

# AM10

## Notice of administrator's progress report



Companies House

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

### 1 Company details

Company number

Company name in full

→ **Filling in this form**

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s)

Surname

### 3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

### 4 Administrator's name ①

Full forename(s)

Surname

① **Other administrator**

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

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	d	d	m	m	y	y	y	y
To date	d	d	m	m	y	y	y	y

### 7 Progress report

I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X  X

Signature date

d	d	m	m	y	y	y	y
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# AM10

## Notice of administrator's progress report

### 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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

### 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.**

### Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

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

### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

# Joint Administrators' progress report from 7 August 2024 to 6 February 2025

**Phosphorus Holdco Plc - in administration**

High Court of Justice, Chancery Division,  
Companies Court

Case no. 7184 of 2014

26 February 2025

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# Abbreviations and definitions

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

Abbreviation or definition	Meaning
<b>Company</b>	Phosphorus Holdco Plc
<b>Excluded Work</b>	All other work undertaken by the Joint Administrators in managing the Administration and the Company's affairs that is not in the "Included Work"
<b>Firm / PwC</b>	PricewaterhouseCoopers LLP
<b>Group</b>	The Company together with Phones 4U Limited, Phones 4 U Group Limited, Phones4u Finance plc, MobileServ Limited, Phosphorus Acquisition Limited, and Policy Administration Services Limited (see <a href="http://www.pwc.co.uk/phones4u">www.pwc.co.uk/phones4u</a> for details of insolvency procedures affecting these Companies)
<b>Included Work</b>	The Joint Administrators' time costs specifically in relation to investigatory work and pursuit of claims against third parties (as defined in the Remuneration Report dated 22 August 2017)
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>IA86</b>	Insolvency Act 1986
<b>Joint Administrators / we / us / our</b>	David James Kelly and Douglas Nigel Rackham
<b>P4U</b>	Phones 4U Limited (in administration)
<b>P4U Finance</b>	Phones4u Finance plc (in administration)
<b>PIK Notes</b>	£208m aggregate principal amount of Senior PIK Toggle Notes due 2019
<b>PIK Noteholders</b>	Holders of the above PIK Notes
<b>Sch.B1 IA86</b>	Schedule B1 to the Insolvency Act 1986
<b>SIP</b>	Statement of Insolvency Practice (issued by regulatory authorities, setting out principles and key compliance standards with which insolvency practitioners are required to comply)
<b>SIP 9</b>	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate
<b>Secured creditors</b>	Creditors with security in respect of their debt, in accordance with section 248 IA86
<b>Preferential creditors</b>	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
<b>Unsecured creditors</b>	Creditors who are neither Secured nor Preferential
<b>VAT</b>	Value Added Tax

This report has been prepared by David James Kelly and Douglas Nigel Rackham as Joint Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, 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 Company.

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 Joint 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 Joint Administrators' previous reports issued to the Company's creditors, which can be found at <https://www.pwc.co.uk/phones4u>. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

David James Kelly and Douglas Nigel Rackham have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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

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.

# Key messages

## Why we've sent you this report

We're writing to update you on the progress of the administration of the Company in the six months since our last report dated 28 August 2024.

You can still view our earlier reports on our website at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u). Please get in touch with Sarah Robson on 0113 289 4000 if you need the password to access the reports. As a reminder, we were appointed Joint Administrators of certain companies in the Group, as summarised below:

<b>Company</b>	<b>Date of appointment</b>
Phones 4U Limited*	15 September 2014
Phones 4 U Group Limited*	15 September 2014
Phones4u Finance plc*	15 September 2014
MobileServ Limited*	15 September 2014
Phosphorus Acquisition Limited*	15 September 2014
Policy Administration Services Limited*	16 September 2014
Phosphorus Holdco Plc	8 October 2014

This progress report covers only Phosphorus Holdco Plc. On 14 February 2025, a separate report was issued to the creditors of the six companies contained within a common security structure (all indicated by \* above).

