policy Administration Services Limited
“Concurrent Administrator”	Paul David Copley of Aldan Management Limited, 42 Brook Street, London, W1K 5DB, in respect of Phones 4U Limited
“the Administrators”	the Joint Administrators and the Concurrent Administrator together, in respect of Phones 4U Limited
“Aldan”	Aldan Management Limited
“Aon”	Aon Insurance Managers Isle of Man Limited
“Committee”	The informal committee of certain Noteholders formed in October 2014 for the purpose of consulting with the Administrators in relation to various issues arising in the administrations
“CPR”	The Civil Procedure Rules 1998 (as amended)
“EE”	EE Limited
“D Return”	The report or return prepared by the Joint Administrators of P4U pursuant to the Insolvent Companies (Reports on Conduct of Directors) Rules 1996
“the Defendants”	EE, DT, Orange, the Vodafone Defendants and the O2 Defendants
“the Disclosure Order”	The Directions and Disclosure Order of Mr Justice Roth dated 11 August 2020
“DT”	Deutsche Telekom AG
“FCA”	Financial Conduct Authority
“FOS”	Financial Ombudsman Service
“HMRC”	HM Revenue & Customs
“ICAEW”	Institute of Chartered Accountants in England and Wales
“IA86”	The Insolvency Act 1986

<b>“IR16”</b>	The Insolvency (England and Wales) Rules 2016
<b>“ING”</b>	ING Bank N.V.
<b>“ISA”</b>	Insolvency Services Account
<b>“LGI”</b>	London and General Insurance Company Limited
<b>“Litigation”</b>	Proceedings commenced by P4U, acting by the Concurrent Administrator, in December 2018 against certain MNOs (and their affiliates), in respect of its claims of (amongst other things) breaches of competition law and / or contract by such parties leading to the appointment of administrators in September 2014
<b>“Lloyds”</b>	Lloyds Bank Plc
<b>“LSG”</b>	Lifestyle Services Group Limited
<b>“MNO”</b>	Mobile Network Operator
<b>“Notes”</b>	£430,000,000 9.500% senior secured notes due 2018 issued by Phones4U Finance plc, listed on the Irish Stock Exchange
<b>“Noteholders”</b>	Holders of the Notes
<b>“O2”</b>	Telefonica UK Limited
<b>“the O2 Defendants”</b>	O2, Telefónica, S.A. and Telefonica O2 Holdings Limited
<b>“Orange”</b>	Orange SA
<b>“P4U”</b>	Phones 4U Limited
<b>“P4UC”</b>	Phones 4U Care Limited
<b>“PAS”</b>	Policy Administration Services Limited
<b>“QE”</b>	Quinn Emanuel Urquhart & Sullivan UK LLP
<b>“RPS”</b>	Redundancy Payments Service
<b>“Prescribed Part”</b>	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
<b>“Proposals”</b>	The administrators’ statement of proposals for achieving the purpose of the administrations, dated 6 November 2014
<b>“PwC”</b>	PricewaterhouseCoopers LLP
<b>“RCF”</b>	Revolving credit facility
<b>“VAT”</b>	Value added tax
<b>“the Vodafone Defendants”</b>	Vodafone Limited and Vodafone Group Plc



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

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

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

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

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

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

The Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP and/or Aldan Management Limited may act as a processor on the instructions of the Administrators. Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the firms' websites or by contacting the Administrators. The administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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

## 2. Introduction and Key messages

### Why we've sent you this report

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

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

### Litigation

As previously reported, in December 2018, P4U, acting by its Concurrent Administrator, commenced proceedings against certain MNOs (and their affiliates), in respect of its claims of (amongst other things) breaches of competition law and / or contract by such parties leading to the appointment of administrators in September 2014. As further explained in Section 4.1, the first part of the Litigation, covering issues of infringement and breach, were heard by Mr Justice Roth between 16 May and 28 July 2022. Mr Justice Roth has retired to consider his findings.

### Customers of Phones 4u Limited

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

### Creditors

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

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

### Employees of Phones 4u Limited

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

We have paid the 'preferential' element of former employees' claims in full. Unclaimed preferential dividends have been passed to the Insolvency Service. Any former employees who did not cash their preferential dividend cheques should therefore contact the Insolvency Service using the contact form on their website:

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

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

In our proposals, we referred to an Employment Appeal Tribunal ruling that (in certain circumstances) employees who worked overtime can make backdated claims (for a limited period) in relation to additional holiday pay. We stated that this ruling could have been referred to the Court of Appeal, in which case a final decision may not be known for several years.

As this was a live issue at the time of our proposals, we felt it appropriate to mention it. The profession has not had the benefit of a Supreme Court ruling on the original matter. However, there is a standard approach for this matter in

line with that taken by the RPS. In this particular case, due to the passage of time, we consider there will be no implications for this case and no residual preferential claims.

## Noteholders

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

## Distributions to Noteholders

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

## Commercially sensitive matters

In Section 4.1 we explain what we are doing to realise the remaining assets and deal with the liabilities of P4U. Although we have reflected the receipts to 20 July 2022, consistent with previous reports we have not disclosed the prospective value of claims as to do so would be to disclose potentially commercially sensitive information and may prejudice the value of realisations in the administration. We have not included any expenses in relation to the Litigation workstream within our estimated outcome calculations (see Appendix E), except to the extent that PwC, Aldan and third-party costs have been incurred to 20 July 2022.

## What you need to do

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

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

Yours faithfully  
For and on behalf of the Companies



David Kelly, Joint Administrator

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

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<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

### 3. Summary of the possible outcome for creditors

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

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

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

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

	Phones 4U Limited	Phones 4 U Group Limited	Phones4U Finance Plc	MobileServ Limited	Phosphorus Acquisition Limited	Policy Administration Services Limited
<b>Estimated dividend prospects for unsecured creditors</b> <i>(creditors who are neither secured nor preferential)</i>						
Amount owed to unsecured creditors:  <i>(as per total admitted claims where there has been a dividend, and as per the statement of affairs where there has not)</i>	£173,147,665	£69,220,516	£92,428,369	£804,251,103	£561,308,251	£37,896,401
Prescribed part fund (before costs)	£600k	Nil	Nil	£600k	Nil	£600k
% recovery for unsecured creditors:	0.27%	Nil	Nil	0.07%	Nil	1.5%
Forecast timing:	Paid <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>	N/A <input checked="" type="checkbox"/>	Paid <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>	Paid <input type="checkbox"/>

#### *Unsecured creditors*

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

Unclaimed prescribed part dividends in these companies have been passed to the Insolvency Service. Any creditors who did not cash their unsecured dividend cheques should therefore contact the Insolvency Service using the contact form on their website: <https://www.insolvencydirect.bis.gov.uk/ExternalOnlineForms/GeneralEnquiry.aspx>

# 4. Progress in the period

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

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

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

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

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

## 4.1 Phones 4u Limited

### Litigation

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

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

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

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

The three claims made by P4U are that:

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

The Defendants have denied all of the substantive allegations made by P4U in its particulars of claim. Since 2020, P4U has been involved in an extensive disclosure process, under which approximately 18,000 documents were disclosed by P4U, and over 196,000 were received from the Defendants, including many as a result of correspondence between QE and the Defendants' legal advisers up to and after the start of the hearing. The parties exchanged factual witness statements on 10 December 2021. Supplemental factual witness statements were exchanged in reply on 8 February 2022, after certain deadline extensions were sought by both P4U and the Defendants. Certain further factual witness statements were served by the Defendants after this date (two of which were during trial).

As mentioned in the fifteenth progress report, the Court ordered that P4U serve a report from its economic expert on a small number of specific issues. The report was prepared by David Thomas, P4U's economics expert, and filed on 22

December 2021. Thereafter, the experts of P4U and the Defendants prepared a joint memorandum setting out the issues on which they were agreed and highlighting remaining points of difference. That joint memorandum was filed on 21 March 2022. The pre-trial review was held on 23 March 2022 and covered certain procedural aspects of the trial including: the trial timetable, an application for the hearing to take place on a hybrid basis (such that interested parties could observe proceedings remotely), and arrangements for remote witness evidence, expert evidence and trial bundles.

The parties exchanged written opening submissions for the first trial, covering liability and breach issues, on 6 May 2022 and a week of judicial reading was held between 9 and 13 May. The hearing itself commenced on 16 May 2022 and lasted for 35 days, including 6 days of evidence provided by former directors on behalf of P4U, 20 days of evidence from witnesses called by the Defendants and 2 days of expert evidence. The trial concluded with the delivery of oral closings between 25 and 28 July and the Court term has now ended for the summer vacation. Mr Justice Roth has not given any indication of the timing for handing down his judgment.

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

As previously noted, P4U has retained a significant cash balance for the purpose of funding the litigation and providing for potential adverse costs awards should the Defendants prevail. See Appendix A of this report for further information. During the period covered by this report, a further £21.5 million was paid into a designated account as security for the Defendants' costs up to March 2022 and we expect the Defendants to request that further security be provided (for costs incurred between March and July 2022) shortly. The total security provided to date is £36.9 million, being 65% of the costs incurred for the relevant periods (that amount determined by agreement with the O2 Defendants and the Vodafone Defendants, and the judgment of Mr Justice Roth dated 20 July 2020 in respect of EE, DT and Orange).

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

#### **Sale and wind-down of store network**

As previously reported, we were advised by our legal advisors that several stores had been re-let which means P4U's lease has been deemed to be surrendered by operation of law. The lease in respect of one of the stores where surrender had not been accepted expired during the period. Our solicitors continue to liaise with the landlord of the last remaining property. The lease of this property is due to expire in November 2023.

#### **Receipts and payments**

There have been no significant receipts in the period, except for £270k of bank interest. All material payments made during the period are related to the Litigation referred to above.

## **4.2 Policy Administration Services Limited**

PAS is an FCA authorised insurance intermediary that sold mobile phone insurance to the public on behalf of its underwriter LGI. On appointment, there were approximately 800,000 policyholders of which approximately 75% had a Phones 4U Care policy and approximately 25% had a Premierplan policy.

