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**Joint administrators' progress report  
from 7 August 2019 to 6 February  
2020**

***Phosphorus Holdco Plc***  
**(in administration)**

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4 March 2020

High Court of Justice, Chancery Division,  
Companies Court

Case no. 7184 of 2014

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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
"Administrators", "we", "us", "our"	David James Kelly and Douglas Nigel Rackham
"Brown Rudnick"	Brown Rudnick LLP
"HMRC"	HM Revenue & Customs
"IR16"	Insolvency (England and Wales) Rules 2016
"IA86"	Insolvency Act 1986
"PIK Notes"	£208m aggregate principal amount of Senior PIK Toggle Notes due 2019
"PIK Noteholders"	Holders of the above Notes
"preferential creditors"	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
"Proposals"	The administrators' statement of proposals for achieving the purpose of the administration
"Sch.B1 IA86"	Schedule B1 to Insolvency Act 1986
"secured creditors"	Creditors with security in respect of their debt, in accordance with Section 248 IA86
"the Company"	Phosphorus Holdco Plc
"the Group" or "Phones 4U"	The Company together with Phones 4u Limited, Phone 4U Group Limited, Phones4U Finance Plc, MobileServ Limited, Phosphorus Acquisition Limited, 4U Limited, 4U Wi-Fi Limited, Jump 4U Limited, Life Mobile Limited and Policy Administration Services Limited (see <a href="http://www.pwc.co.uk/phones4u">www.pwc.co.uk/phones4u</a> for details of insolvency procedures affecting these companies).
"unsecured creditors"	Creditors who are neither secured nor preferential
"Included Work"	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).
"Excluded Work"	All other work undertaken by the joint administrators in managing the administration and the Company's affairs that is not the Included Work.
"Scoggin"	Scoggin International Fund Limited

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# ***Key messages***

## ***Introduction***

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

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

This progress report covers only Phosphorus Holdco Plc. On 10 February 2020, a separate report was issued to the creditors of the six companies contained within a common security structure (all indicated by \* above). On 28 October 2019, the joint liquidators' final account was issued to the creditors of 4U Wi-Fi Limited, Jump 4U Limited, Life Mobile Limited. Those liquidations have now ended, and the companies will subsequently be dissolved. The administration of 4U Limited ended on 10 September 2015 and the company has since been dissolved.

We refer you to our Proposals for an explanation of why the various companies were put into administration and how the purpose of each administration is expected to be achieved. Our earlier reports explained the progress in this case to 6 August 2019 and they continue to be available on our website at: [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u), the content of which is not repeated here unless considered beneficial or necessary for the purposes of this update.

## ***Why we've sent you this report***

We're writing to update you on the progress of the administration of the Company in the six months to six February 2020. 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 May Mehdi on 0113 289 4742, if you have any queries.

## How much creditors may receive

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

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	n/a	n/a
Preferential creditors	n/a	n/a
Unsecured creditors	0.2	Less than 0.2**

*\*Please note this guidance on dividends is only an indication and should not be used as the main basis of any bad debt provision or debt trading. \*\* Please note that the previous estimate was incorrectly stated as "less than 2p/£".*

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

We have previously advised that any dividend was wholly dependent on the outcome of recoveries arising from our investigatory work.

We issued our notice of intended dividend to all known creditors on 5 December 2019 giving a last date for proving claims of 13 January 2020. Now that this date has passed, we can confirm that the final unsecured creditors' claims value is £280m. This consists of the PIK Noteholders totalling £208m, HMRC at £71.7m and an intercompany creditor of £457k. We confirm that these claims have all been admitted to rank for dividend purposes.

We intend to declare the dividend within the period of two months from the last date for proving and no later than 13 March 2020. The estimated fund to distribute will be in the region of £554k.

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

## What you need to do

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

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## *Progress since we last reported*

### *Investigations and actions*

We advised in our last report that as a result of our investigations, a settlement totalling £4,550,000 was reached in respect of all claims asserted by the Company.

