

TO ALL KNOWN CREDITORS OF MOBESTAR LIMITED

Our ref: IPS/CJL/OH/ER/2400/4013440

15 December 2008

Dear Sirs

Mobestar Limited & Mobestar Holdings plc (Both In Administration)

We have previously advised you that on 21 October 2008 Chris Latos and Steve Holgate were appointed Joint Administrators of Mobestar Limited and Mobestar Holdings plc.

A report is enclosed pursuant to Schedule B1, paragraph 49 of the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986. As the companies are interdependent, a combined report has been prepared in respect of the two companies and their respective proposals. Mobestar Limited is the only wholly owned subsidiary of Mobestar Holdings Plc

We have decided not to call meetings of creditors, pursuant to paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, as the companies have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a).

If you have any queries please do not hesitate to contact Elizabeth Richards of this office.

Yours faithfully



Chris Latos
Joint Administrator

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PKF (UK) LLP | Pannell House | Park Street | Guildford | Surrey | GU1 4HN | DX 2409 Guildford

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**Mobestar Limited and Mobestar Holdings Plc
In Administration**

Proposals by the Joint Administrators
(Pursuant to paragraph 49 of Schedule B1 to the Insolvency
Act 1986 and rule 2.33 of the Insolvency Rules 1986)

15 December 2008

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1 Introduction

- 1.1 We, Chris Latos and Steve Holgate of PKF (UK) LLP ("PKF"), were appointed Joint Administrators of Mobestar Limited and Mobestar Holdings plc ("the Companies") on 21 October 2008 in the High Court of Justice on the application of the Directors in The High Court of Justice, case numbers 8929 of 2008 and 9267 of 2008 respectively.
- 1.2 This report is prepared pursuant to Schedule B1, Paragraph 49 of the Insolvency Act 1986 ("the Act") and Rule 2.33 of the Insolvency Rules 1986 ("the Rules").

2 Background to administration order

Business history

- 2.1 Mobestar Limited ('the Company') was incorporated on 27 April 2004. Mobestar Holdings plc ('Holdings'), was incorporated on 20 January 2006, and is the only shareholder in the Company.
- 2.2 'Holdings' was AIM listed, although its shares had already been suspended prior to the Administration.
- 2.3 The Company and Holdings ('the Group') supplied a mobile telephone software solution for an offshoot of internet-dating websites. The Group operated from two premises, one in the Surrey Technology Centre, Occam Road, Surrey Research Park, Guildford, and the other in the Aztec Centre, Almondsbury, Bristol.

Business failure

- 2.4 The Group has been loss making since its inception.
- 2.5 The Group was suffering severe cashflow difficulties and, through a recommendation from another professional advisor, contacted PKF (UK) LLP ('PKF') to discuss their financial position on 8 October 2008.

Prior involvement

- 2.6 Neither the Administrators nor PKF had involvement with the Group prior to our dealings with the Group in October 2008.

3 Strategy

- 3.1 The statutory information of the Company and Holdings and details of the Joint Administrators' appointment is attached at Appendix I.
- 3.2 In accordance with Schedule B1 to the Insolvency Act 1986 (as amended) ('the Act'), the Administrators are required to perform their functions with the objectives of:
- a) Rescuing the Company as a going concern; or
 - b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up without first being in administration; or
 - c) Realising property in order to make a distribution to one or more secured or preferential creditors.
- The Administrators must perform their functions with the objectives specified above unless they think it is not reasonably practicable to do so.
- 3.3 The Group had effectively ceased to trade prior to our appointment having run out of funds. There was no prospect of resurrecting the trading of the Group without incurring considerable costs.
- 3.4 Immediately following our appointment we attended the Groups premises and addressed the staff. The Joint Administrators had to make all staff redundant.
- 3.5 The landlords were unwilling for the Companies to continue to occupy the trading premises due to unpaid rent and without ongoing rent being met. The Joint Administrators instructed Empire Auctions ('EA') to provide an inventory and valuation of the Companies chattel assets, and to remove them from the trading premises. Books and records were also removed to storage and the premises vacated.
- 3.6 We advertised the Administration of both the Company and Holdings in The London Gazette and The Independent.
- 3.7 The Joint Administrators released an Information Memorandum to interested parties. We asked for offers to be made submitted by noon on Friday, 14 November 2008.
- 3.8 To date, over 11 parties have expressed an interest in the business. We are continuing our negotiations with those who have submitted an offer for the business though we believe it would be prejudicial at this stage to disclose details of offers.
- 3.9 In accordance with Paragraph 52(1) of Schedule B1 of the Act, we believe that neither of the objectives specified in Paragraph 3(1)(a) and (b) of Schedule B1 of the Act can be achieved.