#### **Trading**

At the outset of the COVID-19 crisis PAS and LSG (the run-off service provider) took appropriate action to ensure the service to PAS's customers continued with as little disruption as possible. These actions included the establishment of home working for call centre staff and the temporary reduction in customer call centre hours to Monday - Friday 9.00-17.00.

The call centre is now operating close to pre-COVID-19 levels with a Monday - Friday 8.00 - 20.00 and Saturday 9.00 - 18.00 service, which started in July 2021. There has been no significant impact on the delivery of services to the PAS customers or the profitability of the PAS business due to the COVID-19 crisis.

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

The PAS business continues to perform well. The customer base has declined in line with expectations to approximately 61,000 policyholders as at the end of June 2022; Phones 4U Care and Premierplan products having approximately 27,000 and 34,000 policyholders respectively. Claims costs per policy remain broadly in line with forecast.

PAS was one of the entities included in the application to the Court for extension of the administrations. This was granted by the Court, extending the PAS administration through to 15 March 2023. The forecast PAS trading and cost

figures included in this report have been prepared on the basis that trading will continue through to September 2022 followed by a 12-month run off period through to September 2023 to enable the conclusion of any residual trading matters and the completion of administration closure procedures. Due to a declining book and certain fixed costs, viability is becoming more marginal. There are also regulatory changes which come into effect in October 2022 which means we cannot carry on the business in a cost effective manner beyond that date.

In order to ensure a smooth exit, a further extension application will be made at the appropriate time in order to accommodate the 12-month run-off period and where appropriate in conjunction with other P4U estates

All policies automatically renew on a monthly basis until they are cancelled by PAS or the customers. In accordance with industry 'best practice' to ensure customers are treated fairly, we have annually sent policyholders annual reminder letters to check that they continue to need their policy. The most recent annual reminder process was concluded in December 2021.

As part of the most recent annual reminder process we engaged external parties to undertake a "data wash" review to validate the accuracy of customer contact details held and, where necessary, to update details for customers who have relocated to a different address. As a result of this process, c5,000 customer policies (where customers' address details could not be verified) were terminated in April 2022.

We continued to monitor the supply chain to ensure that the service provided by LSG is as efficient and cost effective as possible.

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

Discussions with LSG and other stakeholders continued in the period and plans for a smooth exit of the business once it is no longer viable for PAS to continue trading have substantially been prepared and agreed. These plans include the establishment of suitable arrangements for the handling of late claims and the termination of all third-party relationships.

The closure process has now begun with the issue of policy termination notices commencing on 14 July 2022. This process will continue through to the end of August 2022 when the last termination notices are issued. As a result of the process the final PAS policy coverage will end on 20 September 2022.

#### **Asset Realisations**

As outlined above, trading forecasts identify that the PAS business will continue to remain profitable through to September 2022. Actual trading performance during the period has remained in line with forecasts. While forecasts are highly sensitive to policy cancellations, we anticipate performance during the remaining two months of PAS trading will be in line with forecasts.

#### **Regulatory Update**

PAS continues to be authorised and regulated by the FCA for insurance distribution and manages customer claims and complaints processes on behalf of the underwriter LGI. We continue to monitor and regularly audit claims and complaints processes and have identified no major or systemic risk in the way LSG handles customers' policies. PAS receives very few complaints and of the 8 cases referred to the FOS during the last 12 months, 6 have been adjudicated by the FOS, with 2 awaiting the outcome of the FOS review. None of the 6 adjudicated complaints were upheld.

We continue to monitor regulatory changes impacting the market.

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

The latest board meeting of P4UC was held in November 2021 when a full report of the business was given, and the directors continue to be satisfied with trading and governance arrangements. Auditors Crowe Clark Whitehill have completed an audit of the 2020 annual accounts and identified no material matters of concern.

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

As at 20 July 2022, £47.5m has been paid in dividends from P4UC to PAS since the date of appointment.

### **4.3 Other companies**

Aside from minimal receipts of bank interest, there have been no asset realisations in any of the other four companies during the period covered by this report.



Furthermore, other than realisations from the Litigation and certain MobileServ debtors, there are no further known assets to realise in any of these four companies. We believe that each of these four companies should remain in administration in order to benefit from any future Litigation realisations.

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

#### **4.4 Secured creditors**

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

We have previously reported that during the set-off process, the Security Trustee exercised its right under the intercreditor agreement to withhold funds in order to indemnify itself. As at 20 July 2022, the Security Trustee held approximately £1m (less certain legal and trustee fees). A further £1m is held on trust by GLAS Trust Corporation Limited in relation to potential claims of the Senior Note Trustee.

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

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

We have now made four interim distributions totalling £219.3m. The Joint Administrators are clarifying a number of points in respect of the secured lenders debt, repayments made to date and the ongoing interest accrual in the event there is the prospect of the secured lenders being paid in full. At present there is and continues to be a shortfall to the secured lenders. The Joint Administrators have sought legal advice on this issue, both in the UK and, given the Notes are expressed to be under New York law, by instructing US counsel.

#### **4.5 Administrators' remuneration**

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

The Concurrent Administrator has drawn fees on a monthly basis, the most recent of which has been drawn to June 2022.

Fees for all other Companies are drawn on an ad-hoc basis and only where there are sufficient funds available. All fees drawn are clearly shown in the receipts and payments accounts in Appendix A.

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

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

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

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

[www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf](http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf)

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

## 4.6 What we still need to do

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

Company	What we still need to do
Phones 4u Limited	<ul style="list-style-type: none"><li>• Continue Litigation (Concurrent Administrator only);</li><li>• Liaise with Concurrent Administrator and QE (Joint Administrators);</li><li>• Further and final distributions to Noteholders;</li><li>• Finalise residual property matters;</li><li>• Provide updates to the Committee;</li><li>• Apply for a further extension of the Administration;</li><li>• Ongoing corporation tax, VAT and regulatory compliance; and</li><li>• Recovery of monies held by the Security Trustee and GLAS Trust Corporation Limited.</li></ul>
Policy Administration Services Limited	<ul style="list-style-type: none"><li>• Facilitate ongoing trading and implement the current strategy to maximise realisations from future profitable trading;</li><li>• Finalise the agreed closure plan with all stakeholders and the regulators;</li><li>• Apply for a further extension of the Administration;</li><li>• Finalise tax and VAT matters and obtain clearance from HMRC; and</li><li>• Further and final distributions to Noteholders.</li></ul>
MobileServ Limited	<ul style="list-style-type: none"><li>• Realise intercompany assets from other Group companies in the case of further realisations in those entities;</li><li>• Realise remaining outstanding debtors;</li><li>• Apply for a further extension of the Administration;</li><li>• Complete ongoing statutory and compliance, tax and VAT matters until such a time that the administrations can be brought to an end; and</li><li>• Obtain clearance from HMRC before exiting administration</li></ul>
Phones 4 U Group Limited Phones4u Finance Plc Phosphorus Acquisition Limited	<ul style="list-style-type: none"><li>• Realise intercompany assets from other Group companies in the case of further realisations in those entities;</li><li>• Apply for further extensions of the Administrations;</li><li>• Complete ongoing statutory and compliance, tax and VAT matters until such a time as the administrations can be brought to an end; and</li><li>• Obtain clearance from HMRC before exiting administration</li></ul>

## 4.7 Ending the administration

As previously reported, the Court granted an extension of the Administrations to 15 March 2023.

As mentioned in the previous report, PAS will continue trading to September 2022, followed by a 12-month run-off period through to September 2023 to enable the conclusion of any residual trading matters and the conclusion of the administration closure procedures. Therefore, in order to ensure a smooth exit, a further extension application will be made at the appropriate time in order to accommodate the 12-month run-off period and where appropriate in conjunction with other P4U estates.

Due to the expected timeline of the Litigation and the above explanation for PAS, we are intending to seek a further extension of the Administrations reflecting our belief in the continuing value to creditors. We will be asking the secured creditors for approval of the extension shortly after the issue of this report.

The administrations are separate insolvency processes and therefore may end at different times and in different ways depending on the circumstances in each case. Each administration will be brought to an end once its purpose has been achieved, our work has been completed and statutory obligations fulfilled.

## **4.8 Discharge from liability**

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

## **4.9 Next report**

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

## **4.10 Investigations and actions**

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

## **4.11 Our receipts and payments account**

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

## **4.12 Our expenses**

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses. The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

## **4.13 Our fees**

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

## **4.14 Creditors' rights**

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at: <https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-administrators-fees-final.ashx?la=en>

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

# Appendix A: Receipts and payments

Phones 4u Limited – in administration

From 21 January 2022 to 20 July 2022

Directors' statement of affairs £		15 September 2014 to 20 January 2022 £	21 January 2022 to 20 July 2022 £	Total to 20 July 2022 £
	<b>Floating charge</b>			
	<b>Receipts</b>			
1,003,700	Accrued income	-	-	-
35,168,467	Amounts related to stock (Note 7)	30,308,407.18	2,149,860.58	32,458,267.76
1,526,401	Book debts	3,037,881.83	16.23	3,037,898.06
Undisclosed	Network commissions	313,113,974.09	-	313,113,974.09
73,581,338	Cash at bank	92,967,951.25	-	92,967,951.25
	Contribution to costs from group companies	8,283,588.21	-	8,283,588.21
	Contributions to legal fees	1,928,408.51	-	1,928,408.51
	Contributions to rent	6,803,928.09	-	6,803,928.09
	Contributions to wages	447,000.00	-	447,000.00
	Employment Benefit Trust settlement	1,500,000.00	-	1,500,000.00
	Insurance refunds	148,484.98	-	148,484.98
156,652	Intercompany debtors	996,971.86	-	996,971.86
	Intellectual property rights	100,000.00	-	100,000.00
	Interest received gross	2,683,317.48	270,166.74	2,953,484.22
2,250,000	Lease premiums	743,400.01	-	743,400.01
	Miscellaneous receipts	211,123.33	-	211,123.33
	Office equipment	201,702.32	-	201,702.32
46,122	Pre-payments	-	-	-
	Rates refunds	1,271,218.70	-	1,271,218.70
	Other refunds	216,670.57	-	216,670.57
	Sale of business	14,218,577.86	-	14,218,577.86
	Software licences	180,100.00	-	180,100.00
5,870,969	Subrogated inter-company claims	-	-	-
250,000	Tangible fixed assets	-	-	-
	Third party funds	192,307.12	-	192,307.12
	VAT Bad Debt Relief	100,951.68	-	100,951.68
Undisclosed	<b>Total receipts</b>	<b>479,655,945.07</b>	<b>2,420,043.55</b>	<b>482,075,988.62</b>