We refer you to our proposals dated 6 November 2014 for an explanation of why the various companies were put into administration and how the purpose of each administration is expected to be achieved. Our earlier reports explained the progress in this case to 6 August 2024 and they continue to be available on our website at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u). The content of the previous reports is not repeated here unless considered beneficial or necessary for the purposes of this update.

## How much creditors may receive

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

<b>Class of creditor</b>	<b>Paid (p in £)</b>	<b>Previous estimate (p in £)</b>
<b>Secured creditors</b>	N/A	N/A
<b>Preferential creditors</b>	N/A	N/A
<b>Unsecured creditors</b>	0.19	0.19

As previously reported, there are no Secured or Preferential creditors in the administration of the Company and amounts become available for Unsecured creditors only if there are sufficient funds remaining after the expenses of the administration have been discharged. We have previously advised that an unsecured dividend was declared and paid on 5 March 2020 totalling £554,496. This resulted in a dividend of 0.19p in the £ on admitted claims totalling £280m.



As discussed later in this report, any further dividend will be dependent on whether there are future realisations from intercompany debts which in turn will be dependent on the outcome of litigation in P4U.

## **What you need to do**

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

# Overview of what we've done to date

As explained in our earlier reports, the only material asset in the administration related to the potential claims against third parties. In order to pursue these claims, we had sought and secured litigation funding from the market. These funds were used to formulate the claims, seek advice from counsel, and issue pre-action correspondence to the potential defendants.

As previously advised, as a result of our investigations and a formal mediation process between the Company and certain third parties, a settlement totalling £4.5m had been reached in respect of all claims asserted by the Company.

Other work was mainly liaising with the PIK Noteholders by way of calls, meetings and notices.

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

- Monitor and await the conclusion of other matters elsewhere in the Group that may give rise to additional realisations, principally the outcome of the litigation;
- Potentially make a further distribution to creditors, depending on the outcome of the matters elsewhere in the Group;
- Draft and issue the Joint Administrators' six-monthly progress reports to creditors;
- Draft and issue the Joint Administrators' final report in the administration to all known creditors at the appropriate time; and
- Draft and issue the notice of dissolution to be sent to the Registrar of Companies.

Please see the subsequent section for the work performed during the period.

# Progress since we last reported

## Other Group matters

In our previous report, we advised that the Court of Appeal granted P4U permission to appeal on six grounds concerning competition law claims. P4U filed its skeleton argument for the appeal on 10 April 2024 and the respondents filed their skeleton arguments on 28 June 2024. The Court of Appeal hearing is listed to start on 19 May 2025, with a time estimate of five days. The next steps in the Litigation are dependent on the outcome of the Appeal, including the extent to which any retrial is ordered. Due to the commercially sensitive nature of the litigation, we have not provided any further details.

During the period, P4U has engaged with each of the defendants to seek to agree the recoverable cost amounts and settle the outstanding balances, in line with the Judge's ruling at a hearing on 19 December 2023, resulting in settlements with the remaining defendants.

We continue to believe that the Company should remain in administration in order to benefit from any future litigation realisations in the estate of P4U (as mentioned above), by virtue of its intercompany claim with P4U Finance and by virtue of it being the de facto parent company in the Group. Hence, there may potentially be a further dividend to the Unsecured creditors of the Company depending on the outcome of the aforementioned litigation and appeals process.

Other than potential future realisations from the litigation in P4U, there are no further known assets to realise in this Company that would give rise to any additional dividends for creditors.

## Accounting and treasury

In the period, we have carried out bank reconciliations in line with our accounting duties.

No receipts or payments have occurred during the period covered by this report, as shown in our receipts and payments account at Appendix A.

## 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.

## Statutory and compliance

During the period of this report, we have complied with our statutory obligations by preparing and filing the progress report for the period to 6 August 2024.

This was filed at Companies House and uploaded to the case website on 3 September 2024.

During the period we have also conducted our periodic case review in line with our statutory obligations.

## Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administration from 7 August 2024 to 6 February 2025, as well as from our appointment until the latest reporting period.