- 3.10 We expect, however, to realise sufficient property that should enable a distribution to secured and preferential creditors to be made and, therefore, consider that the third statutory Administration objective can be achieved.
- 3.11 To enable the Administrator to conclude the Administration, we propose that the Companies be dissolved once the Administration has been completed.
- 3.12 By virtue of the above statement, we propose that Paragraph 51(1) of Schedule B1 of the Act shall not apply, meaning that we do not propose to convene a formal creditors meeting, as the Companies have insufficient property to enable a distribution to be made to unsecured creditors.
- 3.13 In accordance with Paragraph 52(2) of Schedule B1 of the Act and Rule 2.37 of the Insolvency Act 1986, we shall summon a formal creditors meeting if it is requested:
- a. by creditors of the Company whose debts amount to at least 10% of the total debts of the Company,
 - b. in the prescribed manner, and,
 - c. in the prescribed period.
- 3.14 In summary:
- The Joint Administrators are pursuing a sale of the business assets of the Group following appointment in order to attempt to maximise total realisations.
 - The Joint Administrators believe the strategy adopted will satisfy objective c) detailed in paragraph 3.2 above.

4 Financial position of the Companies

Statement of Affairs

- 4.1 Attached at Appendix III is a copy of the directors Statement of Affairs of both Holdings and the Company and additionally a list of estimated creditors from the company records of creditor ledger balances.
- 4.2 The assets of the Company subject to the fixed charge are its business name, intellectual property and the goodwill attaching to the business. (There is no equivalent fixed charge in Holdings).

Assets

Intellectual Property

- 4.3 The Group developed the following mobile applications: mDate, mCast, MIC and Morf.
- 4.4 If, as we anticipate, the Groups business and assets are sold we would expect a proportion of the sales proceeds to be attributable to goodwill and intellectual property of both Holdings and the Company. However, the amount will depend on the level of proceeds received from such a sale. A claim has been made by the seller in respect of the acquisition of 'Mobile Life' intellectual property by the Group on 14 March 2007. The claim has not been admitted.

Chattel assets

- 4.5 We obtained an independent report and inventory of the encumbered and unencumbered chattel assets from our agents, EW. These mainly consist of office furniture and equipment. The agent has proceeded with the sale of ancillary equipment and furniture and has raised £1,976 net of VAT. However this is more than offset by their costs of £2,264.

Book debts

- 4.6 On our appointment we identified a possible debtor collection due from an overseas account in the region of £25,000. This debt is in respect of Mobestar Limited. The Company had already instructed an agent in Switzerland to assist with legal action for the recovery of this amount. We await the outcome of this action and further information from the agent on the prospects of recovery.

Liabilities

National Westminster Bank plc ('the Bank')

- 4.7 General banking facilities were provided by National Westminster Bank plc.
- 4.8 Mobestar Limited granted the Bank a floating charge on 2 April 2007. This was subsequently registered at Companies House on 5 April 2007.
- 4.9 As at 23 October 2008 the Company was indebted to the Bank in the sum of £113,240. No debenture is recorded against Holdings.