In addition to the above, we believe that if there are sufficient realisations in the other Group companies then there may be a possibility for the Company to share in a distribution of any surplus.

Whether this is possible will depend to a large degree on the outcome of legal proceedings elsewhere in the Group, which are likely to take a number of years to resolve, and the outcome of which is not possible to predict with certainty.

Therefore, we consider it prudent to allow time for these matters to be resolved and the realisations in the administrations of the P4U Group Companies to be finalised, before the administration of the Company is concluded. Further details on the proposed extension of the Company's administration can be found later in this section.

### *Changes of administrator*

Ian David Green, one of the previous joint administrators, has resigned as joint administrator of the Company due to internal restructuring. To make sure that outstanding issues in the administration continue to be pursued, an application was made to the Court to remove him and appoint Douglas Nigel Rackham as administrator. Douglas Nigel Rackham is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The application was granted and so Douglas Nigel Rackham replaced Ian David Green as joint administrator with effect from 19 December 2019. Ian David Green will be released from all liability in respect of his conduct as administrator with effect from 28 days from the date of this report. Creditors have 28 days from receiving this notice to apply to Court to vary or discharge the Court order.

### *Dividend to unsecured creditors*

Following the settlement receipt referred to in our last report, we applied to Court to seek approval to distribute to unsecured creditors in the Company's administration.

We can confirm that on 14 November 2019, the Court granted our application for permission to distribute a dividend in the administration, pursuant to Paragraph 65 Sch.B1 IA86.

During the period covered by this report, we issued our notice of intended dividend to all known unsecured creditors of the Company on 5 December 2019, which gave creditors until 13 January 2020 to prove their claims. As this date has now passed, we have two months from 13 January 2020 to declare and pay the distribution.

### *Our expenses*

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

## *Our fees*

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

## *Creditors' rights*

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at: <https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

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

## *Extension to administration*

We have applied to Court to seek approval to extend the administration term for a period of three years from the current expiry of 15 March 2020. The Administrators do not consider it appropriate for the Company to exit administration prior to this date for reasons referred to earlier in this report. Creditors will be updated on the outcome of this matter in our next report.

## *What we still need to do*

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

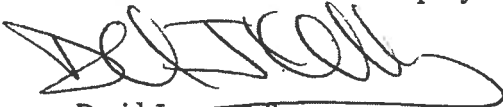
- Pay the distribution to the unsecured creditors of the Company and deal with any unclaimed funds;
- Monitor and await the conclusion of other matters elsewhere in the Group that may give rise to additional realisations;
- Draft and issue the joint administrators' six-monthly progress reports to creditors;
- Draft and issue the joint administrators' final account in the administration to all known creditors at the appropriate time; and
- Draft and issue the notice of dissolution to be sent to Registrar of Companies.