## 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.

## Our fees

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

## 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/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx>

The link to previous guides can be found below, given that the case pre-dates the requirement for a fee estimate as the appointment date was 8 October 2014.

<https://www.icaew.com/regulation/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>

You can also get a copy free of charge by telephoning Sarah Robson on 0113 289 4000.

## What we still need to do

- Monitor and await the conclusion of other matters elsewhere in the Group that may give rise to additional realisations, principally the outcome of the litigation;
- Potentially make a further distribution to creditors, depending on the outcome of the matters elsewhere in the Group;
- Draft and issue the Joint Administrators' six-monthly progress reports to creditors;
- Draft and issue the Joint Administrators' final report in the administration to all known creditors at the appropriate time; and
- Draft and issue the notice of dissolution to be sent to the Registrar of Companies.

## Ending the administration

The primary and continued reasoning for seeking to extend the administration is the timeline of the litigation in P4U, reflecting our belief in the potential continuing value to the creditors of each of the other administrations in the Group. Given the affairs of the Company and the Group are inextricably linked in this regard, we consider it appropriate for the administrations of the Company and those within the Group to continue for the same period.

Subject to the resolution of the litigation in P4U Limited and its attendant impact on potential realisations in the estates of each of the other Group companies, the administrations are separate insolvency processes and therefore may end at different times and in different ways depending on the circumstances in each case. This administration will be brought to an end once its purpose has been achieved, our work has been completed and statutory obligations fulfilled.

## Next steps

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

If you have any questions, please get in touch with Sarah Robson on 0113 289 4000.

Yours faithfully  
For and on behalf of



David Kelly  
Joint Administrator

# Appendix A: Receipts and payments

Statement of Affairs		Cumulative to 6 August 2024	7 August 2024 to 6 February 2025	Cumulative to 6 February 2025
(£)	Notes	(£)	(£)	(£)
<b>Receipts</b>				
14,424.00	Cash in hand	14,423.24	-	14,423.24
2,894.00	Intercompany debtors	2 0.00	-	0.00
	Legal fees & expenses	6,236.83	-	6,236.83
	Litigation funding costs	0.00	-	0.00
	Investment settlement agreement	4,550,000.00	-	4,550,000.00
	Bank interest gross	6,092.73	-	6,092.73
<b>17,318.00</b>	<b>Total receipts</b>	<b>4,576,752.80</b>	<b>-</b>	<b>4,576,752.80</b>
<b>Payments</b>				
	Joint Administrators' fees (time cost basis)	3 1,116,137.00	-	1,116,137.00
	Joint Administrators' expenses	18,042.51	-	18,042.51
	Joint Administrators' fees (set fee basis)	269,486.00	-	269,486.00
	Bank charges	15.00	-	15.00
	Legal Fees - Brown Rudnick	1,323,036.50	-	1,323,036.50
	Legal Disbursements - Brown Rudnick	134,740.86	-	134,740.86
	Legal Fees and Expenses - Allen & Overy LLP	37,241.22	-	37,241.22
	Litigation funding costs - Scoggin	523,250.00	-	523,250.00
	Professional Fees - CDER Limited	5,040.00	-	5,040.00
	Professional Fees - Citibank Limited	15,000.00	-	15,000.00
	Irrecoverable VAT	580,265.59	-	580,265.59
	Distribution to Unsecured creditors	4 554,496.30	-	554,496.30
	<b>Total payments</b>	<b>4,576,750.98</b>	<b>-</b>	<b>4,576,750.98</b>
	<b>Net realisations</b>	<b>1.82</b>	<b>-</b>	<b>1.82</b>
	<b>Funds held in a non-interest bearing current account</b>	<b>1.82</b>	<b>-</b>	<b>1.82</b>

## Notes to the R&P

1. Amounts shown exclude VAT.
2. The Company has a claim of £22.7m in P4U Finance. The directors' statement of affairs estimated that there would be a return of £2,984.00 arising from a dividend from P4U Finance, however there are currently insufficient assets in P4U Finance to enable a dividend.
3. As explained further in Appendix C, our fees are based on a combination of bases. The receipts and payments account shows the amounts paid in total to date.

