

**DRANSFIELD HOLDINGS LTD :
ERNST AND YOUNG ISSUES PROCEEDINGS**

The international accounting firm of Ernst and Young has issued a claim in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), alleging that it is owed about \$HK1.45 million from a former publicly listed company, controlled by the late Sir Kenneth Fung Ping Fan.

Sir Kenneth, who died in May this year, used to control the affairs of Dransfield Holdings Ltd (formerly known as Code 632, Main Board, The Stock Exchange of Hongkong Ltd) along with Mr Horace Yao Yee Cheong, his Deputy Chairman.

Between them, they controlled about 82 percent of the Issued and Fully Paid-Up Share Capital of Dransfield and, although that float was contrary to The Listing Rules of The Stock Exchange of Hongkong Ltd, nothing was ever done to get at least 25 percent of the Issued and Fully Paid-Up Share Capital into the hands of the investing public.

Sir Kenneth, as it was well known, was a member of the 'Old School' and, as such, he was somewhat immune to the rules that applied to the common folk.

But the company that he once controlled hit a crab and, for the Financial Year, ended March 31, 2001, it reported a Loss Attributable to Shareholders of about \$HK131.52 million.

That result compared with a Net Profit Attributable to Shareholders of about \$HK2.11 million for the 2000 Financial Year.

The walls closed in on Sir Kenneth's little trading company, last Year, as The Bank of East Asia Ltd (Code: 23, Main Board, The Stock Exchange of Hongkong Ltd) moved in for the kill, so to speak, taking possession of the Ground Floor, the First Floor and the Second Floor of Ocean Court, Number 28-44, Pok Man Street, Taikoktsui, Mongkok, the HKSAR.

Dransfield, at that time, admitted, openly, that it owed The Bank of East Asia about \$HK72 million – and could not repay its debt to this Chinese bank, the largest of its kind in the HKSAR.

Meanwhile, Ernst and Young was not getting paid that which it alleged it was owed in respect of its work as the Auditor of Dransfield.

In fact, Ernst and Young alleges that it has not been paid for its work, going back to March 16, 2001.

The accounting firm is suing Dransfield for \$HK1,446,401 in respect of its work as Dransfield's auditor.

Dransfield was taken over by China Merchants DiChain (Asia) Ltd, which assumed ... [CLICK TO ORDER FULL ARTICLE](#)

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