## *Next steps*

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

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

Yours faithfully  
For and on behalf of the Company



David James Kelly  
Joint administrator

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

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

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

# Appendix A: Receipts and payments

Directors' statement of affairs	Total to 6 August 2019 to		Total to 6 February 2020		Estimated future costs		Estimated final outcome	
	£	£	£	£	£	£	£	£
<b>Receipts</b>								
Cash in hand	14,423.24	-	-	14,423.24	-	-	14,423.24	-
Intercompany debtors	-	-	-	-	-	-	-	-
Legal fees & expenses	6,236.83	-	-	6,236.83	-	-	6,236.83	-
Investigation settlement agreement	4,550,000.00	-	-	4,550,000.00	-	-	4,550,000.00	-
Bank interest gross	4,157.58	1,935.15	-	6,092.73	-	-	6,092.73	-
<b>Total receipts</b>	<b>4,574,817.65</b>	<b>1,935.15</b>	-	<b>4,576,752.80</b>	-	-	<b>4,576,752.80</b>	-
<b>Payments</b>								
Joint administrators' fees (time cost basis)	-	1,116,137.00	-	1,116,137.00	-	-	1,116,137.00	-
Joint administrators' expenses	-	18,042.51	-	18,042.51	-	-	18,042.51	-
Joint administrators' fees (set fee basis)	-	269,486.00	-	269,486.00	-	-	269,486.00	-
Bank charges	15.00	-	-	15.00	-	-	15.00	-
Legal Fees- Brown Rudnick	1,323,036.50	-	-	1,323,036.50	-	-	1,323,036.50	-
Legal Disbursements- Brown Rudnick	134,740.86	-	-	134,740.86	-	-	134,740.86	-
Legal Fees and expenses- A&O	6,236.83	31,004.39	-	37,241.22	-	-	37,241.22	-
Litigation funding costs	523,250.00	-	-	523,250.00	-	-	523,250.00	-
Professional Fees- CEDR Limited	5,040.00	-	-	5,040.00	-	-	5,040.00	-
Professional Fees- Citibank Limited	-	15,000.00	-	15,000.00	-	-	15,000.00	-
Irrecoverable VAT	290,350.61	289,914.98	-	580,265.59	-	-	580,265.59	-
Distribution to unsecured creditors (estimated at <0.2p in the £)	-	-	-	-	-	-	554,498.12	554,498.12
<b>Total payments</b>	<b>2,282,669.80</b>	<b>1,739,584.88</b>	-	<b>4,022,254.68</b>	-	-	<b>4,022,254.68</b>	<b>554,498.12</b>
<b>Net receipts &amp; payments</b>	<b>2,292,147.85</b>	<b>(1,737,649.73)</b>	-	<b>554,498.12</b>	-	-	<b>(554,498.12)</b>	-
<b>(278,025,310) Balance held in interest bearing current account</b>	<b>2,292,147.85</b>	<b>(1,737,649.73)</b>	-	<b>554,498.12</b>	-	-	<b>554,498.12</b>	-
Represented by								
Held in Barclays a/c								£
								554,498.12

**Note**

All transactions are shown net of VAT unless otherwise stated.



## Appendix B: Expenses

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

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

	Expenses incurred brought forward	Incurred in the period	Total expenses incurred to 6 February 2020	Total expenses paid to 6 February 2020	Estimated future expenses	Estimated total expenses
	£	£	£	£	£	£
Administrators' Included remuneration	1,116,137.00	-	1,116,137.00	(1,116,137.00)	-	1,116,137.00
Administrators' Excluded remuneration	474,355.95	108,399.00	582,754.95	(269,486.00)	85,000.00	667,754.95
Administrators' expenses *	17,492.51	3,286.49	20,779.00	(18,042.51)	-	20,779.00
Legal fees and expenses- Allen & Overy LLP	17,831.38	19,409.84	37,241.22	(37,241.22)	-	37,241.22
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	134,740.87	-	134,740.87	(134,740.87)	-	134,740.87
Litigation funding costs- Scoggin	523,250.00	-	523,250.00	(523,250.00)	-	523,250.00
Professional fees- CEDR Limited	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	290,350.61	289,914.98	580,265.59	(580,265.59)	-	580,265.59
<b>Total</b>	<b>3,902,249.82</b>	<b>436,010.31</b>	<b>4,338,260.13</b>	<b>(4,022,254.69)</b>	<b>85,000.00</b>	<b>4,423,260.13</b>

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

As previously advised, according to the Litigation Funding Settlement our total remuneration including expenses is capped at £1,403,666 plus VAT therefore our total time incurred cannot be drawn.

\*There is a brought forward balance in respect of licence relativity costs for the period up to August 2019 which has not previously been included. This has been charged at £100 per licence per month. Relativity is a software platform for the management of electronic documents as part of our investigatory work. This represents £1,611 of the disbursements incurred during the period.

