

**GREAT WALL CYBERTECH LTD:
ANOTHER CREDITOR GOES AFTER ITS GOOLIES**

Tired of waiting more than 7 months for its money, Dongguan Sizhing Electronic Company Ltd has slapped a High Court Writ on a wholly owned subsidiary of publicly listed Great Wall Cybertech Ltd (Code: 689, Main Board, The Stock Exchange of Hongkong Ltd).

Dongguan Sizhing Electronic is seeking a little more than \$HK1.41 million from Great Wall Electronic Ltd in respect of *'the outstanding unpaid balance of the Plaintiff's charges for labour supplied to the Defendant ...'*. (Paragraph One of the Statement of Claim, attached to Writ of Summons, Number 519)

The particulars, stated in this Statement of Claim, allege that money has been outstanding from Great Wall Electronic since as far back as July 13, 2001.

Great Wall Electronic appears to have acknowledged that it owes money to this company, which is domiciled in the People's Republic of China (PRC), because it is claimed that Great Wall Electronic paid \$HK100,000 to Dongguan Sizhing Electronic on July 31, 2002, and another payment of \$HK100,000 was paid to Sizhing Electronic one month later.

This latest High Court Writ brings the total amount of money, owed by the Great Wall Group of Companies, to not less than \$HK5.50 million.

According to **TOLFIN** (**TARGET's** Computerised Online Financial Intelligence Service and Credit-Checking Provider), in the 2002 year, ended December 30, 2002, creditors of the Great Wall Group lodged 4 High Courts Writs, 9 District Court Writs and 6 Small Claims Writs.

In [TARGET Intelligence Report, Volume IV, Number 230, published on December 4, 2002](#), this medium reported that this company was technically potentially insolvent and that the company's Auditors had disclaimed its opinion of the accounts for the 2002 Financial Year.

Ernst and Young said, inter alia:

'Because of the significance of each of (i) the possible effects of the scope limitation in the evidence available to us as set out in the basis of opinion section of this report; and (ii) the fundamental uncertainty relating to the going concern basis, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2002 and of the loss and cash flows of the Group for the year then ended as to whether the financial statement have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

'In respect alone of the limitation on our work as set out in the basis of opinion section of this report:

- (i) *We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and*

(ii) *We were unable to determine whether proper books of accounts have been kept.* ' For the 2002 Financial Year, Great Wall Cybertech ... [CLICK TO ORDER FULL ARTICLE](#)

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