Directors' statement of affairs £	15 September 2014 to 20 January 2022 £	21 January 2022 to 20 July 2022 £	Total to 20 July 2022 £
<b>Floating charge</b>			
<b>Payments</b>			
Agents' fees	55,823,705.12	-	55,823,705.12
Amounts relating to stock	556,577.00	-	556,577.00
Bank charges	24,710.98	70.50	24,781.48
Cleaning and site clearance	34,590.37	-	34,590.37
Consultancy fees	505,695.10	-	505,695.10
Corporation tax	1,812,964.73	-	1,812,964.73
Duress payments	1,131,484.96	-	1,131,484.96
Employee expenses	123,017.66	-	123,017.66
Gross wages, salaries and employers NIC	10,936,387.68	-	10,936,387.68
Insurance	407,683.04	56.00	407,739.04
Investigations - Legal Fees	-	-	-
Investigations - Concurrent Administrator's Fees	-	-	-
Irrecoverable VAT	274,190.95	-	274,190.95
IT costs	2,843,238.20	-	2,843,238.20
Legal fees	11,873,655.13	87,450.22	11,961,105.35
Lease/hire charges	3,524.80	-	3,524.80
Litigation - Legal Fees (Note 8)	16,784,092.98	8,436,337.30	25,220,430.28
Litigation - Concurrent Administrator's Fees	885,414.50	561,527.00	1,446,941.50
Litigation - Security for costs	15,490,724.18	21,457,427.50	36,948,151.68
Office costs, stationery and postage	14,402.97	-	14,402.97
Office holders' fees (time cost basis) (Note 3)	21,868,657.25	380,702.25	22,249,359.50
Office holders' fees - Litigation (time cost basis) (Note 3)	433,305.50	40,024.00	473,329.50
Office holders' fees (Prescribed Part distribution)	125,000.00	-	125,000.00
Office holders' expenses (Note 4)	256,911.60	-	256,911.60
Office holders' expenses (PwC Legal LLP)	477,619.91	-	477,619.91
Oracle Settlement	191,666.67	-	191,666.67
Other payroll deductions	85,565.83	-	85,565.83
Pension schemes	19,871.26	-	19,871.26
Petty cash	300.00	-	300.00
Pre-appointment expenses	30,255.91	-	30,255.91
Property expenses	8,261.76	-	8,261.76
Purchases	17,913.02	-	17,913.02
Rates	97,529.17	-	97,529.17
Rent	6,172,022.11	-	6,172,022.11
Security costs	104,451.14	-	104,451.14
Service charges	308,476.82	-	308,476.82
Statutory advertising	444.46	-	444.46
Storage costs	1,444,019.04	4,132.68	1,448,151.72
Sundry appointment related costs	32,070.75	701.00	32,771.75
Transport and carriage	354,899.40	-	354,899.40
Unclaimed dividends paid to the ISA	16,192.43	-	16,192.43
Utilities	993,574.86	-	993,574.86
<b>Total payments</b>	<b>152,565,069.24</b>	<b>30,968,428.45</b>	<b>183,533,497.69</b>
<b>Net floating charge realisations</b>	<b>327,090,875.83</b>	<b>(28,548,384.90)</b>	<b>298,542,490.93</b>
<b>Secured creditors</b>			
RCF - letters of credit called up	15,810,000.00	-	15,810,000.00
RCF - letters of credit uncalled (held by Security Trustee)	-	-	-
<b>Total RCF indebtedness</b>	<b>15,810,000.00</b>	<b>-</b>	<b>15,810,000.00</b>
Senior secured noteholders	191,003,502.30	-	191,003,502.30
<b>Total distributions to Noteholders</b>	<b>191,003,502.30</b>	<b>-</b>	<b>191,003,502.30</b>
Cash-backed indemnities	3,000,000.00	-	3,000,000.00
Recovery of costs and interest	2,289,791.18	-	2,289,791.18
<b>Total secured creditor entitlements</b>	<b>212,103,293.48</b>	<b>-</b>	<b>212,103,293.48</b>
<b>Preferential creditors</b>			
Distribution to preferential creditors (100 pence in the £)	1,716,513.98	-	1,716,513.98
<b>Total preferential creditor distribution</b>	<b>1,716,513.98</b>	<b>-</b>	<b>1,716,513.98</b>
<b>Unsecured creditors</b>			
Distribution to unsecured creditors (0.27 pence in the £)	458,887.65	-	458,887.65
<b>Total unsecured creditor distribution</b>	<b>458,887.65</b>	<b>-</b>	<b>458,887.65</b>
VAT control account	703,705.82	(2,812,385.95)	(2,108,680.13)
<b>Balance held in interest bearing current accounts</b>	<b>113,515,886.54</b>	<b>(31,360,770.85)</b>	<b>82,155,115.69</b>
<b>Represented by</b>			
Held in Barclays			2,131,022.00
Held in HSBC			5,234,813.56
Invested in high interest account			74,789,280.13
<b>Total</b>			<b>82,155,115.69</b>

## Notes to the R&P

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

Note 2 - Amounts shown exclude VAT;

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

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

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

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

Note 7 - During the period of this report, we have performed an extensive reconciliation of our VAT accounts. As a result of this reconciliation, we have identified a large historic VAT payable balance that does not reconcile to the correct VAT position. We therefore completed several journal entries to show the true VAT receivable position as at 20 July 2022, as stated on the R&P. We increased our 'Amounts relating to Stock' receipts as we have assumed there is bad debt relief on sales that had not been accounted for correctly.

Note 8 - Legal fees incurred in the period largely relate to ongoing issues being dealt with by the Joint Administrators separate to the Litigation

## Phones 4 U Group Limited – in administration

From 21 January 2022 to 20 July 2022

Directors' statement of affairs £	15 September 2014 to 20 January 2022 £	21 January 2022 to 20 July 2022 £	Total to 20 July 2022 £
Floating charge			
Receipts			
- None	-	-	-
- Total receipts	-	-	-
Payments			
- None	-	-	-
- Total payments	-	-	-
- Net floating charge realisations	-	-	-
Represented by			£
Held in Barclays account:			-
Total			-

## Notes to the R&P

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

# Phones4u Finance Plc – in administration

From 21 January 2022 to 20 July 2022

Directors' statement of affairs £	15 September 2014 to 20 January 2022 £	21 January 2022 to 20 July 2022 £	Total to 20 July 2022 £
Floating charge			
Receipts			
- Bank interest	197.82	0.36	198.18
4,759 Cash at bank	4,758.97	-	4,758.97
38,807 Intercompany debtors	-	-	-
<b>43,566 Total receipts</b>	<b>4,956.79</b>	<b>0.36</b>	<b>4,957.15</b>
Payments			
Bank charges	8.60	-	8.60
Legal fees	4,760.57	-	4,760.57
- <b>Total payments</b>	<b>4,769.17</b>	<b>-</b>	<b>4,769.17</b>
<b>43,566 Net floating charge realisations</b>	<b>187.62</b>	<b>0.36</b>	<b>187.98</b>
VAT control account		-	
<b>43,566 Balance held in interest bearing current account</b>	<b>187.62</b>	<b>0.36</b>	<b>187.98</b>
Represented by			£
Barclays Account (Floating)			187.98
<b>Total</b>			<b>187.98</b>

## Notes to the R&P

Note 1 - Amounts shown exclude VAT.

**Phosphorus Acquisition Limited – in administration**  
From 21 January 2022 to 20 July 2022

Directors' statement of affairs £	15 September 2014 to 20 January 2022 £	21 January 2022 to 20 July 2022 £	Total to 20 July 2022 £
Floating charge			
<b>Receipts</b>			
69,473 Cash at bank	69,472.80		69,472.80
Bank interest	1,545.10	570.58	2,115.68
129,808 Intercompany debtors	285,245.06		285,245.06
7,328 Prepayments	-		-
<b>206,607 Total receipts</b>	<b>356,262.96</b>	<b>570.58</b>	<b>356,833.54</b>
<b>Payments</b>			
Bank charges	21.40		21.40
Legal fees	7,007.79		7,007.79
Office holders' fees	98,445.30	13,949.35	110,394.65
Office holders' expenses	525.55		525.55
Sundry appointment related costs	425.00		425.00
<b>Total payments</b>	<b>104,425.04</b>	<b>13,949.35</b>	<b>118,374.39</b>
<b>Net floating charge realisations</b>	<b>251,837.92</b>	<b>(13,378.77)</b>	<b>238,459.15</b>
VAT control account	(9,522.85)	(1,911.34)	(11,434.20)
<b>Balance held in interest bearing current account</b>	<b>247,580.93</b>	<b>(15,290.11)</b>	<b>227,024.95</b>
<b>Represented by</b>			<b>£</b>
Barclays Account (Floating)			227,024.95
<b>Total</b>			<b>227,024.95</b>

**Notes to the R&P**

Note 1 - Amounts shown exclude VAT;