\*\*We have agreed to pay CitiBank, the Trustee for the Bondholders, for their assistance in the distribution.

## **Appendix C: Remuneration update**

As advised previously, our fees for Included Work were approved on a time cost basis on 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 last 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, we can confirm that our fees in relation Excluded Work were duly approved by creditors as a set fee of £287,529 plus VAT including expenses.

According to the Litigation Funding Settlement, our total remuneration is capped at £1,403,666 plus VAT. Therefore our total time incurred cannot be recovered. This figure includes the joint administrators' expenses. Please see below breakdown for our fees and expenses which we have drawn in the period.

<b>Cost</b>	<b>Drawn in period ending 6 February 2020</b>
Included Work	£1,116,137 plus VAT
Joint administrators' fees (time cost basis)	
Excluded Work	£269,486 plus VAT
Joint administrators' fees (set fee basis)	
Joint administrators' expenses	£18,043 plus VAT
<b>Total</b>	<b>£1,403,666 plus VAT</b>

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

# Our hours and average rates for the period 7 August 2019 to 6 February 2020



**Phosphorus Holdeo Plc  
(In Administration)**

Analysis of time costs for the period  
 From: 07 August 2019  
 To: 06 February 2020

Aspect of assignment	Senior Manager					Associate		Support	Total hours	Time cost £	Average hourly rate £
	Partner	Director	Senior Manager	Manager	Associate	Associate	Support				
1 Strategy & Planning	5.2	-	8.0	3.5	0.5	21.2	-	36.4	16,141.00	443.43	
2 Sale of business	0.6	-	-	-	-	-	-	0.6	546.00	910.00	
3 Book devaluations	-	-	-	-	-	-	-	-	-	-	
4 Property	-	-	-	-	-	-	-	-	-	-	
5 Other assets	3.9	-	-	-	-	-	-	3.9	3,549.00	910.00	
6 Retention of title	-	-	-	-	-	-	-	-	-	-	
7 Trading	-	-	-	-	-	-	-	-	-	-	
8 Accounting and treasury	-	-	-	0.9	3.9	10.0	-	14.8	4,868.00	328.99	
9 Statutory and compliance	7.5	-	10.0	81.0	1.2	33.4	-	113.1	64,426.50	481.44	
10 Employees & pensions	-	-	-	-	-	-	-	-	-	-	
11 Investigations	-	-	-	-	-	-	-	-	-	-	
12 Creditors	-	-	17.8	3.8	8.8	32.5	-	62.8	24,945.00	397.21	
13 Creditors committee	-	-	-	-	-	-	-	-	-	-	
14 Tax	-	0.5	-	-	0.5	6.2	-	7.2	2,499.00	347.08	
15 VAT	-	-	0.5	0.2	-	1.2	-	1.9	1,080.50	573.24	
16 Books and records	-	-	-	-	-	-	-	-	-	-	
17 Closure procedures	-	-	0.8	-	-	-	-	0.6	363.00	605.00	
<b>Total</b>	<b>17.2</b>	<b>0.5</b>	<b>34.9</b>	<b>89.4</b>	<b>14.9</b>	<b>104.4</b>	<b>-</b>	<b>241.30</b>	<b>108,399.00</b>	<b>449.23</b>	

