

The Insolvency Act 1986
Statement of Administrator's
Proposals

Pursuant to Section 23(1)(a) of the
Insolvency Act 1986

To the Registrar of Companies

S.23(1)(a)

For official use

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Company Number

00244974

Name of Company

Insert full name of
company

FLARE GROUP PLC

I/We

ALAN DAVID LEWIS AND DAVID KENNETH DUGGINS

of

P O BOX 55
1 SURREY STREET
LONDON
WC2R 2NT

administrator(s) of the company attach a copy of my [our] proposals for achieving
the purposes set out in the administration order filed herein. A copy of these proposals was
sent to all known creditors on:

Insert date

21 JUNE 2000

Signed

Dated

23 June 2000

Presenter's name,
address and reference
(if any)

ARTHUR ANDERSEN
P O BOX 55
1 SURREY STREET
LONDON
WC2R 2NT

For official use
Liquidation Section

Post Room



FLARE GROUP PLC (IN ADMINISTRATION)

STATEMENT OF PROPOSALS UNDER SECTION 23 OF THE INSOLVENCY ACT 1986

In accordance with Section 23 of the Insolvency Act 1986, David Kenneth Duggins and Alan David Lewis, the joint administrators of Flare Group plc ("the Company"), make to the creditors the following proposals for achieving the purposes of the Administration Order dated 19 April 2000. Approval of these proposals will be considered as a single resolution at a meeting of creditors to be held on 14 July 2000.

Proposals

The joint administrators propose that:

1. They continue to manage the remaining business, affairs and property of the Company as may be necessary with a view to achieving the purpose for which the Administration Order was made, namely the survival of the Company, and the whole or any part of its undertaking, as a going concern; the approval of a voluntary arrangement under Part 1 of the Insolvency Act 1986 and a more advantageous realisation of the Company's assets than would be effected on a winding-up. In particular it is proposed that:
 - (a) to the extent that it may be possible, the joint administrators realise the remaining assets of the Company at such time and on such terms as they consider most beneficial, should they consider this course of action to be appropriate; and
 - (b) the joint administrators be empowered to pursue the implementation of a voluntary arrangement with creditors of the Company or the voluntary or compulsory winding-up of the Company at such times as they consider appropriate.
2. They investigate and, if appropriate, pursue any claims that the Company may have against any third person including without limitation (a) officers and former officers, (b) advisers or former advisers and (c) financiers or former financiers of the Company or any subsidiary.
3. They carry out any other act and generally exercise their powers in a manner conducive to the successful achievement of the proposals outlined above.
4. A Creditors' Committee be established.
5. They consult with the Creditors' Committee at appropriate intervals concerning the conduct of the administration and the implementation and development of these proposals.
6. In the event that no Creditors' Committee is formed, the joint administrators' remuneration be based upon time costs properly incurred in the conduct of the administration, and that they may draw remuneration in respect of these costs at such time as they consider appropriate after those costs have been incurred.
7. They continue the administration for such period of time that it remains likely to achieve one or more of the purposes for which the Administration Order was made.
8. If and where appropriate they will apply to the Court for their discharge as administrators.



A D LEWIS
Joint Administrator

Dated: 21 June 2000