

**IN THE HIGH COURT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
COURT OF FIRST INSTANCE**

COMPANIES (WINDING-UP) NO. 108 OF 2002

IN THE MATTER of the Companies
Ordinance, Chapter 32 of the Laws of
Hong Kong

and

IN THE MATTER of California
International (Far East) Limited

Before: Hon Kwan J in Court

Date of Hearing: 27 May 2002

Date of Judgment: 27 May 2002

J U D G M E N T

1. This is a petition presented by Mr Ian Malcolm Inman to wind up California International (Far East) Ltd (“the Company”) on two grounds. The first ground is that the Company is insolvent and is unable to pay its debts. The debt relied on is a judgment debt obtained by the petitioner

against the Company in an Australian court on 13 February 2001 in the sum of A\$513,567.44.

2. On 20 April 2001, the petitioner commenced proceedings in Hong Kong to register the Australian judgment under the Foreign Judgments (Reciprocal Enforcement) Ordinance, Cap. 319. On 23 May 2001, the judgment was registered as a judgment of the High Court and a sealed copy of the order dated 20 April 2001 with a Notice of the registration of foreign judgment was served on the Company with a statutory demand by leaving at its then registered office. On 29 May 2001, the Company filed a Notice of Cessation of Registered Office at the Companies Registry. That is the first ground in the petition. The petitioner obtained leave today to amend the petition to plead that the statutory demand was served on 25 May 2001 by leaving it at the Company's then registered office. I have granted the amendment.

3. The other ground in the petition for winding up the Company is under Section 177(1)(c) of the Companies Ordinance, Cap. 32 in that the number of members of a company is reduced to below two. That would appear to have been the position since June 1999.

4. I was told by Mr Richmond who appeared for the Company that the single director and member of the Company would seek to nominate another person to comply with the statutory requirement. Further, as that single member and director is not in Hong Kong, those instructing him have not been able to take instructions regarding the service of the statutory demand on the then registered office of the Company in May 2001. Mr Richmond sought a short adjournment of two weeks for the Company's solicitors to take instructions.

5. However, as I am satisfied that the petitioner has established the second ground in the petition, namely that the number of members has been reduced to below two since June 1999, I do not think it appropriate to grant an adjournment in the circumstances. I make a winding-up order against the Company with costs to the petitioner, to be taxed and paid out from the assets of the Company.

(S Kwan)
Judge of the Court of First Instance
High Court

Mr Victor Dawes, instructed by Messrs Haldanes, for the Petitioner

Mr M Richmond, instructed by Messrs Massie & Clement, for the
Company

Ms Teresa Wong, for the Official Receiver