4. On 5 March 2020 we paid a dividend to Unsecured creditors at the rate of 0.19 pence in the £.
5. Included within our office holders' expenses is £174.14 paid in total, in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B.
6. There have been no payments made to us, our Firm or our associates other than from the insolvent estate as shown in the receipts and payments account provided above.
7. Funds are held in a non-interest bearing bank account.

# Appendix B: Expenses

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

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

Expenses fall into two categories:

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

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

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

The following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

Category	Provided by	Basis of cost	Costs incurred (£)
2	PwC	<b>Photocopying</b> - up to 20 pence per side copied, only charged for circulars to creditors and other bulk copying.	-
2	PwC	<b>Mileage</b> - At a maximum of: <ul style="list-style-type: none"><li>Petrol/diesel/hybrid - 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc)</li><li>Full electric - 72 pence per mile</li><li>Bicycle - 12 pence per mile</li></ul>	-
1	PwC	All other disbursements reimbursed at cost	-
<b>Total incurred in the period</b>			-
<b>Total incurred brought forward</b>			<b>20,915.73</b>
<b>Total incurred to date</b>			<b>20,915.73</b>

The expense policy set out above has been approved by Unsecured creditors, however as referred to in previous reports, our expenses are capped therefore any future Category 2 expenses will not be drawn.

The table below provides details of all the expenses incurred in the administration:

	Expenses incurred brought forward £	Incurred in the period £	Total expenses incurred to 6 February 2025 £	Total expenses paid to 6 February 2025 £	Estimated future expenses £	Estimated total expenses £
Joint Administrators' expenses	20,915.73	-	20,915.73	18,042.51	497.70	21,413.43
Legal fees and expenses - Allen & Overy LLP	54,453.77	-	54,453.77	37,241.22	-	54,453.77
Legal fees - Brown Rudnick LLP	1,323,036.50	-	1,323,036.50	1,323,036.50	-	1,323,036.50
Legal expenses - Brown Rudnick LLP	134,740.86	-	134,740.86	134,740.86	-	134,740.86
Litigation funding costs - Scoggin	523,250.00	-	523,250.00	523,250.00	-	523,250.00
Professional fees - CEDR Limited	5,040.00	-	5,040.00	5,040.00	-	5,040.00
Professional fees - CitiBank	15,000.00	-	15,000.00	15,000.00	-	15,000.00
Bank charges	15.00	-	15.00	15.00	-	15.00
Irrecoverable VAT	580,265.59	-	580,265.59	580,265.59	-	580,265.59
<b>Total</b>	<b>2,656,717.45</b>	<b>-</b>	<b>2,656,717.45</b>	<b>2,636,631.68</b>	<b>497.70</b>	<b>2,657,215.15</b>

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

As previously reported, legal fees and expenses totalling £17.2k incurred in previous periods by Allen & Overy LLP relate to work they carried out in respect of the extension of the administration. These costs are not reflected in the R&P because they were paid by P4U on behalf of the Company due to a lack of funds in the estate; this has been agreed with P4U's Secured creditor. Should any funds become available in the estate, pending the outcome of the litigation, the Company will reimburse P4U for the costs paid on its behalf.



# Appendix C: Remuneration update

As advised previously, our fees for Included Work were approved on a time cost basis by creditors on 11 September 2017, specifically for our time incurred in relation to the investigatory work (not unrelated matters arising in the administration).

In conjunction with our report to creditors dated 28 August 2019, we issued a request for creditors to fix the basis of our fees with regards to Excluded Work.

On 27 September 2019, our fees in relation to Excluded Work were duly approved by creditors as a set fee of £287,529 plus VAT including expenses.