# Our hours and average rates for the period 8 October 2014 to 6 February 2020



**Phosphorus Holdco Plc**  
(In Administration)

From: 08 October 2014  
To: 06 February 2020

## Analysis of time costs for the period

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Total time cost £
1 Strategy & Planning	41.6	-	21.7	11.9	20.4	45.3	-	140.9	74,738.35
2 Sale of business	-	-	-	-	-	-	-	-	-
3 Book debt realisations	0.6	-	-	-	0.6	-	-	1.2	786.00
4 Property	-	-	-	-	-	-	-	-	-
5 Other assets	8.3	-	-	-	4.0	0.5	2.0	14.8	9,705.00
6 Retention of title	-	-	-	-	-	-	-	-	-
7 Trading	-	-	-	-	0.1	-	-	0.1	42.50
8 Accounting and treasury	7.8	-	0.3	6.7	22.9	22.5	-	60.2	23,999.65
9 Statutory and compliance	32.6	4.7	158.3	176.3	274.8	112.3	3.2	762.2	327,739.20
10 Employees & pensions	-	-	-	-	-	-	-	-	-
11 Investigations	-	-	-	-	-	-	-	-	-
12 Creditors	16.9	6.4	65.5	14.2	81.9	47.0	0.5	232.3	108,115.10
13 Creditors committee	-	-	-	-	-	-	-	-	-
14 Tax	-	4.0	3.5	4.4	8.1	27.8	-	47.7	17,197.20
15 VAT	-	-	13.7	0.2	7.0	3.8	-	24.7	18,272.45
16 Books and records	0.5	-	-	0.1	0.2	2.3	-	3.1	1,045.50
17 Closure procedures	-	-	1.7	0.2	-	-	-	1.9	1,114.00
<b>Total</b>	<b>108.3</b>	<b>15.1</b>	<b>264.6</b>	<b>214.0</b>	<b>420.0</b>	<b>261.4</b>	<b>5.7</b>	<b>1,289.1</b>	<b>582,754.95</b>
<b>Time identifiable and attributable to:</b>									
MNO Receivables	-	-	-	-	-	-	-	-	-
Investigations	204.4	276.0	591.2	289.7	599.0	1,099.1	-	3,059.3	1,116,437.00
<b>Total</b>	<b>204.4</b>	<b>276.0</b>	<b>591.2</b>	<b>289.7</b>	<b>599.0</b>	<b>1,099.1</b>	<b>-</b>	<b>3,059.3</b>	<b>1,116,437.00</b>
<b>Total time</b>	<b>312.7</b>	<b>291.1</b>	<b>855.8</b>	<b>503.8</b>	<b>1,018.9</b>	<b>1,360.4</b>	<b>5.7</b>	<b>4,348.4</b>	<b>1,686,891.95</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 hours). We don't charge general or overhead costs.

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

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

<b>Grade (with effect from 1 July 2019)</b>	<b>Administrators' and their staff Rate per hour £</b>	<b>Specialist staff Maximum rate per hour £</b>
Partner	910	1,385
Director	800	1,275
Senior manager	605	1,290
Manager	525	775
Senior associate – qualified	435	575
Senior associate – unqualified	325	330
Associate	270	285
Support staff	140	170

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

## *Payments to associates*

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

## Our work in the period

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 our work:

Area of work	Work undertaken	Why the work was necessary and any financial benefit for creditors
Creditors	<ul style="list-style-type: none"> <li>Engaging solicitors to apply for a court order to distribute funds to creditors in the administration;</li> <li>Dealing with ad hoc creditor enquiries;</li> <li>Preparing the case files for the dividend and carrying out the preliminary work required; and</li> <li>Issuing the notice of intention to declare a dividend to unsecured creditors.</li> </ul>	<ul style="list-style-type: none"> <li>For the proper management of the administration and return of funds to creditors.</li> </ul>
Accounting & treasury	<ul style="list-style-type: none"> <li>Conducting and reviewing bank periodic bank reconciliations;</li> <li>Raising and issuing payments to agents and third parties; and</li> <li>Maintaining accounting records, including receipts from third parties.</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the proper management of the administration bank account.</li> </ul>
Tax	<ul style="list-style-type: none"> <li>Liaising with HMRC and seeking tax clearance.</li> </ul>	<ul style="list-style-type: none"> <li>Statutory and regulatory requirements.</li> </ul>
VAT	<ul style="list-style-type: none"> <li>Liaising with HMRC to remove the Company from the VAT group and obtain VAT clearance.</li> </ul>	<ul style="list-style-type: none"> <li>Statutory and regulatory requirements.</li> </ul>
Statutory & compliance	<ul style="list-style-type: none"> <li>Preparing and issuing the tenth six monthly progress report to creditors;</li> <li>Filing statutory case documentation at Companies House; and</li> <li>Various other internal compliance procedures.</li> </ul>	<ul style="list-style-type: none"> <li>To comply with mandatory statutory and other obligations placed on the joint administrators.</li> </ul>
Strategy and planning	<ul style="list-style-type: none"> <li>Reviewing the administration strategy and amending as appropriate;</li> <li>Updating checklists and diary management system; and</li> <li>Conducting case reviews.</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 in the administration.

