



Y.T. LO & CO.
Certified Public Accountants
(Practising)

盧葉堂會計師行
Principal: Y.T. Lo CPA

22/F, On Hong Commercial Building, 141-147 Hennessy Road, Wanchai, H.K.
香港灣仔軒尼詩道141-147號安康商業大廈22樓
Tel 電話 : 2598 6089 Fax 傳真 : 2598 7554

Assistant:
Kathleen, K.F. Lau FCCA, CPA

INDEPENDENT ASSURANCE REPORT
TO THE COMMITTEE MEMBERS OF
ACTION HEALTH LIMITED (“THE CHARITY”)

In accordance with our agreed terms of engagement, we have performed an engagement on the attached income and expenditure account of the Charity’s charitable fund-raising activity held during the period from 15th to 25th April 2011 for purchasing distilled water to be distributed to victims of earthquake in Japan. (“the Event”)

Respective responsibilities of the Committee Members and ourselves

The Committee Members are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 1, setting out the gross subscriptions raised from the Event and the expenses incurred in connection with the Event, in order to comply with the conditions stated in the Public Subscription Permit issued by the Social Welfare Department of Government of the Hong Kong Special Administrative Region (“SWD”). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the income and expenditure account so that it reflects the subscriptions raised and expenses incurred in connection with the Event and is free from material misstatement.

It is our responsibility to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of conclusion

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagement Other Than Audits or Reviews of Historical Financial Information” and with reference to the “Circular on Reporting on General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department (Other than Flag Days)” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The work undertaken in connection with this engagement is less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Furthermore, due to the nature of cash receipts and expenses relating to general charitable fund-raising activities, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Charity include all transactions relating to the Event. It was impracticable for us to quantify the potential impact of this on the income and expenditure account. Accordingly, our report relates solely to the income and expenditure account prepared from transactions that have been recorded in the Charity's books and records.

Our engagement included carrying out our limited procedures for obtaining sufficient appropriate evidence to be able to draw a conclusion, such as inquires primarily of persons responsible for financial and accounting matters, analytical procedures applied to financial data and other review procedures we considered necessary.

Conclusion

Based on the foregoing, we report that nothing has come to our attention that causes us to believe that the attached income and expenditure account does not reflect, in all material respects, the gross subscriptions raised and the expenses incurred by the Charity in respects of the Event that have been recorded in its books and records made available to us in accordance with the basis of preparation set out in note 1.

Use of report

This report is intended solely for the purpose of assisting the Charity to satisfy the conditions stated in the Public Subscription Permit issued by SWD in connection with the Event and is not intended to be, and should not be, used for any other purpose.

We agree that a copy of this report may be provided to the Director of Social Welfare without further comment from us.

Y. T. Lo & Co.
Certified Public Accountants (Practising)
Hong Kong.

Date: 22nd July 2011



ACTION HEALTH LIMITED
INCOME AND EXPENDITURE ACCOUNT
IN RESPECT OF THE FUND RAISING ACTIVITIES
(PUBLIC SUBSCRIPTION PERMIT NO. 2011/155/1)
HELD DURING THE PERIOD FROM 15TH TO 25TH APRIL 2011

	HK\$
FUND RAISED	3,955.90
PURCHASES OF DISTILLED WATER	<u>(3,955.90)</u>
BALANCE	<u>\$Nil</u>

Basis of preparation

1. These income and expenditure account have been prepared in accordance with cash basis of accounting.

The income and expenditure account above was approved by the Action Health Limited and is signed on its behalf by:

For and on behalf of
Action Health Limited
健康行動有限公司


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Authorized Signature(s)