According to the litigation funding settlement, and as agreed by the Company's creditors, our total remuneration and expenses is capped at £1,403,666 plus VAT. Therefore the total of our time incurred cannot be recovered from the Company's administration estate. However, given that the administration has been kept open principally to allow time for resolution of the P4U litigation, the P4U bondholders have agreed that our future time costs incurred, over and above the capped amount, may be recovered from the Group.

The capped fee includes the Joint Administrators' expenses (as referred to in Appendix B). Please refer to Appendix A for the breakdown of our fees and expenses which we have drawn since appointment, demonstrating that the total agreed Joint Administrators' fees and expenses have been drawn.

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

## Our hours and average rates for the period 7 August 2024 to 6 February 2025

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
1 Strategy & Planning	-	0.20	-	0.10	-	-	-	0.30	275.00	916.67
2 Sale of business	-	-	-	-	-	-	-	-	-	-
3 Book debt realisations	-	-	-	-	-	-	-	-	-	-
4 Property	-	-	-	-	-	-	-	-	-	-
5 Other assets	-	-	-	-	-	-	-	-	-	-
6 Retention of title	-	-	-	-	-	-	-	-	-	-
7 Trading	-	-	-	-	-	-	-	-	-	-
8 Accounting and treasury	-	-	-	0.10	-	-	-	0.10	75.00	750.00
9 Statutory and compliance	0.30	-	0.50	2.80	5.20	9.50	-	18.10	9,492.50	524.45
10 Employees & pensions	-	-	-	-	-	-	-	-	-	-
11 Investigations	-	-	-	-	-	-	-	-	-	-
12 Creditors	-	-	-	-	-	-	-	-	-	-
13 Creditors committee	-	-	-	-	-	-	-	-	-	-
14 Tax	-	-	-	-	-	-	-	-	-	-
15 VAT	-	-	-	-	-	-	-	-	-	-
16 Books and records	-	-	-	-	-	-	-	-	-	-
17 Closure procedures	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>0.30</b>	<b>0.20</b>	<b>0.50</b>	<b>2.80</b>	<b>5.20</b>	<b>9.50</b>	<b>-</b>	<b>18.50</b>	<b>9,842.50</b>	<b>532.03</b>
<i>Time identifiable and attributable to:</i>										
MNO Receivables	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Our hours and average rates for the period 8 October 2014 to 6 February 2025

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Total time cost £	Average hourly rate £
1 Strategy & Planning	41.60	0.30	21.70	14.55	25.45	58.80	-	162.40	83,298.65	512.92
2 Sale of business	-	-	-	-	-	-	-	-	-	-
3 Book debt realisations	0.60	-	-	-	0.60	-	-	1.20	786.00	655.00
4 Property	-	-	-	-	-	-	-	-	-	-
5 Other assets	8.80	0.25	-	-	4.00	0.50	2.00	15.55	10,252.50	659.32
6 Retention of title	-	-	-	-	-	-	-	-	-	-
7 Trading	-	-	-	-	0.10	-	-	0.10	31.50	315.00
8 Accounting and treasury	7.80	-	0.40	7.40	25.15	28.46	-	69.21	26,445.85	382.11
9 Statutory and compliance	32.50	5.35	168.15	197.88	319.81	218.20	3.20	945.09	407,139.10	430.79
10 Employees & pensions	-	-	-	-	-	-	-	-	-	-
11 Investigations	-	-	-	-	-	-	-	-	-	-
12 Creditors	16.90	6.40	68.35	17.45	86.40	59.95	0.50	255.95	115,661.05	451.89
13 Creditors committee	-	-	-	-	-	-	-	-	-	-
14 Tax	-	4.00	3.50	4.70	8.95	28.65	-	49.80	18,047.70	362.40
15 VAT	-	-	13.70	0.20	7.00	3.75	-	24.65	18,195.45	738.15
16 Books and records	0.50	-	-	0.10	0.15	2.30	-	3.05	1,045.50	342.79
17 Closure procedures	-	-	1.70	0.20	-	-	-	1.90	1,114.00	586.32
<b>Total</b>	<b>108.70</b>	<b>16.30</b>	<b>277.50</b>	<b>242.48</b>	<b>477.61</b>	<b>400.61</b>	<b>5.70</b>	<b>1,528.90</b>	<b>682,017.30</b>	<b>446.08</b>
<i>Time identifiable and attributable to:</i>										
MNO Receivables	-	-	-	-	-	-	-	-	-	-
Investigations	206.50	276.00	591.20	289.72	599.70	1,099.05	-	3,062.17	1,116,383.50	364.57
<b>Total</b>	<b>206.50</b>	<b>276.00</b>	<b>591.20</b>	<b>289.72</b>	<b>599.70</b>	<b>1,099.05</b>	<b>-</b>	<b>3,062.17</b>	<b>1,116,383.50</b>	<b>364.57</b>
<b>Total time</b>	<b>315.20</b>	<b>292.30</b>	<b>868.70</b>	<b>532.20</b>	<b>1,077.31</b>	<b>1,499.66</b>	<b>5.70</b>	<b>4,591.07</b>	<b>1,798,400.80</b>	<b>391.72</b>