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

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



**MobileServ Limited – in administration**  
From 21 January 2022 to 20 July 2022

Directors' statement of affairs £		15 September 2014 to 20 January 2022 £	21 January 2022 to 20 July 2022 £	Total to 20 July 2022 £
	<b>Floating charge</b>			
	<b>Receipts</b>			
(19,630,391)	Cash at bank (overdraft on appointment - Sterling account)	(15,610,098.07)	-	(15,610,098.07)
	Transfer from Phones 4U Limited to cover overdraft	19,630,391.02	-	19,630,391.02
	Cash at bank (currency accounts)	-	-	-
	Euro account	715,752.19	-	715,752.19
	US Dollar account	9,916.80	-	9,916.80
483,884	Employees' loan account	55,045.73	-	55,045.73
427,096	Intercompany debtors	27,573.57	-	27,573.57
	Interest received gross	327,401.92	12,551.90	339,953.82
	Investments	444,556.23	-	444,556.23
	Sundry debts and refunds	435.00	-	435.00
	Third party funds	-	-	-
<b>(18,739,611)</b>	<b>Total receipts</b>	<b>5,600,974.39</b>	<b>12,551.90</b>	<b>5,613,526.29</b>
	<b>Payments</b>			
	Bank charges	81,848.80	13.00	81,861.80
	Legal fees	159,501.88	12,977.50	172,479.38
	Office holders' fees (time cost basis)	276,044.85	32,248.75	308,293.60
	Office holders' fees (prescribed part fees)	30,000.00	-	30,000.00
	Office holders' expenses	589.72	-	589.72
	Corporation tax	4,998.39	-	4,998.39
	Sundry appointment related costs	1,557.00	-	1,557.00
	<b>Total payments</b>	<b>534,540.24</b>	<b>45,239.25</b>	<b>579,779.49</b>
	<b>Net floating charge realisations</b>	<b>5,066,434.15</b>	<b>(32,687.35)</b>	<b>5,033,746.80</b>
	<b>Unsecured creditors</b>			
	Distribution to unsecured creditors (0.07 pence in the £)	570,000.00	-	570,000.00
	<b>Total unsecured creditor distribution</b>	<b>570,000.00</b>	<b>-</b>	<b>570,000.00</b>
	VAT control account	(5,971.04)	13,034.78	7,063.74
	<b>Balance held in interest bearing current accounts</b>	<b>4,490,463.11</b>	<b>(19,652.57)</b>	<b>4,470,810.54</b>
	<b>Represented by</b>			<b>£</b>
	Barclays Account (Floating)			2,137,163.92
	Held in HSBC account			2,333,646.62
	<b>Total</b>			<b>4,470,810.54</b>

**Notes to the R&P**

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

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

Note 3 - Amounts shown exclude VAT;

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

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

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

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

Directors' statement of affairs		16 September 2014 to 20 January 2022	21 January 2022 to 20 July 2022	Total to 20 July 2022
£		£	£	£
<b>Trading statement</b>				
<b>Receipts</b>				
27,000,000	Customer insurance premiums	146,527,805.34	2,981,626.33	149,509,431.67
	Customer refunds and claims paid in cash	(3,700,279.59)	-	(3,700,279.59)
	Dividends received from P4UC	47,548,220.65	-	47,548,220.65
	Interest received gross	534,450.06	73,686.51	608,136.57
	Sales of irreparable phones	3,592,898.91	-	3,592,898.91
	Sale of office equipment	583.33	-	583.33
<b>27,000,000</b>	<b>Total trading receipts</b>	<b>194,503,678.70</b>	<b>3,055,312.84</b>	<b>197,558,991.54</b>
<b>Payments</b>				
	Agents' fees	31,659,970.01	-	31,659,970.01
	Bank charges	370,099.59	28,981.42	399,081.01
	Duress payments	931,978.33	-	931,978.33
	Insurance	73,612,131.85	1,983,824.80	75,595,956.65
	IT costs	568,216.03	-	568,216.03
	Legal fees	1,390,740.21	6,905.62	1,397,645.83
	Office costs	413,132.00	-	413,132.00
	Office holders' expenses	31,895.16	-	31,895.16
	Office holders' fees	7,645,576.03	744,373.00	8,389,949.03
	Property	18,612.88	-	18,612.88
	Stock purchase	24,566,356.64	-	24,566,356.64
	Trade creditors	102,640.77	-	102,640.77
	Warehouse costs	357,826.00	-	357,826.00
	Wages and salaries	832,199.41	-	832,199.41
	<b>Total trading payments</b>	<b>142,501,374.91</b>	<b>2,764,084.84</b>	<b>145,265,459.75</b>
	<b>Trading accounts surplus</b>	<b>52,002,303.79</b>	<b>291,228.00</b>	<b>52,293,531.79</b>

Directors' statement of affairs		16 September 2014 to 20 January 2022	21 January 2022 to 20 July 2022	Total to 20 July 2022
£		£	£	£
Floating charge				
Receipts				
35,948	Accrued income	-	-	-
14,724,121	Cash at bank	13,825,702.60	-	13,825,702.60
47,960	Prepayments	-	-	-
4,912,977	Stock	-	-	-
	Trading account balance (see above)	52,002,303.79	291,228.00	52,293,531.79
19,721,006	<b>Total receipts</b>	<b>65,828,006.39</b>	<b>291,228.00</b>	<b>66,119,234.39</b>
Payments				
	Corporation tax	9,230,243.77	263,688.83	9,493,932.60
	<b>Total payments</b>	<b>9,230,243.77</b>	<b>263,688.83</b>	<b>9,493,932.60</b>
	VAT control account (Net Irrecoverable VAT)	2,488,214.29	132,990.08	2,621,204.37
	<b>Floating charge realisations</b>	<b>54,109,548.33</b>	<b>(105,450.91)</b>	<b>54,004,097.42</b>
Secured creditors				
	Distribution to senior secured Noteholders	28,296,497.70	-	28,296,497.70
	<b>Total secured creditor entitlements</b>	<b>28,296,497.70</b>	<b>-</b>	<b>28,296,497.70</b>
Unsecured creditors				
	Distribution to unsecured creditors (1.5p in the £)	570,760.00	-	570,760.00
	<b>Total unsecured creditor entitlements</b>	<b>570,760.00</b>	<b>-</b>	<b>570,760.00</b>
	<b>Balance held in interest bearing accounts</b>	<b>25,242,290.63</b>	<b>(105,450.91)</b>	<b>25,136,839.72</b>
Represented by				£
	Held at Barclays			6,836,541.96
	Held at Lloyds			391,624.82
	Held at ANZ			17,908,672.94
	<b>Total</b>			<b>25,136,839.72</b>

## Notes to the R&P

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

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

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

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

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

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

# Appendix B: Expenses

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

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

Expenses fall into two categories:

## Expense SIP 9 definition

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

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

The following tables provides a breakdown of the Category 2 expenses have been incurred by us as administrators or our associates, together with details of the Category 1 expenses that have been incurred by PwC and will be recharged to the case (no Category 2 expenses have been incurred by Aldan, and to date £247 have been incurred by Aldan in Category 1 expenses):

The expense policy set out below for the category 2 expenses (Photocopying, mileage and PwC Legal) have been approved by the secured and preferential creditors.

### Phones 4U Limited – in administration

Summary of disbursements incurred to 20 July 2022

Category	Policy	15 September 2014 to 20 January 2022 (£)	21 January 2022 to 20 July 2022 (£)	Total to 20 July 2022 (£)
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	20,453.92	3.22	20,457.14
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	30,092.99	-	30,092.99
2	PwC Legal LLP - time costs and disbursements.	477,619.91	-	477,619.91
1	All other disbursements reimbursed at cost:			
	External venue costs	35,691.05	-	35,691.05
	Concurrent Administrator disbursements	247.00	-	247.00
	Hotel accommodation	35,143.90	-	35,143.90
	Rail fares	27,482.48	-	27,482.48
	Air fares	45,474.16	-	45,474.16
	Postage	53,974.00	-	53,974.00
	Subsistence costs	9,562.09	-	9,562.09
	Taxi fares	7,960.46	-	7,960.46
	Mobile phone usage	1,933.77	-	1,933.77
	Storage	16,140.51	5,188.00	21,328.51
	Other	23,396.68	66.00	23,462.68
	<b>Total</b>	<b>785,172.92</b>	<b>5,257.22</b>	<b>790,430.14</b>

**Phones 4 U Group Limited – in administration**  
Summary of disbursements incurred to 20 July 2022

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

**Phones 4u Finance Plc – in administration**  
Summary of disbursements incurred to 20 July 2022

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

**MobileServ Limited – in administration**  
Summary of disbursements incurred to 20 July 2022

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

**Phosphorus Acquisition Limited – in administration**

Summary of disbursements incurred to 20 July 2022

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

**Policy Administration Services Limited – in administration**

Summary of disbursements incurred to 20 July 2022

Category	Policy	15 September 2014 to 20 January 2022 (£)	21 January 2022 to 20 July 2022 (£)	Total to 20 July 2022 (£)
2		235.96	-	235.96
	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying			
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	3,118.98	-	3,118.98
1	All other disbursements reimbursed at cost:			
	Rail fares	12,658.23	-	12,658.23
	External venue costs	90.00	-	90.00
	Hotel accommodation	7,247.69	-	7,247.69
	Subsistence costs	3,577.41	-	3,577.41
	Taxi fares	2,110.13	-	2,110.13
	Car hire charges	1,485.92	-	1,485.92
	Postage	20.19	-	20.19
	Air fares	881.79	-	881.79
	Other	2,308.55	34.00	2,342.55
	<b>Total</b>	<b>33,734.85</b>	<b>34.00</b>	<b>33,768.85</b>