Preferential creditors

- 4.10 Mobestar Limited had 9 employees at the date of our appointment. All employees were made redundant immediately following our appointment.
- 4.11 Employees will submit claims to the Redundancy Payments Service in the first instance. No claims as yet have been received from the Redundancy Payments Service although preferential claims may exceed £10,000.

Prescribed part

- 4.12 Section 176A of the Act requires Joint Administrators to set aside a prescribed amount of the Company's 'net property' towards satisfaction of the non-preferential claims. Net property is the amount of property that would otherwise be available for satisfaction of debentures secured by, or holders of, any floating charge granted by the Company after 15 September 2003.
- 4.13 The floating charge applies to Mobestar Limited only. The floating charge was registered after 15 September 2003, therefore the prescribed part provisions apply. It is presently unlikely that a prescribed part will be available to creditors as it appears that net property will be nil or will not exceed £10,000 so that the cost of distributing the prescribed part would be disproportionate to the benefit.

Unsecured creditors

- 4.14 Unsecured creditors of Mobestar Limited are currently estimated to total £284,731 and those of Mobestar Holdings plc are currently estimated at £411,621 including claims notified but not yet adjudicated.
- 4.15 Attached at Appendix III is a list of the estimated creditors of each company, pursuant to Rule 2.33(2) of the Insolvency Rules 1986.
- 4.16 It is unlikely there will be sufficient funds to enable the payment of a distribution to unsecured creditors in either company.

5 Receipts and payments

- 5.1 Attached at Appendix IV is a copy of the Joint Administrators' Receipts and Payments account to 28 November 2008 of the Company showing a balance in hand of £50.
- 5.2 There have been no realisations in relation to Holdings to date.

6 Joint Administrators' remuneration

- 6.1 Enclosed at Appendix V are full details of the Joint Administrators' time costs in this matter for both companies up to 28 November 2008, in accordance with Statement of Insolvency Practice No 9. The total time costs in relation to the Company are £21,569 representing 110.99 hours at an average hourly rate of £194, and the time costs in relation to Holdings are £4,297 representing 16.20 hours at an average hourly rate of £265.
- 6.2 The Joint Administrators are entitled to receive remuneration for their services. In accordance with Rule 2.106(2) of the Insolvency Rules 1986 their remuneration shall be fixed either:
- as a percentage of the value of the property with which they have to deal; or
 - by reference to the time properly given by the Administrators and their staff in attending to matters arising in the administration.
- 6.3 The Joint Administrators propose to receive their remuneration under part (b) of paragraph 6.2 above. Any time costs in excess of the amount of funds available will be written off. Where there is no distribution to unsecured creditors, remuneration will be agreed by the secured and/or preferential creditors.
- 6.4 To date no fees have been drawn in respect of our work.
- 6.5 Disbursements incurred from the date of appointment for both Companies total £727.77 and are detailed as follows:

	Category 1 disbursement £	Category 2 disbursement £
Advertising	336.98	-
Travel & accommodation expenses	90.75	-
Bordereau	36.00	-
Storage	264.04	-
	<u>727.77</u>	<u>-</u>

- 6.6 Category 1 disbursements are those which generally comprise external supplies of incidental services specifically identifiable to the client. Category 2 disbursements are generally services supplied internally and require the approval of creditors.
- 6.7 A creditors' guide to fees, which provides information regarding creditors' rights in relation to Insolvency Practitioners' fees, can be obtained by visiting PKF's website. The relevant guide can be accessed through www.pkf.co.uk/cr, then click on the right hand link to 'creditors'

guides to fees'. A copy of the guide can also be provided upon request by contacting this office.

- 6.8 A summary of PKF (UK) LLP's charge out rates and disbursement charges is attached at Appendix VI.

