

### AN A-FAIRYOUNG TO REMEMBER

In some jurisdictions, to issue a cheque, knowing full well that there are insufficient funds to cover the amount of the cheque, that single act is considered a crime, prima facie.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), it would appear that issuing cheques, made of rubbish stuff, is becoming more and more commonplace.

Even certain publicly listed companies are, now, getting in on the act.

Recently, Elegance Finance Printing Services Ltd, an HKSAR, public relations company, principally, discovered that one of its former, treasured customers, always thought to be a gilt-edged client, has turned out to be somewhat of a piker.

And an issuer of rubberised cheques, to boot.

The company is publicly listed Fairyoung Holdings Ltd (Code: 231, Main Board, The Stock Exchange of Hongkong Ltd).

From March 23, 2001 until November 7, 2001, Elegance Finance has, allegedly, done work for and on behalf of Fairyoung Holdings, and, of the \$HK853,337-worth of work, it has only been paid \$HK419,742, it alleges.

Elegance Finance corresponded with Fairyoung Holdings through its solicitors, demanding that it be paid the unpaid balance, rightfully due to it.

For its persistence and insistence, Elegance Finance received 3 postdated cheques, all drawn on Bank of China, Hongkong Branch: Numbers 810462, 810463 and 810464. The cheques were in the amount of \$HK50,000, \$HK50,000 and \$HK73,900, respectively.

However, when the cheques were presented for payment, they all were returned – unpaid.

Elegance Finance is, today, allegedly owed \$HK473,988.92, up to January 11, 2002, that amount of money, being the principal invoiced amounts plus accrued interest at the agreed rate of 2 percent per month, calculated from the date after a period of 30 days' credit had expired.

Fairyoung Holdings describes itself as being an investor in infrastructure, property developments, and hi-tech related businesses.

For the past few years, it has managed to lose money, each year, and its auditors, Ernst and Young, on October 31, 2001, declined to form an opinion in respect of the 2000 accounts, Financial Year, ended December 31.

About the 2000 accounts, Ernst and Young said ... [CLICK TO ORDER FULL ARTICLE](#)

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