

**CHINNEY INVESTMENTS LTD:
WRIT NUMBER FIVE IS FILED**

Since the beginning of this calendar year, publicly listed [Chinney Investments Ltd \(建業實業有限公司\)](#) (Code: 216, Main Board, The Stock Exchange of Hongkong Ltd) has attracted litigation every few months.

And along has come yet another one. Mr Yu Wai Ming, trading as Wai Ming Construction Iron Works, has issued District Court Action Number 4478 in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), naming Chinney Construction Company Ltd (建業建築有限公司) as the lone Defendant.

Chinney Construction Company Ltd is 85.05 percent owned by Chinney Investments Ltd, according to the 2005 Annual Report of the company.

This is the fifth time this year that select Chinney Investments's companies have been sued in the HKSAR, according to the database of **TOLFIN** (The Computerised Online Financial Intelligence Service and Web-Based, Credit-Checking Provider).

>District Court Action Number 4478 is seeking \$HK931,250 from Chinney Construction in respect of money, allegedly due and owing to the Plaintiff with regard to a construction contract, started in early 1997, whereby the Plaintiff was engaged by the Chinney company 'to carry out, *inter alia*, structural rebar fixing work at Lot No.49, Tseung Kwan O, Hongkong.'

The total contract amount, Paragraph 4. (a) of the Statement of Claim, attached to the Writ of Summons, alleges was \$HK14,538,850, but, as at December 31, 1999, only \$HK13,607,600 had been paid to Wai Ming Construction Iron Works.

That left an outstanding amount of \$HK931,250, which the Plaintiff would like to have paid.

Paragraph 8 of the Statement of Claim alleges:

'Further or alternatively, in or around 13 July 2005, the Plaintiff and Mr Chan (Chan Yuen Keung of Chinney Construction Company Ltd) and Mr Wong Kwok Leung attended a meeting at the Defendant's office, in which Mr Chan and Mr Wong confirmed and showed the Plaintiff that the Outstanding Sum was recorded in the account of the Works file of the Defendant as due and payable to the Plaintiff. Mr Chan agreed that the Defendant would settle the Outstanding Sum with the Plaintiff as soon as possible.'

But no money has ever been forthcoming.

Hence the District Court Action.

This is another of those seemingly strange HKSAR situations whereby, on paper at least, it would appear, *prima facie*, that a defendant, named in a Writ of Summons, was well able to settle a relatively small sum of money, being alleged by an aggrieved party, but, for some reason or other, the matter reaches an HKSAR Court.

According to the 2005 Annual Report of Chinney Investments Ltd for the Financial Year, ended March 31, 2005, the company had cash and bank balances of about \$HK376.60 million.

In the 2005 Financial Year, the company reported a Net Profit Attributable to Shareholders of about \$HK179.26 million on a Turnover of about \$HK1.42 billion.

However, on careful examination ... [CLICK TO ORDER FULL ARTICLE](#)

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