7 Proposed exit route

- 7.1 In due course it will be necessary for both Companies to exit from administration. This can be by a Creditors' Voluntary Liquidation ('CVL'), a Compulsory Liquidation, a Company Voluntary Arrangement ('CVA'), or by Dissolution.
- 7.2 In the event that, as we expect, there are insufficient funds to enable a distribution to the unsecured creditors, it is proposed that once all outstanding matters have been concluded, the Joint Administrators will seek a resolution from creditors for their release as Joint Administrators and file the necessary forms with the Registrar of Companies to place the Company and/or Holdings into the dissolution process pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986.
- 7.3 In the event that there are sufficient funds to enable a distribution to unsecured creditors the Joint Administrators will seek a resolution from creditors for release as Joint Administrators and file the necessary returns with the Registrar of Companies in order to place the Company and/or Holdings into Creditors' Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986. It is proposed that the Joint Administrators would be appointed as the Joint Liquidators to enable the distribution of surplus funds to unsecured creditors of the Company. This would be the most timely and cost efficient method as it would avoid the duplication of work by an alternative insolvency practitioner.
- 7.4 In accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate different persons as the proposed Joint Liquidators. All valid nominations must be made after the receipt of these proposals and before the proposals are approved, with or without modifications.
- 7.5 However, should any matters come to the attention of the Joint Administrators that would require the investigatory powers of a Liquidator, the Joint Administrators propose that they make an application to Court to end the administration pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 and that, having made an application to Court, the Joint Administrators request that the Company and/or Holdings be Compulsorily Wound-Up.

8 Joint Administrators' proposals

8.1 In accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986, Christopher James Latos and Stephen Paul Holgate, the Joint Administrators of the Company and Holdings, make to the creditors the following proposals for achieving the purposes of the Administration commenced on 21 October 2008. However, a meeting of Creditors will not be convened. In accordance with Paragraph 52 (1) (b) it is anticipated that there will be insufficient funds for any distributions to be made to unsecured Creditors.

8.2 In accordance with Rule 2.33 (5) of the Rules, the above proposals will be deemed to have been approved unless a request for an initial creditors' meeting is received within the next 12 days, in accordance with Paragraph 52(2).

Proposals

8.3 Approval of the following proposals will be considered as a single resolution in respect of, separately, Mobestar Limited and Mobestar Holdings plc.

8.4 We propose that the Joint Administrators do all such things and generally exercise all of their powers as administrators contained in Schedule I of the Insolvency Act 1986, as they in their discretion consider desirable or expedient in order to achieve the purposes of the administration, to protect and preserve the assets of the Company or maximise the realisation of those assets or for any purpose incidental to these proposals.

8.5 In the event that there are insufficient funds to enable a distribution to the unsecured creditors, it is proposed that once all outstanding matters have been concluded, the Joint Administrators seek a resolution from the creditors for their release and file the requisite forms with the Registrar of Companies to enable the Company to be placed into dissolution pursuant to paragraph 84 of Schedule B1 to the Insolvency Act 1986.

8.6 That if sufficient funds are available for distribution to unsecured creditors then the Joint Administrators will cause the Company to be placed into Creditors Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986 with Christopher James Latos and Stephen Paul Holgate of PKF (UK) LLP appointed as Joint Liquidators, or any other person(s) be appointed Liquidator(s) of the Company in accordance with Paragraph 83(7) of the same, by filing the requisite forms with the Registrar of Companies.

8.7 However, should any matters come to the attention of the Joint Administrators that would require the investigatory powers of a Liquidator, the Joint Administrators propose that they make an application to Court to end the administration pursuant to Paragraph 79 of

Schedule B1 to the Insolvency Act 1986 and that, having made an application to Court, the Joint Administrators request that the Company be Compulsorily Wound-Up.