## 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 2024 £	From 1 July 2024 £
<b>Partner</b>	995	1,050
<b>Appointment taking director</b>	960	1,000
<b>Director (not appointee)</b>	915	950
<b>Assistant director</b>	900	920
<b>Senior manager</b>	860	875
<b>Manager</b>	730	750
<b>Senior associate</b>	540	575
<b>Associate</b>	395	400

<b>Support staff</b>	160	160
<b>Offshore professionals</b>	395 - 540	400 - 575

We call on colleagues such as those in our Treasury, 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.

<b>Grade</b>	<b>Up to 30 June 2024 £</b>	<b>From 1 July 2024 £</b>
<b>Partner</b>	1,905	1,965
<b>Director</b>	1,745	1,815
<b>Senior manager</b>	1,410	1,485
<b>Manager</b>	1,025	1,080
<b>Senior associate/consultant</b>	725	765
<b>Associate/assistant consultant</b>	470	515
<b>Support staff</b>	220	235
<b>Offshore professionals</b>	-	-

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

## **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.

## 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>Conducting and reviewing periodic bank reconciliations.</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the proper management of the administration bank account.</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the proper management of the administration bank account.</li> </ul>
<b>Statutory and compliance</b>		
<ul style="list-style-type: none"> <li>Preparing and issuing the six monthly progress reports to creditors;</li> <li>Complying with statutory filing requirements; and</li> <li>Maintaining case records.</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the orderly management and progression of the case.</li> </ul>	<ul style="list-style-type: none"> <li>To comply with mandatory statutory and other obligations placed on the Joint Administrators.</li> </ul>
<b>Strategy and planning</b>		
<ul style="list-style-type: none"> <li>Review the administration strategy and amending as appropriate;</li> <li>Updating checklists and diary management system;</li> <li>Monitoring and awaiting the conclusion of other matters elsewhere in the Group that may give rise to additional realisations, principally the outcome of the litigation;</li> <li>Regular team case progression and strategy meetings to ensure the proper management of the case; and</li> <li>Conducting case reviews every six months.</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the orderly management and progression of the case.</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the orderly management and progression of the case.</li> </ul>