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

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

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

	Expenses incurred brought forward from 20 January 2022	Expenses incurred in this period	Total expenses to 20 July 2022	Estimated future	Anticipated total
	(£)	(£)	(£)	(£)	(£)
Agents' fees	55,823,705.12	-	55,823,705.12	-	55,823,705.12
Amounts relating to stock	556,577.00	-	556,577.00	-	556,577.00
Bank charges	24,710.98	70.50	24,781.48	9,112.00	33,893.48
Cleaning and site clearance	34,590.37	-	34,590.37	-	34,590.37
Consultancy fees	505,695.10	-	505,695.10	-	505,695.10
Duress payments	1,131,484.96	-	1,131,484.96	-	1,131,484.96
Employee expenses	123,017.66	-	123,017.66	-	123,017.66
Gross wages, salaries and employers NIC	10,936,387.90	-	10,936,387.90	-	10,936,387.90
Insurance	407,683.04	56.00	407,739.04	560.00	408,299.04
Investigations (Legal Fees)	-	-	-	-	-
Investigations (Concurrent Administrator's fees)	-	-	-	-	-
Irrecoverable VAT	274,190.95	-	274,190.95	-	274,190.95
IT costs	2,843,238.22	-	2,843,238.22	-	2,843,238.22
Legal fees (P4U)	11,874,825.63	86,585.72	11,961,411.35	540,328.00	12,501,739.35
Legal fees (other group entities)	20,126.02	-	20,126.02	-	20,126.02
Lease/hire charges	3,524.80	-	3,524.80	-	3,524.80
Litigation - Legal Fees	19,111,996.15	9,221,351.63	28,333,347.78	-	28,333,347.78
Litigation - Security for costs	15,490,724.18	21,457,427.50	36,948,151.68	-	36,948,151.68
Office holders' expenses	717,112.56	5,258.47	722,371.03	200,000.00	922,371.03
Office holders' expenses (PwC Legal LLP)	477,619.91	-	477,619.91	-	477,619.91
Other payroll deductions	85,565.83	-	85,565.83	-	85,565.83
Pension schemes	19,871.26	-	19,871.26	-	19,871.26
Petty cash	300.00	-	300.00	-	300.00
Pre-appointment expenses	30,255.91	-	30,255.91	-	30,255.91
Property expenses	8,261.76	-	8,261.76	-	8,261.76
Purchases	17,913.02	-	17,913.02	-	17,913.02
Rates	97,529.17	-	97,529.17	-	97,529.17
Rent	6,172,022.11	-	6,172,022.11	496,000.00	6,668,022.11
Security costs	104,451.14	-	104,451.14	-	104,451.14
Service charges	308,476.82	-	308,476.82	-	308,476.82
Statutory advertising	444.46	-	444.46	-	444.46
Storage costs	1,441,081.73	-	1,441,081.73	-	1,441,081.73
Sundry appointment related costs	32,805.08	701.00	33,506.08	22,620.00	56,126.08
Transport and carriage	354,899.40	-	354,899.40	-	354,899.40
Utilities	993,574.86	-	993,574.86	700,000.00	1,693,574.86
Contribution to expenses excluding legal fees from group companies	(7,289,818.05)	-	(7,289,818.05)	-	(7,289,818.05)
<b>Total</b>	<b>122,734,845.05</b>	<b>30,771,450.82</b>	<b>153,506,295.87</b>	<b>1,968,620.00</b>	<b>155,474,915.87</b>

**Note 1** - Office holders' fees, including the Concurrent Administrator's fees, are no longer required to be disclosed in the expenses statement. The Concurrent Administrator's fees were included in the previous progress report but are no longer included in the above.

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

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

**Phones4u Finance Plc – in administration**

From 21 January 2022 to 20 July 2022

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

**MobileServ Limited – in administration**

From 21 January 2022 to 20 July 2022

	Expenses incurred brought forward from 21 January 2022 (£)	Expenses incurred in this period (£)	Total expenses to 20 July 2022 (£)	Estimated future expenses (£)	Anticipated total expenses (£)
Bank charges	61,848.60	13.00	61,861.60	100.00	61,961.60
Legal fees	159,501.68	12,977.50	172,479.18	80,000.00	252,479.18
Office holders' expenses	41,865.90	-	41,865.90	1,000.00	42,865.90
Sundry appointment related costs	1,557.00	-	1,557.00	1,000.00	2,557.00
<b>Total</b>	<b>264,773.18</b>	<b>12,990.50</b>	<b>277,763.68</b>	<b>82,100.00</b>	<b>359,863.68</b>

**Phosphorus Acquisition Limited – in administration**

From 21 January 2022 to 20 July 2022

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



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

	<b>Expenses incurred brought forward from 20 Jan 22 (£)</b>	<b>Expenses incurred in this period (£)</b>	<b>Total expenses to 20 Jul 2022 (£)</b>	<b>Estimated future expenses (£)</b>	<b>Estimated total expenses (£)</b>
Agents' fees	32,245,712.85	837,994.10	33,083,706.95	1,896,312.57	34,980,020
Bank charges	464,635.66	28,981.42	493,617.08	20,455.27	514,072
Duress payments	931,978.33	-	931,978.33	-	931,978
Insurance	73,880,849.52	1,704,653.74	75,585,503.26	3,218,550.91	78,804,054
IT costs	568,216.03	-	568,216.03	38,698.62	606,915
Legal fees	1,391,135.08	31,851.12	1,422,986.20	421,415.15	1,844,401
Office costs	413,132.00	-	413,132.00	-	413,132
Office holders' expenses	33,734.85	33.18	33,768.03	10,987.99	44,756
Property	18,612.88	-	18,612.88	-	18,613
Stock purchase	24,683,915.18	422,084.18	25,105,999.36	117,445.50	25,223,445
Trade creditors	102,640.77	-	102,640.77	-	102,641
Warehouse costs	357,826.00	-	357,826.00	-	357,826
Wages and salaries	832,199.41	-	832,199.41	-	832,199
<b>Total</b>	<b>135,924,588.56</b>	<b>3,025,597.74</b>	<b>138,950,186.30</b>	<b>5,723,866.00</b>	<b>144,674,052.30</b>

# Appendix C: Remuneration update

## Analysis of our time costs

Our fees were approved on a time costs by the secured and preferential creditors. To 31 March 2022, we have drawn fees of £31,686,326.28 in line with the approval given, as shown on the enclosed receipts and payments accounts. Please see the below for the split of fees drawn by entity:

- Phones 4u Limited - time cost basis: £22,722,689.00 (of which £473,329.50 relates to Litigation)
- Phones 4u Limited - prescribed part: £125,000.00
- MobileServ Limited - time cost basis: £308,293.60
- MobileServ Limited - prescribed part: £30,000.00
- Phosphorus Acquisition Limited: £110,394.65
- Policy Administration Services Limited: £8,389,949.03

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

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

### *Phones 4U Limited – in administration*

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

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	9.25	3.10	1.50	4.00	4.35	-	22.20	15,929.75	717.56
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	0.90	-	-	0.90	435.50	483.89
Other assets	7.60	-	0.70	-	0.70	1.00	-	10.00	8,649.00	864.90
MNO Receivables	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Litigation	0.80	2.00	100.25	-	-	-	-	103.05	81,048.00	786.49
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	3.10	24.35	118.60	15.20	-	161.25	80,191.75	497.31
Statutory and compliance	-	-	4.70	15.35	17.70	16.65	-	54.40	22,598.00	415.40
Employees & pensions	-	-	-	-	0.50	-	-	0.50	240.00	480.00
Creditors	1.50	-	29.90	1.20	1.40	0.40	-	34.40	27,716.00	805.70
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	1.00	-	-	-	5.55	14.50	0.25	21.30	10,366.50	486.69
VAT	-	-	4.10	3.00	9.75	-	-	16.85	12,671.50	752.02
Books and records	-	-	-	-	0.20	-	-	0.20	96.00	480.00
Closure procedures	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10.90</b>	<b>11.25</b>	<b>145.85</b>	<b>45.40</b>	<b>159.30</b>	<b>52.10</b>	<b>0.25</b>	<b>425.05</b>	<b>259,942.00</b>	<b>611.56</b>

*Phones 4U Limited – in administration*  
Aggregate PwC time cost summary to 20 July 2022

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	4,033.58	2,166,035.70	537.00	835.06	410,000.00	2,576,035.70	529.11
Sale of business	944.15	509,277.50	539.40	-	-	509,277.50	539.40
Book debt realisations	378.13	176,798.95	467.56	-	-	176,798.95	467.56
Property	2,742.05	1,151,635.25	419.99	4.83	1,500.00	1,153,135.25	419.80
Other assets	2,568.28	1,190,821.10	463.66	266.62	100,000.00	1,290,821.10	455.33
MNO Receivables	3,663.04	1,739,407.35	474.85	Note 1	Note 1	Note 1	Note 1
Investigations	2,612.53	1,166,030.05	446.32	Note 1	Note 1	Note 1	Note 1
Litigation	1,401.00	726,715.75	518.71	Note 1	Note 1	Note 1	Note 1
Retention of title	1,015.25	424,411.25	418.04	-	-	424,411.25	418.04
Trading	2,210.74	947,358.30	428.53	-	-	947,358.30	428.53
Accounting and treasury	4,183.38	1,617,622.30	386.68	837.32	280,000.00	1,897,622.30	377.96
Statutory and compliance	3,937.34	1,650,344.15	419.15	792.83	290,000.00	1,940,344.15	410.21
Employees & pensions	4,645.99	1,477,247.70	317.96	-	-	1,477,247.70	317.96
Investigations	-	-	-	-	-	-	-
Creditors	7,364.60	3,149,136.15	427.60	57.17	21,000.00	3,170,136.15	427.14
Creditors committee	326.85	168,359.50	515.10	-	-	168,359.50	515.10
Tax	2,790.68	1,511,376.25	541.58	186.16	100,000.00	1,611,376.25	541.30
VAT	4,688.48	3,407,462.10	726.77	139.22	100,000.00	3,507,462.10	726.53
Books and records	992.20	278,152.30	280.34	92.92	25,000.00	303,152.30	279.37
Closure procedures	7.30	2,597.25	355.79	536.12	150,000.00	152,597.25	280.81
<b>Total</b>	<b>50,505.57</b>	<b>23,460,788.90</b>	<b>464.52</b>	<b>3,748.24</b>	<b>1,477,500.00</b>	<b>24,938,288.90</b>	<b>459.66</b>