Other resolutions

- 8.8 In addition, the Joint Administrators will seek approval of the following resolutions in respect of Mobestar Limited and Mobestar Holdings plc.
- 8.9 That, if thought fit, the Joint Administrators seek a resolution from creditors establishing a creditors committee pursuant to paragraph 57 of Schedule B1 to the Insolvency Act 1986.
- 8.10 In the event that a creditors committee is not established, the Joint Administrators shall be remunerated on a time costs basis by reference to PKF (UK) LLP's normal rates for the time spent by them and their staff in attending to matters arising in the administration and also draw disbursements as detailed in this report and all future disbursements.
- 8.11 That the Joint Administrators be authorised to draw Category 2 disbursements detailed in this report and all future Category 2 disbursements when incurred.
- 8.12 That the Joint Administrators be released from all liability in respect of their acts as Joint Administrators in accordance with Paragraph 95 of Schedule B1 to the Insolvency Act 1986, 14 days after their appointment as Joint Administrators ceases to have effect.
- 8.13 The Joint Administrators propose that any of PKF (UK) LLP's outstanding pre-appointment time costs shall rank as an unsecured claim in accordance with the guideline given in Dear IP Issue number 24. This does not effect the right to draw legitimate expenses not covered by that guidance.

9 Conclusion and recommendation

9.1 As discussed earlier in this report, we do not consider that there will be sufficient funds available to enable a distribution to unsecured creditors.

9.2 We propose to dissolve the Company and Holdings once the Administrations are complete.



C. J. Latos & S. P. Holgate
Joint Administrators

Appendix I

Statutory information

**Mobestar Limited
In Administration****STATUTORY INFORMATION**

Company Number	05058403
Date of Incorporation	20/2/2004
Trading Name	Mobestar Limited
Registered Office (Pre-appointment)	Unit 46, Surrey Technology Centre 40 Occam Road Surrey Research Park Guildford Surrey GU2 7YG
Registered Office (Post-appointment)	c/o PKF (UK) LLP Pannell House Park Street Guildford Surrey GU1 4HN
Trading Address	Unit 46, Surrey Technology Centre 40 Occam Road Surrey Research Park Guildford Surrey GU2 7YG
Company Directors	Mr P Richards Ms S Newnes-Smith Mr P Robinson
Company Secretary	Ms S Newnes-Smith
Shareholders	Mobestar Holdings plc
Nature of Business	Mobile communications
Date of Appointment	21 October 2008
Appointees	C J Latos and S P Holgate
Appointors	The directors
Court and Court Reference	High Court of Justice, 8929 of 2008
EU Regulations	EU Regulations apply and the main proceedings are in the United Kingdom.

**Mobestar Holdings Plc
In Administration**

STATUTORY INFORMATION

Company Number	05681286
Date of Incorporation	20/1/2006
Trading Name	Mobestar Holdings plc
Registered Office (Pre-appointment)	Unit 46, Surrey Technology Centre 40 Occam Road Surrey Research Park Guildford Surrey GU2 7YG
Registered Office (Post-appointment)	c/o PKF (UK) LLP Pannell House Park Street Guildford Surrey GU1 4HN
Trading Address	Unit 46, Surrey Technology Centre 40 Occam Road Surrey Research Park Guildford Surrey GU2 7YG
Company Directors	Mr P Richards Ms S Newes-Smith Mr P Robinson
Company Secretary	Ms S Newnes-Smith
Shareholders	List will be provided on application
Nature of Business	Mobile communications
Date of Appointment	21 October 2008
Appointees	C J Latos and S P Holgate
Appointors	The directors
Court and Court Reference	High Court of Justice, 9267 of 2008
EU Regulations	EU Regulations apply and the main proceedings are in the United Kingdom.