Area of work	Work we need to do	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Strategy & planning	<ul style="list-style-type: none"> <li>Reviewing the administration strategy and amending as appropriate;</li> <li>Updating checklists and diary management system;</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>15,000</li> </ul>	<ul style="list-style-type: none"> <li>To ensure the orderly management and progression of the case.</li> </ul>

Area of work	Work we need to do	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Creditors	<ul style="list-style-type: none"> <li>• Issue the dividend to those creditors with agreed claims;</li> <li>• Dealing with any unclaimed dividends; and</li> <li>• Corresponding with creditors over email or telephone.</li> </ul>	• 20,000	• For the proper management of the administration and return of funds to creditors.
Accounting & treasury	<ul style="list-style-type: none"> <li>• Conducting and reviewing periodic bank reconciliations; and</li> <li>• Maintaining accounting records, including receipts from third parties.</li> </ul>	• 10,000	• To ensure the proper management of the administration bank accounts.
Statutory & compliance	<ul style="list-style-type: none"> <li>• Preparing and issuing the six-monthly progress reports to creditors;</li> <li>• Comply with statutory filing requirements;</li> <li>• Seeking an application from the Court to extend the administration; and</li> <li>• Maintain case records.</li> </ul>	• 40,000	• Statutory and regulatory requirements.
Closure	<ul style="list-style-type: none"> <li>• Deal with closure formalities;</li> <li>• Draft and issue of final accounts to creditors, Court and the Registrar; and</li> <li>• Close down internal systems and release the specific bond.</li> </ul>	• 15,000	• To ensure that the Company's affairs are wound down in an orderly manner.

*\*Please note that the estimated costs until closure of the case have changed since our last report due to the change in strategy resulting in keeping the case open and seeking an extension to administration.*

## Disbursements

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

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

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred £
2	<b>Photocopying</b> - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	28.00
2	<b>Mileage</b> - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	Travel expenses	1,583.00
	<b>Total</b>	<b>1,611.00</b>

## *Our relationships*

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

## *Legal and other professional firms*

We've instructed the following professionals on this case:

<b>Service provided</b>	<b>Name of firm / organisation</b>	<b>Reason selected</b>	<b>Basis of fees</b>
Legal advice (general)	Allen & Overy LLP	<ul style="list-style-type: none"><li>• Lawyers instructed in respect of the wider Phones4U Group with knowledge which would add value to the administration.</li></ul>	Time and expenses
Professional fees	Citibank	<ul style="list-style-type: none"><li>• To assist with the distribution of funds to the Bondholders.</li></ul>	Fixed fee
Professional fees	CEDR Limited	<ul style="list-style-type: none"><li>• Provision of services to assist with investigation matters.</li></ul>	Fixed fee
Legal advice (investigations)	Brown Rudnick	<ul style="list-style-type: none"><li>• To assist with the investigation of claims brought by the Company.</li></ul>	Time and expenses



## **Appendix D: Other information**

<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>	Central Square, 8 <sup>th</sup> Floor, 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>	David James Kelly of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT Douglas Nigel Rackham of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT
<b>Extensions to the initial period of appointment:</b>	Initial extension granted to 15 March 2019, then subsequent extension granted to 15 March 2020. Both extensions were granted by the Court.
<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.