## Our future work

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

Work undertaken	Estimated cost £	What, if any, financial benefit the work will provide to creditors OR whether it was required by statute
<b>Accounting and treasury</b>		
<ul style="list-style-type: none"> <li>Conduct and review periodic bank reconciliations; and</li> <li>Maintain accounting records, including receipts from third parties.</li> </ul>	<ul style="list-style-type: none"> <li>6,813.50</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the proper management of the administration bank account.</li> </ul>
<b>Creditors</b>		
<ul style="list-style-type: none"> <li>Correspond with creditors over email and telephone; and</li> <li>Make any future distribution to Unsecured creditors.</li> </ul>	<ul style="list-style-type: none"> <li>11,215.00</li> </ul>	<ul style="list-style-type: none"> <li>To provide information and return of funds to creditors.</li> </ul>
<b>Statutory and compliance</b>		
<ul style="list-style-type: none"> <li>Prepare and issue the six monthly progress reports to creditors;</li> <li>Comply with statutory filing requirements;</li> <li>Make a further application to Court for an extension if necessary; and</li> <li>Maintain case records.</li> </ul>	<ul style="list-style-type: none"> <li>12,348.25 (Note 1)</li> </ul>	<ul style="list-style-type: none"> <li>Statutory and regulatory requirements.</li> </ul>
<b>Strategy and Planning</b>		
<ul style="list-style-type: none"> <li>Review the administration strategy and amend as appropriate;</li> <li>Update checklists and diary management system;</li> <li>Monitor and await the conclusion of other matters elsewhere in the Group that may give rise to additional realisations, principally the outcome of the litigation;</li> <li>Regular team case progression and strategy meetings to ensure the proper management of the case; and</li> <li>Conduct case reviews every six months.</li> </ul>	<ul style="list-style-type: none"> <li>9,508.25</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the orderly management and progression of the case.</li> </ul>
<b>Closure</b>		
<ul style="list-style-type: none"> <li>Deal with closure formalities;</li> <li>Draft and issue final account to creditors, Court and the Registrar; and</li> <li>Close down internal systems and release the specific bond.</li> </ul>	<ul style="list-style-type: none"> <li>15,000.00</li> </ul>	<ul style="list-style-type: none"> <li>To ensure that the Company's affairs are wound down in an orderly manner.</li> </ul>

### Note

- Our future estimated cost for statutory and compliance is based on the assumption that we do not need to apply for a further extension beyond March 2026. Should a further application to court be required to extend the administration, additional costs will likely be incurred.

## Our relationships

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

## Details of subcontracted work

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

## Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice (general)	Allen & Overy LLP	Lawyers instructed in respect of the wider Group with knowledge which would add value to the administration.	Time and expenses
Professional fees	Citibank	To assist with the distribution of funds to the Bondholders.	Fixed fee
Professional fees	CEDR Limited	Provision of services to assist with investigation matters.	Fixed fee
Legal advice (investigations)	Brown Rudnick LLP	To assist with the investigation of claims brought by the Company.	Time and expenses

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 Joint Administrators issue the instructions listed in the invoice;
- Was the work performed as instructed;
- Was the work undertaken in line with the Joint Administrators' expectations, in respect of quality and the amount of time taken;
- Are the rates which have been applied reasonable; and

Overall, were the fees charged satisfactory and reasonable relative to the work performed.

# Appendix D: Other information

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<b>Court details for the administration:</b>	High Court of Justice, Chancery Division, Companies Court 7184 of 2014
<b>Company's registered name:</b>	Phosphorus Holdco Plc
<b>Registered number:</b>	07479181
<b>Registered address:</b>	Level 8, Central Square, 29 Wellington Street, Leeds, LS1 4DL
<b>Date of the Joint Administrators' appointment:</b>	8 October 2014
<b>Joint Administrators' names, addresses and contact details:</b>	<p>David James Kelly of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT (appointed on 26 May 2016) Douglas Nigel Rackham of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT (appointed on 19 December 2019)</p> <p><i>Former Joint Administrators</i></p> <p>Paul David Copley of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT (from 8 October 2014 to 27 May 2016) Robert Jonathan Hunt of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT (from 8 October 2014 to 8 November 2016) Ian David Green of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT (from 8 October 2014 to 19 December 2019)</p> <p>Email address: sarah.robson@pwc.com</p>
<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)
<b>Appointor's / applicant's name and address:</b>	Court order following an application by the directors of the Company, based at Osprey House, Ore Close, Lymedale Business Park, Newcastle-under-Lyme, Staffordshire, ST5 9QD
<b>Split of the Joint 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
<b>Extensions to the initial period of appointment:</b>	Initial extension granted to 15 March 2019; Subsequent extension granted to 15 March 2020; Three year extension granted to 15 March 2023; and Three year extension granted to 15 March 2026.

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