Appendix II

Directors Statement of Affairs for Mobestar Limited and Mobestar Holdings Plc

Assets	Book Value £'000	Estimated to Realise £'000
Assets subject to fixed charge:		
Software Development	658	10
Furniture and Equipment	19	2
Bank balance	1	1
Trade Debtors	5	5
Assets subject to floating charge:	-	
Uncharged assets:		
Trade Debtors	-	-
Loan to Alford de Stoppelaar	25	25
ICSTIS Bond	11	11
Repayments & accrued income	24	-
Deposits	17	-
Estimated total assets available for preferential creditors	760	54

Signed John O 27/11/08 Date

		Estimated to realise £ '000
Estimated total assets available for preferential Creditors (carried from page A)		£ 54
Liabilities	Bank loan	£ 125
Preferential creditors:	Salaries	16
	Paye	42
Estimated deficiency / surplus as regards preferential creditors		£ (183)
Estimated prescribed part of net property where applicable (to carry forward)		£
Estimated total assets available for floating charge holders		£ (129)
Debts secured by floating charges		£ —
Estimated deficiency / surplus of assets after floating charges		£ (129)
Estimated prescribed part of net property where applicable (brought down)		£
Total assets available to unsecured creditors		£ —
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	Trade Creditors Motor life	£ 217 113
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		£ (392) (217)
Shortfall to floating charge holders (brought down)		£ 129
Estimated deficiency / surplus as regards creditors		£ (584) (346)
Issued and called up capital		£ 4 (451) (4)
Estimated total deficiency / surplus as regards members		£ (1031) (350)

Signature [Signature] Date 27/11/08

Assets

Assets subject to fixed charge:

SOFTWARE MOBILE LIFE (carried in Software Development in Hobestec Ltd)


Assets subject to floating charge:

Uncharged assets:

Investment in Hobestec Ltd

Book Value £ '000	Estimated to Realise £ '000
NIL	6
NIL	
360	-
360	6

Estimated total assets available for preferential creditors

Signed  27/11/08 Date

		Estimated to realise £
Estimated total assets available for preferential Creditors (carried from page A)		£ 6
Liabilities	£	
Preferential creditors:		—
Estimated deficiency / surplus as regards preferential creditors	£	
Estimated prescribed part of net property where applicable (to carry forward)	£	—
Estimated total assets available for floating charge holders	£	
Debts secured by floating charges	£	—
Estimated deficiency / surplus of assets after floating charges	£	
Estimated prescribed part of net property where applicable (brought down)	£	—
Total assets available to unsecured creditors	£	6
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£	
Mobile life TTS		(175)
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	(169) (169)
Shortfall to floating charge holders (brought down)	£	
Estimated deficiency / surplus as regards creditors	£	(169)
Issued and called up capital	£	451
Estimated total deficiency / surplus as regards members	£	(620)