**Note 1**

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

*Phones 4U Limited – in administration*

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

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Litigation	148.80	483.00	-	-	-	-	-	631.80	566,754.00	897.05
Statutory and compliance	0.60	7.70	-	-	-	-	-	8.30	7,248.50	873.31
Other assets	-	-	-	-	-	-	-	-	-	-
Creditors	18.30	29.80	-	-	-	-	-	48.10	43,711.00	908.75
<b>Total</b>	<b>167.70</b>	<b>520.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>688.20</b>	<b>617,713.50</b>	<b>897.58</b>

*Phones 4U Limited – in administration*

Concurrent Administrator aggregate time cost summary to 20 July 2022

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated total cost £	Average hourly rate £
Litigation	1,375.30	1,218,973.00	886.33	Note 1	Note 1	886.33
Statutory and compliance	51.60	45,603.00	883.78	Note 1	Note 1	883.78
Other assets	0.60	546.00	910.00	Note 1	Note 1	910.00
Creditors	122.30	111,139.00	908.74	Note 1	Note 1	908.74
<b>Total</b>	<b>1,549.80</b>	<b>1,376,261.00</b>	<b>888.02</b>			<b>888.02</b>

**Note 1**

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

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

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	0.60	0.35	-	0.95	424.50	446.84
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	0.20	-	-	-	-	-	-	0.20	196.00	980.00
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	-	1.00	-	-	1.00	480.00	480.00
Statutory and compliance	-	-	0.50	0.80	4.10	-	-	5.40	2,826.25	523.38
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	0.45	-	-	0.45	232.00	515.56
VAT	-	-	0.20	-	0.15	-	-	0.35	212.50	607.14
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>0.20</b>	<b>-</b>	<b>0.70</b>	<b>0.80</b>	<b>6.30</b>	<b>0.35</b>	<b>-</b>	<b>8.35</b>	<b>4,371.25</b>	<b>523.50</b>

*Phones 4 U Group Limited – in administration*  
Aggregate time cost summary to 20 July 2022

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	50.89	35,222.07	692.00	34.45	17,741.75	52,963.82	620.62
Sale of business	2.65	1,256.00	473.96	-	-	1,256.00	473.96
Book debt realisations	4.70	4,277.00	910.00	-	-	4,277.00	910.00
Property	3.00	1,653.50	551.17	-	-	1,653.50	551.17
Other assets	6.65	5,728.00	861.35	-	-	5,728.00	861.35
Retention of title	-	-	-	-	-	-	-
Investigations	0.10	91.00	910.00	-	-	91.00	910.00
MNO Receivables	-	-	-	-	-	-	-
Trading	18.95	8,198.75	432.65	-	-	8,198.75	432.65
Accounting and treasury	32.25	12,523.80	388.33	16.96	8,734.40	21,258.20	431.99
Statutory and compliance	195.51	76,991.40	393.80	80.03	41,215.45	118,206.85	429.00
Employees & pensions	1.40	550.00	392.86	-	-	550.00	392.86
Creditors	16.95	6,612.20	390.10	-	-	6,612.20	390.10
Creditors committee	0.10	29.00	290.00	-	-	29.00	290.00
Tax	45.70	24,120.00	527.79	23.85	12,282.75	36,402.75	523.40
VAT	14.45	5,737.10	397.03	23.85	12,282.75	18,019.85	470.49
Books and records	3.85	1,472.90	382.57	-	-	1,472.90	382.57
Closure procedures	2.30	1,150.50	500.22	10.00	5,000.00	6,150.50	500.04
<b>Total</b>	<b>399.45</b>	<b>185,613.22</b>	<b>464.67</b>	<b>189.14</b>	<b>97,257.10</b>	<b>282,870.32</b>	<b>480.59</b>

*Phones 4u Finance Plc – in administration*  
Analysis of time costs for the period 21 January 2021 to 20 July 2022

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	0.60	0.35	-	<b>0.95</b>	<b>424.50</b>	446.84
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	0.10	1.05	-	-	<b>1.15</b>	<b>563.50</b>	490.00
Statutory and compliance	-	-	0.20	0.60	4.10	-	-	<b>4.90</b>	<b>2,501.75</b>	510.56
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	0.45	-	-	<b>0.45</b>	<b>232.00</b>	515.56
VAT	-	-	-	-	0.15	-	-	<b>0.15</b>	<b>75.50</b>	503.33
<b>Total</b>	-	-	<b>0.20</b>	<b>0.70</b>	<b>6.35</b>	<b>0.35</b>	-	<b>7.60</b>	<b>3,797.25</b>	<b>499.64</b>

*Phones 4u Finance Plc – in administration*  
Aggregate time cost summary to 20 July 2022

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	<b>25.00</b>	<b>11,386.25</b>	455.45	34.45	17,741.75	29,128.00	489.96
Sale of business	<b>3.40</b>	<b>454.75</b>	133.75	-	-	454.75	133.75
Property	<b>0.10</b>	<b>46.00</b>	460.00	-	-	46.00	460.00
Other assets	<b>0.65</b>	<b>324.50</b>	499.23	-	-	324.50	499.23
Trading	<b>4.85</b>	<b>1,860.25</b>	383.56	-	-	1,860.25	383.56
Accounting and treasury	<b>32.15</b>	<b>11,911.65</b>	370.50	16.96	8,734.40	20,646.05	420.40
Statutory and compliance	<b>193.12</b>	<b>73,285.35</b>	379.48	80.03	41,215.45	114,500.80	419.19
Employees & pensions	<b>10.40</b>	<b>2,615.00</b>	251.44	-	-	2,615.00	251.44
Investigations	<b>6.05</b>	<b>1,948.75</b>	322.11	-	-	1,948.75	322.11
Creditors	<b>26.75</b>	<b>10,221.40</b>	382.11	-	-	10,221.40	382.11
Creditors committee	<b>0.20</b>	<b>58.00</b>	290.00	-	-	58.00	290.00
Tax	<b>15.60</b>	<b>5,850.15</b>	375.01	23.85	12,282.75	18,132.90	459.64
VAT	<b>19.45</b>	<b>6,316.35</b>	324.75	23.85	12,282.75	18,599.10	429.54
Books and records	<b>0.45</b>	<b>165.50</b>	367.78	-	-	165.50	367.78
Closure procedures	<b>0.10</b>	<b>52.50</b>	525.00	10.00	5,000.00	5,052.50	500.25
<b>Total</b>	<b>338.27</b>	<b>126,496.40</b>	<b>373.95</b>	<b>189.14</b>	<b>97,257.10</b>	<b>223,753.50</b>	<b>424.25</b>

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

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	0.10	-	-	-	2.00	0.25	-	2.35	1,163.00	494.89
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	7.00	-	7.60	-	-	-	-	14.60	13,165.00	901.71
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	(0.10)	-	-	(0.10)	(48.00)	480.00
Accounting and treasury	-	-	-	1.55	5.35	3.10	-	10.00	4,761.50	476.15
Statutory and compliance	0.20	-	0.35	1.50	5.25	-	-	7.30	3,915.00	536.30
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	0.20	0.65	-	-	0.85	532.00	625.88
VAT	-	-	-	-	0.25	-	-	0.25	123.50	494.00
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7.30</b>	<b>-</b>	<b>7.95</b>	<b>3.25</b>	<b>13.40</b>	<b>3.35</b>	<b>-</b>	<b>35.25</b>	<b>23,612.00</b>	<b>669.84</b>

**Note 1** - following a review of our time costs, we identified some time that had inadvertently been duplicated in the prior period. This has been adjusted in this period, explaining the negative time.

*MobileServ Limited – in administration*  
Aggregate time cost summary to 20 July 2022

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	150.05	46,345.80	308.87	34.45	17,741.75	64,087.55	347.36
Sale of business	0.15	81.00	540.00	-	-	81.00	540.00
Book debt realisations	34.30	19,170.50	558.91	-	-	19,170.50	558.91
Property	0.10	46.00	460.00	-	-	46.00	460.00
Other assets	129.20	72,600.40	561.92	20.00	25,000.00	97,600.40	654.16
MNO Receivables	0.75	405.00	540.00	-	-	405.00	540.00
Investigations	6.50	2,155.50	331.62	-	-	2,155.50	331.62
Trading	1.60	973.50	608.44	-	-	973.50	608.44
Accounting and treasury	107.90	42,459.85	393.51	16.96	8,734.40	51,194.25	410.01
Statutory and compliance	215.95	81,918.20	379.34	80.03	41,215.45	123,133.65	416.02
Employees & pensions	0.20	59.00	295.00	-	-	59.00	295.00
Creditors	62.54	27,075.02	432.92	-	-	27,075.02	432.92
Creditors committee	0.40	116.00	290.00	-	-	116.00	290.00
Tax	83.50	40,409.95	483.95	23.85	12,282.75	52,692.70	490.85
VAT	4.85	1,960.85	404.30	23.85	12,282.75	14,243.60	496.29
Books and records	5.35	1,912.00	357.38	-	-	1,912.00	357.38
Closure procedures	0.25	131.25	525.00	10.00	5,000.00	5,131.25	500.61
<b>Total</b>	<b>803.59</b>	<b>337,819.82</b>	<b>420.39</b>	<b>209.14</b>	<b>122,257.10</b>	<b>460,076.92</b>	<b>454.29</b>

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

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	0.10	1.90	-	-	9.80	25.45	-	37.25	13,722.00	368.38
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	0.20	-	-	-	-	-	-	0.20	196.00	980.00
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	0.10	33.30	-	705.75	51.90	4.10	-	795.15	485,829.25	610.99
Accounting and treasury	0.20	-	1.10	16.75	43.25	20.35	-	81.65	39,623.75	485.29
Statutory and compliance	-	5.20	0.30	33.15	29.85	-	-	68.50	38,873.25	567.49
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	1.10	-	16.95	4.00	19.10	-	-	41.15	39,758.50	966.18
VAT	-	-	2.45	-	0.10	-	-	2.55	3,510.50	1,376.67
Books and records	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1.70</b>	<b>40.40</b>	<b>20.80</b>	<b>759.65</b>	<b>154.00</b>	<b>49.90</b>	<b>-</b>	<b>1,026.45</b>	<b>621,513.25</b>	<b>605.50</b>

