

**FU CHEONG INTERNATIONAL HOLDINGS LTD:
IS THIS COMPANY ABOUT TO SINK BENEATH ITS DEBTS ?**

The Stock Exchange of Hongkong Ltd has sued [Fu Cheong International Holdings Ltd \(富昌國際控股有限公司\)](#) (Code: 916, Main Board, The Stock Exchange of Hongkong Ltd) for \$HK72,000.

That amount of money, which one would have thought was a piddling sum for any Main Board company, is in respect of alleged non-payment of the Annual Listing Fee for the 2005 year.

According to a District Court Action, filed last Friday in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), The Stock Exchange of Hongkong Ltd sent a debit note to Fu Cheong International on December 21, 2004, seeking \$HK172,000.

The debit note was in respect of the Annual Listing Fee for the company, which should always be paid in advance, according to the Plaintiff.

A part payment, it is alleged, was received in the amount of \$HK100,000, but the balance of \$HK72,000 remains unpaid.

It is the allegation of The Stock Exchange of Hongkong Ltd that despite repeated requests and demands, it cannot get its money from this manufacturer of printed circuit boards.

This is the second claim, made against Fu Cheong International and/or its subsidiaries, this year, according to **TOLFIN** (The Computerised Online Financial Intelligence Service and Web-Based, Credit-Checking Provider).

On June 2, 2005, The Commissioner of Inland Revenue of Hongkong issued Proceedings in the HKSAR District Court, seeking \$HK988,441 from Ford Reach (Hongkong) Ltd (富致香港有限公司) in respect of alleged unpaid taxes.

It appears to **TARGET** that there are very strong indications that all is not well in this company.

For the Financial Year, ended December 31, 2004, Fu Cheong International reported a Loss Attributable to Shareholders of about \$HK13.72 million on a Turnover of about \$HK20.17 million.

The loss appeared to be solely due to operations as the cost of sales exceeded the Turnover by about \$HK1.50 million.

As at the 2004 Balance Sheet Date, the company recorded Net Current Liabilities of about \$HK26.70 million.

Shareholders' Funds were in deficit to the tune of about \$HK10.21 million as at the 2004 Balance Sheet Date.

However, as at the 2004 Balance Sheet Date, the company had cash and bank balances of nearly \$HK8 million.

Against that figure, the Current Liabilities indicate that the company owed an amount of \$HK24.82 million to the HKSAR Government in respect of taxation.

Since going public in the HKSAR ... [CLICK TO ORDER FULL ARTICLE](#)

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com or targnews@hkstar.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*