Signature  Date 27/10/08

Appendix III

List of Company creditors

PKF (UK) LLP
Mobestar Limited
B - Company Creditors

Key	Name	Address	£
CB05	BB Online UK Ltd	PO box 2162, Luton, Bedfordshire, LU3 2JL	57.58
CB06	BDO Stoy Hayward	2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA	15,275.00
CB0B	Business Wire	117 Houndsditch, 1st Floor, London, EC3A 7BT	9,576.25
CC00	Carroll Harveny Insurance	2 White Lion Court, Cornhill, London, EC3A 7BT	1,555.02
CC01	Chartered and European Patent Attorneys	Fairfax House, 15 Fulwood Place, London, WC1V 6HU	1,713.26
CC02	CHCS	45 Rickyard, Guildford, Surrey, GU2 6JP	509.18
CC03	Citibase plc	1st Floor Aztec Centre, Aztec West, Aldmondsbury, Bristol, BS232 4TD	2,006.90
CC04	City Financial Associates Ltd	Pountney Hill House, 6 Lawrence Pountney Hill, London, EC4R 0BL	10,261.25
CC09	Considine The Hague B.V.	Badhuisweg 177, 2507, JP The Hague, Netherlands	8,109.05
CC0A	Creative Print	252 Water Road, Wembley, HA0 1HX	313.73
CD05	Downgate Capital Advisers	46 Worship Street, London, EC2A 2EA	0.00
CE01	EIP Limited	Fairfax House, 15 Fulwood Place, London, WC1V 6HU	10,885.56
CE04	Europe Ltd	90 Fifty Pitches Road, Cardonald Business Park, Glasgow, G51 4EB	70.46
CF01	Financial Reporting Council	PO Box 956, Lincoln, LN5 5ET	457.00
CG02	Grant Thornton UK LLP	London Thames Valley, Churchill House, Chalvey Road East, Slough, SL1 2LS	7,500.00
CH01	Hemscott	1st Floor, Castle House, 37-35 Paul Street, London, EC2A 4LS	2,056.25
CI01	Intorma UK Ltd	Sheepen Place, Colchester, CO3 3LP	3,048.75
CI03	Isosceles Finance	PO Box 2898, Ascot, Berkshire, SL5 0UW	4,700.00
CJ04	Martineau Johnson	35 New Bridge Street, London, EC4V 6BW	21,622.77
CM0C	Misco	10-14 Darby Close, Park Farm South, Wellinborough, Northants, NN8 6GS	70.54
CM0J	MX Telecom Ltd	15th Floor, 389 Chiswick High Road, London, W4 4AL	6,455.18
CN02	Neopost	Neopost House, South Street, Romford, Essex, RM1 2AR	95.75
CN06	Norton Rose	3 More London, Riverside, London, SE1 2AQ	3,929.25
CO01	Orange	Orange Payment Processing, Southend-on-Sea, SS99 6LU	211.03
CP03	Penningtons Solicitors	Da Vinci House, Basingview, Basingstoke, Hampshire, RG21 4EQ	4,190.06
CP04	POD Exhibition Systems	Lower Farm, High Street, Irchester, Northamptonshire, NN29 7AB	47.00
CP05	Precision IR Group	145 Cannon Street, London, EC4N 5BQ	613.38
CP09	PurePromoter Ltd	PO Box 257, Brighton, BN1 5XQ	152.76
CQ00	Q Soft Consulting	6th Floor, Queens House, 2 Holly Road, Twickenham, Middlesex, TW1 4EG	3,157.95
CR02	Rackspace IT Hosting	2 Longwalk Road, Stockley Park, Uxbridge, UB11 1BA	18,435.94
CS03	Sales Intelligence Group Ltd	26-28 Sandgate High Street, Sandgate, Kent, CT20 3AP	9,351.05
CS05	Seven by Seven	1st Floor, 8 Progress Business Centre, Whittle Parkway, Slough, Berks, SL1 6DQ	253.80

PKF (UK) LLP
 Mobestar Limited
 B - Company Creditors

Key	Name	Address	£
CS06	Share Registrars Ltd	Craven House, West Street, Farnham, Surrey, GU9 7EN	627.21
CS07	Smith & Williamson	25 Moorgate, London, EC2R 6AY	5,640.00
CS08	SNS Consultancy Ltd	Woodford Lodge, Ramsden Road, Godalming, Surrey, GU7 1QE	3,763.53
CN07	Suzanne Newnes-Smith	Woodford Lodge, Ramsden Road, Godalming, GU7 1QE	0.00
CS0C	Switchcall	Switch House, 3 Berkely Crescent, Bristol, BS8 1HA	11.74
CS0D	SWM (Properties) Ltd	66 High Street, Saffron Walden, CB10 1EE	0.00
CT01	Ticondeorga Ventures Inc	1133 Broadway, Suite 706, New York, 10013	1,785.00
CU04	Udl Intellectual Property	Tower North Central, Merrion Way, Leeds, LS2 8PA	0.00
CU01	University of Surrey	30 Frederick Sanger Road, Surrey Research Park, Guildford, Surrey, GU2 7EF	5,456.65
CU00	Urquhart Dykes & Lloyd	Tower North Central, Merrion Way, Leeds, LS2 8PA	119.18
CV01	Viking Direct	PO Box 279, Leicester, LE3 1YU	0.00
CW01	Westpaint (Eyefall)		2,737.63
CW03	Woltens Kluwer Ltd	Croner House, Wheatfield Way, Hinkley, Leicestershire, LE10 1YG	2,675.28
45 Entries Totalling			169,517.92