*Policy Administration Services Limited – in administration*  
Aggregate time cost summary to 20 July 2022

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	932.00	379,976.10	407.70	523.75	263,869.00	657,567.10	440.43
Sale of business	110.55	51,531.25	466.14	-	-	51,531.25	466.14
Book debt realisations	19.80	14,803.00	747.63	-	-	14,803.00	747.63
Property	13.75	7,579.00	551.20	-	-	7,579.00	551.20
Other assets	660.50	284,512.25	430.75	584.80	276,684.00	561,392.25	450.74
Trading	11,998.44	5,783,818.25	482.05	435.85	89,280.75	6,358,928.25	480.66
Accounting and treasury	1,419.05	517,933.75	364.99	706.35	381,545.25	939,102.75	425.50
Statutory and compliance	1,949.01	821,737.80	421.62	292.50	183,973.75	1,044,584.80	452.20
Employees & pensions	205.00	87,077.75	424.77	-	-	87,077.75	424.77
Investigations	9.20	3,239.00	352.07	-	-	3,239.00	352.07
Creditors	371.16	156,256.98	421.00	217.00	104,931.00	261,187.98	444.08
Creditors committee	49.45	21,725.00	439.33	79.00	37,761.00	59,486.00	463.11
Tax	596.61	336,528.80	564.07	69.85	8,330.50	384,617.80	543.54
VAT	220.80	185,977.20	842.29	193.45	69,692.50	259,180.20	621.83
Books and records	72.45	28,506.50	393.46	-	-	28,506.50	393.46
Closure procedures	73.10	40,791.50	558.02	258.75	147,885.00	188,676.50	568.13
<b>Total</b>	<b>18,700.87</b>	<b>8,721,994.13</b>	<b>466.40</b>	<b>3,361.30</b>	<b>1,563,952.75</b>	<b>10,907,460.13</b>	<b>472.41</b>

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

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	-	-	2.40	0.35	-	2.75	1,292.00	469.82
Sale of business	-	-	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Accounting and treasury	-	-	-	0.20	1.75	-	-	1.95	959.00	491.79
Statutory and compliance	-	-	0.65	1.10	3.75	-	-	5.50	2,939.50	534.45
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-
Creditors committee	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	0.45	-	-	0.45	232.00	515.56
VAT	-	-	-	-	0.15	-	-	0.15	75.50	503.33
<b>Total</b>	-	-	0.65	1.30	8.50	0.35	-	10.80	5,498.00	509.07

*Phosphorus Acquisition Limited – in administration*  
Aggregate time cost summary to 20 July 2022

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	27.15	11,503.90	423.72	34.45	17,741.75	29,245.65	474.77
Sale of business	0.15	81.00	540.00	-	-	81.00	540.00
Property	0.10	46.00	460.00	-	-	46.00	460.00
Other assets	2.40	1,091.25	454.69	-	-	1,091.25	454.69
Trading	5.85	2,171.25	371.15	-	-	2,171.25	371.15
Accounting and treasury	32.85	11,295.40	343.85	16.96	8,734.40	20,029.80	402.12
Statutory and compliance	186.81	70,394.60	376.82	80.03	41,215.45	111,610.05	418.27
Employees & pensions	-	-	-	-	-	-	-
Investigations	5.70	1,848.50	324.30	-	-	1,848.50	324.30
Creditors	8.10	2,953.90	364.68	-	-	2,953.90	364.68
Creditors committee	0.20	58.00	290.00	-	-	58.00	290.00
Tax	23.25	7,897.10	339.66	23.85	12,282.75	20,179.85	428.45
VAT	3.75	1,418.25	378.20	23.85	12,282.75	13,701.00	496.41
Books and records	0.45	165.50	367.78	-	-	165.50	367.78
Closure procedures	0.30	146.50	488.33	10.00	5,000.00	5,146.50	499.66
<b>Total</b>	297.06	111,071.15	373.90	189.14	97,257.10	208,328.25	428.48

## Our time charging policy and hourly rates

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

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

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



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

Reflecting the increasingly mobile and flexible nature of the PwC workforce and the narrowing of our London and regional cost bases, we have moved to one uniform rate card for our standard restructuring and insolvency services from 1 July 2022. This is in line with other parts of PwC and reflects wider market developments. We will continue to have a separate rate card for specialist services including our tax, data and technologist support.

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

Further details are below:

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

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

Grade	Up to 30 June 2022 £	From 1 July 2022 £
<b>Partner</b>	1,680	1,175
<b>Director</b>	1,540	1,085
<b>Senior Manager</b>	1,425	980
<b>Manager</b>	860	795
<b>Senior Associate/Consultant</b>	640	575
<b>Associate/Assistant Consultant</b>	345	415
<b>Support Staff</b>	190	145

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

## Financial Benefit

As shown on the enclosed receipts and payments accounts, our work to date has generated recoveries (net of costs and excluding cash at bank on appointment) in the region of £241m for the benefit of all classes of creditors. The estimated recovery for the Noteholders (who are expected to have the primary economic interest in the progress of the Companies' administrations) is uncertain as it depends on the outcome, timing and costs of the Litigation.

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

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

## Business relationships

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

## Details of subcontracted work

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

## Payments to associates

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

## Forensics technology costs

Creditors will note from our prior reports that we have incurred technology costs in relation to the Litigation work undertaken by our forensics team. We had incurred £409,668.55 in P4U and £41,086.00 in MobileServ to 20 January 2022.

During the period of this report, we have incurred a further £38,794.00 in P4U and none in MobileServ. Our cumulative totals are therefore £448,462.55 in P4U and £41,086.00 in MobileServ. We will be seeking approval for these costs at the appropriate time but have included the above for illustrative purposes.

## Our work in the period

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

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
<b>Accounting and treasury</b>		
<ul style="list-style-type: none"> <li>Dealing with general accounting and treasury functions, including payments, receipts and journal postings; and</li> <li>Actively managing cash holdings, including regular money market investments to increase returns whilst ensuring credit risk is appropriately managed.</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for preparing and authorising receipt and payment vouchers and carrying out bank reconciliations.</li> </ul>	<ul style="list-style-type: none"> <li>Ensured funds are managed securely and that such funds are generating returns.</li> <li>Complying with statutory and regulatory duties regarding the holding and accounting for funds.</li> </ul>
<i>(Policy Administration Services only)</i>		
<ul style="list-style-type: none"> <li>Collecting premiums and making refunds to customers and reconciliations to bank balance and cash flow;</li> <li>Transferring premiums to insurer account, including reconciliation and sign off from appointees;</li> <li>Operating finance functions, including bank account transfers and payment requisitions; and</li> <li>Managing funds held in order to maximise interest returns.</li> </ul>		
<b>Litigation (Phones 4u Limited only)</b>		
<i>Concurrent Administrators</i> <ul style="list-style-type: none"> <li>Oversight of Litigation including liaising with QE, Counsel and other advisors regarding strategy (including input to P4U's opening and closing submissions), Defendants' opening and closing submissions, project management, consideration of Defendants' witness statements and inter-partes correspondence;</li> <li>Liaison with DT Economics, QE and Counsel regarding the Economics Experts' reports, including review and comments thereon; and</li> <li>Preparation for and attendance at relevant Court hearings, including instruction of Counsel and QE.</li> </ul>	<ul style="list-style-type: none"> <li>Due to the potentially material and commercially sensitive nature of these investigations, it is not appropriate to disclose any further information.</li> </ul>	<ul style="list-style-type: none"> <li>Potential additional recoveries and response to requests mandated by the Court.</li> </ul>
<i>Joint Administrators</i>		
<ul style="list-style-type: none"> <li>Responding to requests under the Disclosure Order; and</li> <li>Management of the significant cash reserves to fund Litigation.</li> </ul>		
<b>Creditors &amp; Committee</b>		

<ul style="list-style-type: none"> <li>Planning and preparation of financial and operational information for creditors;</li> <li>Preparing for and following up on Noteholder meetings; and</li> <li>Maintaining information on our dedicated website.</li> </ul> <p><i>(Policy Administration Services only)</i></p> <ul style="list-style-type: none"> <li>Maintaining the creditor helpline and mailbox in respect of creditor claims.</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to determine the value of creditor claims so that a distribution strategy may be determined, and dividend payments made to creditors.</li> </ul>	<ul style="list-style-type: none"> <li>Provides information necessary to creditors (who have an economic interest in the outcome of the administration), both collectively and individually.</li> <li>Enabled the distribution of the prescribed part dividends.</li> </ul>
<b>Property</b>		
<ul style="list-style-type: none"> <li>Liaising with our solicitors with regard to surrender of leases.</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to negotiate with landlords and liaise with agents in order to reduce P4U's liabilities in respect of its property portfolio and utility costs.</li> </ul>	<ul style="list-style-type: none"> <li>Mitigates claims against the administrations.</li> </ul>
<b>Other matters</b>		
<ul style="list-style-type: none"> <li>Liaising with our insurers for the purpose of maintaining adequate insurance cover for assets and risks in the post-appointment period.</li> </ul> <p><i>(Policy Administration Services only)</i></p> <ul style="list-style-type: none"> <li>Attending board meetings with P4UC to oversee the running of the subsidiary.</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to ensure appropriate insurance of assets and to ensure that assets are properly dealt with.</li> <li>This work was necessary to ensure that the captive is managed in accordance with the management agreement, thereby ensuring dividend payments to PAS are maximised.</li> </ul>	<ul style="list-style-type: none"> <li>Mitigation of the risk of claims against the administration and loss of assets.</li> </ul>
<b>Statutory and compliance</b>		
<ul style="list-style-type: none"> <li>Preparing and issuing our latest progress report to creditors;</li> <li>Planning for statutory deadlines and collation of requisite information;</li> <li>Maintaining cash records and filings;</li> <li>Dealing with inbound post and other correspondence; and</li> <li>Completing case management tasks on the case database.</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to satisfy statutory and regulatory responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>Statutory and regulatory responsibilities.</li> </ul>
<b>Strategy and Planning</b>		
<ul style="list-style-type: none"> <li>Oversight of case progression and strategic decisions by appointment takers and other project management;</li> <li>Budgeting and cost analysis;</li> <li>Liaising with key stakeholder groups;</li> <li>Preparing various forecasts, including but not limited to; cash flows and outcome statements; and</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for planning and project managing the many different workstreams.</li> </ul>	<ul style="list-style-type: none"> <li>Assisted in the efficient, structured and timely management of the administrations, leading to a faster completion and return to creditors.</li> </ul>

- Liaison with legal and other advisors regarding ongoing matters in the administrations.

