

**RAINBOW INTERNATIONAL HOLDINGS LTD:
ENTER, STAGE RIGHT, THE HONGKONG TAXMAN**

Death and taxes are 2 aspects of life from which there is no escape.

If one were to ask Ms Aldy Li Ngar Kwan, the Chairlady of publicly listed [Rainbow International Holdings Ltd](#), she would, most likely, readily acknowledge the veracity of the old saw.

Because Ms Aldy Li Ngar Kwan has just become the proud recipient of a claim from the Government of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) for \$HK1,236,107.

This amount of money is being claimed by The Commissioner of Inland Revenue of Hongkong, according to **TOLFIN** (**TARGET's** Computerised Online Financial Intelligence Service and Credit-Checking Provider).

This is not the first time, of course, that Ms Aldy Li Ngar Kwan has received a demand from the HKSAR taxman because, according to the records of **TOLFIN**, she was sued by this department of the HKSAR Government on October 15, 2002 and, again, on December 10, 2002.

TARGET cannot comment on these 3 demands from The Commissioner of Inland Revenue of the HKSAR since there must be a presumption of innocence when an Originating Process is filed in the HKSAR Courts.

However, at the same time, one must assume that the HKSAR Government, prior to issuing Legal Proceedings against an individual, believes that it has a prima facie case, with a better-than-average chance of winning any protracted battle in Court.

Aside from claims from the HKSAR Government, Ms Aldy Li Ngar Kwan, also, has been sued by Chekiang First Bank Ltd in respect of a claim of alleged non-payment of monies, due to this PRC bank, which advanced her cash, collateralised by HKSAR property, property recorded to be legally in this lady's name.

Strange as it may seem, however, Ms Aldy Li Ngar Kwan, only recently this year, received repayment of loans that she allegedly made to Rainbow International: She was paid \$HK4 million, according to this publicly listed company's March 19 announcement.

Rainbow International (Code: 8079, The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd) pitched a Rights Issue in January, this year, at which time, it collected about \$HK19 million, net of expenses.

Of that sum of money, as at February 28, 2003, about \$HK12.78 million had been used to settle outstanding debts, of which \$HK4 million went into the pocket of Ms Aldy Li Ngar Kwan.

The following table is taken, directly, from this public announcement:

	Proposed Use of Proceeds of the Rights Issue as Disclosed in the Rights Issue Document	Actual Use of the Proceeds of the Rights Issue up to and including February 28, 2003
	\$HK million	\$HK million

Repayment of Shareholder's Loan, granted by Ms Aldy Li Ngar Kwan	4.00	4.00
Repayment of Bank Loans	4.00	4.57
Repayment of Outstanding Staff Salary, Severance Payments and Mandatory Provident Funds	2.89	0.11
Repayment of Advances from Everlong Securities Company, a member of The Stock Exchange of Hongkong Ltd, which, in turn, is wholly owned by Styland Holdings Ltd (Code: 211, Main Board, The Stock Exchange of Hongkong Ltd	3.57	4.10
General Working Capital	4.54	6.22

It would, probably, be fair to state that Rainbow International holds the record in the HKSAR for claims, lodged against ... [CLICK TO ORDER FULL ARTICLE](#)

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