Mobestar Limited
Potential Creditors

Key	Name
ED00	Mr Stephen Doyle
EE00	Mr Gavin Edwards
EM00	Mr Colin Mead
EM01	Mr Robert Simon Meeds
EN00	Kelly Newell
EN01	Mrs Suzanne Newes-Smith
ER00	Mr Peter Richards
ES00	Mr Peter Skinner
ES01	Mr Prakash Sankaran

PKF (UK) LLP
Mobestar Holdings Plc
B - Company Creditors

Key	Name	Address	£
CE00	E.C Capital Ltd	7 Cork Street, London, W1X 1PB	0.00
CG00	Grant Thornton UK LLP	London Thames Valley, Churchill House, Chalvey Road East, Slough, SL1 2LS	0.00
CL00	Lewis Silkin LLP	5 Chancery Lane, Clifford's Inn, London, EC4A 1BL	0.00
CM00	Midas Investment Management Ltd]	Arthur House, Chorlton Street, Manchester, M1 3FH	10,127.31
CD00	Mr S Doyle	Romana, 12 Knole Park, Almondsbury, Bristol, BS32 4BS	0.00
CP00	Penningtons Solicitors	Da Vinci House, Basingview, Basingstoke, Hampshire, RG21 4EQ	0.00
CU00	The Surrey Research Park	30 Frederick Sanger Road, Guildford, Surrey, GU2 7EF	0.00
7 Entries Totalling			10,127.31

Appendix IV

Joint Administrators' receipts and payments account to December 2008

Mobestar Limited
(In Administration)

Joint Administrators' Abstract Of Receipts And Payments
To 10 December 2008

RECEIPTS	Total (£)
Furniture & Equipment	42.55
Bank Interest Net of Tax	0.29
VAT Payable	7.45
	<hr/>
	50.29
	<hr/>
PAYMENTS	
	<hr/>
	0.00
Balances in Hand	50.29
	<hr/>
	50.29
	<hr/>

**Mobestar Holdings Plc
(In Administration)**

**Administrators' Abstract Of Receipts And Payments
To 10 December 2008**

RECEIPTS	Total (£)
	<hr/>
	0.00
	<hr/>
PAYMENTS	
	<hr/>
	0.00
	0.00
	<hr/>
Balances in Hand	0.00
	<hr/>
	0.00
	<hr/>

Appendix V

Analysis of Joint Administrators' time costs

Appendix VI

Schedule of Joint Administrators' charge out rates and disbursement charges

CHARGE OUT RATES AND DISBURSEMENT CHARGES

Charge-out Rates

Grade	Charge-out rate (£ per hour)
Partner	262-454
Manager	168-312
Administrator	136-188
Secretarial & Support	<157

Time costs are calculated in 6 minute units

In common with most professional services firms, PKF (UK) LLP's charge-out rates change from time to time, although each individual change is not material. The rates charged reflect various changes over the course of each assignment.

Disbursements

Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

All category 1 disbursements will be charged at the actual cost incurred.

Category 2 Disbursements

Category 2 disbursements will comprise cost allocations which may arise on some of the category 1 expense where supplied internally: typically, items such as room hire and document storage. Also typically included will be routine or more specialist copying and printing, and allocated communication costs provided by the officeholder or his firm.

The more common category 2 disbursements are charged on the following basis:

Printing & photocopying

These disbursements are charged on a sliding scale which ranges from 9p per sheet for 1 to 10 sheets, to 3p per sheet for print runs of over 500 copies.

Fax

Fax charges are based on the recipient's location and are as follows:

- within the UK: 25p per page
- mainland Europe: 80p for the first page and 25p per page thereafter
- international: £1.25 for the first page and 25p per page thereafter

Room Hire

Rooms at our Farringdon Place offices are hired at a rate of £50 per half day.

Please note, all amounts quoted are exclusive of VAT and VAT will be charged where applicable.