*(Policy Administration Services Limited only)*

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

#### Trading

*(Policy Administration Services Limited only)*

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

#### Tax

- Preparation of quarterly instalment payment calculations with respect to the FY21 period, including analysis with respect to the actual and estimated receipt and payment information for the period; and
- Ad hoc tax compliance matters e.g. liaising with HMRC on general issues.
- This work was necessary to comply with our legal obligation to submit tax returns, to reach certainty on the post-administration tax position and enabled us to agree HMRC's unsecured claim.
- Statutory and regulatory responsibilities.

*(Policy Administration Services only)*

- Filing tax returns and making quarterly payments on account;
- Calculating and paying income tax due on interest payments on customer refunds; and
- Considering the tax efficiency of the PAS scheme

#### VAT

- Preparing and submitting quarterly VAT returns to HMRC;
- Regular detailed reconciliations of transactions for VAT purposes; and
- Liaising with HMRC.
- This work was necessary to comply with our legal obligation to submit tax returns, to reach certainty on the post-administration tax position.
- Statutory and regulatory responsibilities.

<b>Books and records</b>		
<ul style="list-style-type: none"> <li>• Liaising with third party storage providers in relation to company books and records that we have a legal obligation to maintain.</li> </ul>	<ul style="list-style-type: none"> <li>• This work was necessary to ensure the proper stewardship of company books and records.</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory and regulatory responsibilities.</li> </ul>

## Our future work

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

Work undertaken	Estimated cost to 31 March 2025 (£m)	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
<b>Accounting and treasury</b>		
<ul style="list-style-type: none"> <li>• Arranging payment of expenses of the administration when they fall due;</li> <li>• Dealing with receipts and journals to maintain accurate accounting records;</li> <li>• Actively monitoring and dealing with funds invested on the money markets;</li> <li>• Carrying out periodic bank reconciliations; and</li> <li>• Corresponding with the bank regarding specific transfers.</li> </ul>	<ul style="list-style-type: none"> <li>• 0.70</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure proper stewardship of the funds held.</li> <li>• Management of the funds will generate greater recoveries for creditors.</li> </ul>
<b>Assets (including Litigation and other assets)*</b>		
<ul style="list-style-type: none"> <li>• Liaising with QE, Counsel and other advisors regarding the Litigation;</li> <li>• Active management of cash holdings, including placing regular money market investments to increase returns; and</li> <li>• Collection of outstanding debtors due.</li> </ul>	<ul style="list-style-type: none"> <li>• 0.40</li> </ul>	<ul style="list-style-type: none"> <li>• Potential additional recoveries and response to requested mandated by the Court.</li> </ul>
<i>(Policy Administration Services only)</i>		
<ul style="list-style-type: none"> <li>• Continue to monitor the performance and governance of P4UC; and</li> <li>• Ensure P4UC has appropriate closure plans</li> </ul>		
<b>Creditors and Committee</b>		
<ul style="list-style-type: none"> <li>• Arranging, preparing for and attending meetings of the Committee;</li> <li>• Respond to creditor queries' and</li> <li>• When appropriate, declare and pay future interim and final distributions to secured creditors.</li> </ul>	<ul style="list-style-type: none"> <li>• 0.31</li> </ul>	<ul style="list-style-type: none"> <li>• Direct benefit to creditors through payment of distributions and provision of information.</li> </ul>
<b>Statutory and compliance</b>		
<ul style="list-style-type: none"> <li>• Drafting and circulating six monthly progress reports to unsecured creditors;</li> </ul>	<ul style="list-style-type: none"> <li>• 0.87</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory and regulatory requirements.</li> </ul>

- Ongoing compliance with regulatory requirements;
- Maintaining case files; and
- Dealing with inbound correspondence and queries.

#### Strategy and Planning

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Ongoing preparation of estimated outcome statements, budgets, forecasts and other financial reporting tools;</li> <li>• In depth consideration of strategic approach in dealing with complex and interrelated work streams;</li> <li>• Strategy meeting, decisions and project management by the appointment takers;</li> <li>• Liaising with external advisors in relation to complex work streams within the administration; and</li> <li>• Progressing ongoing matters within the administrations.</li> </ul> | <ul style="list-style-type: none"> <li>• 0.74</li> </ul> | <ul style="list-style-type: none"> <li>• Assist in the timely, structured and efficient completion of the administration and return to creditors.</li> </ul> |
|---|--|--|

*(Policy Administration Services only)*

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

#### Tax

- |   |  |   |
|---|--|---|
| <ul style="list-style-type: none"> <li>• Drafting and submission of corporation tax returns;</li> <li>• Making payment to HMRC where applicable for corporation tax;</li> <li>• Ongoing liaison with HMRC; and</li> <li>• Finalise tax matters and obtain clearance from HMRC.</li> </ul> | <ul style="list-style-type: none"> <li>• 0.16</li> </ul> | <ul style="list-style-type: none"> <li>• Statutory and regulatory requirements and enables reaching certainty on the post-administration tax position.</li> </ul> |
|---|--|---|

*(Policy Administration Services only)*

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

#### VAT Liabilities

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Ongoing drafting and submission of quarterly VAT returns;</li> <li>• Finalise VAT matters and obtain clearance from HMRC;</li> <li>• Reconciliation of the Companies' VAT position on a regular basis to ensure transactions are correctly accounted for; and</li> <li>• Liaison with HMRC as required.</li> </ul> | <ul style="list-style-type: none"> <li>• 0.22</li> </ul> | <ul style="list-style-type: none"> <li>• Statutory and regulatory requirements.</li> </ul> |
|---|--|--|

#### Property

<ul style="list-style-type: none"> <li>Manage and reduce any liabilities we have with respect to the property portfolio including ongoing leases and utility payments.</li> </ul>	<ul style="list-style-type: none"> <li>0.00</li> </ul>	<ul style="list-style-type: none"> <li>Mitigate claims against the administrations.</li> </ul>
<b>Trading</b>		
<i>(Policy Administration Services only)</i> <ul style="list-style-type: none"> <li>Actively monitoring the insurance business, its activities and those of LSG including operation of the customer call centre and claims processes;</li> <li>Determining how best to promote the longevity of the scheme;</li> <li>Ongoing monitoring of the profit and loss and balance sheet, comparing forecast and actuals; and</li> <li>Managing and updating communications to all policyholders.</li> </ul>	<ul style="list-style-type: none"> <li>0.09</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining profitability of the PAS business for the benefit of creditors.</li> </ul>
<b>Closure</b>		
<ul style="list-style-type: none"> <li>Dealing with closure formalities;</li> <li>Obtaining tax and VAT clearances from HMRC;</li> <li>Obtaining clearances from external third parties with regard to commitments made during the administrations; and</li> <li>Closing down internal systems.</li> </ul>	<ul style="list-style-type: none"> <li>0.37</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that the Companies' affairs are wound down in an orderly manner.</li> </ul>

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



## Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
<b>Insurance broker</b>	• Marsh Limited	• Industry knowledge	• Insurance policy cost
<b>Legal services and advice</b>	• Allen & Overy LLP	• Industry knowledge	• Time and expenses
<b>Litigation services</b>	• Alvarez & Marsal	• Specialist expertise	• Time and expenses
<b>Litigation services</b>	• DT Economics LLP	• Specialist expertise	• Time and expenses
<b>Litigation services</b>	• Quinn Emmanuel Urquhart & Sullivan LLP	• Litigation experience	• Time and expenses
<b>Property legal services</b>	• DLA Piper LLP	• Industry knowledge • Insolvency experience	• Time and expenses
<b>Storage of books and records</b>	• Iron Mountain UK Limited	• Industry knowledge • Insolvency experience	• Fee per box of books and records held
<b>Trademark renewal assistance</b>	• Barker Brettell LLP	• Industry knowledge	• Fixed fee per trademark renewal

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

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

# Appendix D: Statutory and other information relating to the administrations

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

# Appendix E: Estimated financial outcome statement

(£m)	EOS
<b>Total asset realisations</b>	<b>437.1</b>
Less costs of realisations	(21.1)
<b>Net realisations</b>	<b>416.0</b>
<b>Total PAS</b>	<b>35.3</b>
<b>Other costs</b>	
Administrators' fees (exc. PAS)	(25.3)
RCF set-off & Trustee Costs	(20.1)
Other professional fees	(10.0)
Other professional fees (relating to Investigations only)	(2.7)
Litigation costs	(26.7)
Litigation - Security for costs	(37.0)
Preferential creditors	(1.7)
Prescribed part	(1.1)
Corporation tax (exc PAS)	(1.8)
VAT	-
<b>Total available to secured creditors</b>	<b>325.0</b>
Super senior notes	430.0
<b>Estimated return</b>	<b>76%</b>
<b>Total returns, £m</b>	
Returned to date	219.3
Future return	105.7
<b>Estimated return</b>	<b>325.0</b>
<b>Total returns, %</b>	
Returned to date	51%
Future return	25%
<b>Estimated return</b>	<b>76%</b>