

FORMAT OF ACCEPTABLE INDEPENDENT ASSURANCE REPORT

Private & Confidential

[Client / Name]

[Client / Address]

[Date]

Our Ref: [Ref]

Dear Sirs/Madam,

Independent Assurance Report
on the Traffic Volume of External Telecommunications Services
Reported to the Office of the Telecommunications Authority (“OFTA”)
for the Period from 1 April 200X to 31 March 200Y -
[Type of Licence and Licence No.]

In accordance with our engagement letter dated [date], we have performed the following procedures with respect to the attached report entitled Table 1 for Yearly Assurance Report (“Table 1”) for the period from 1 April 200X to 31 March 200Y (ANNEX I).

1. Respective Responsibilities of [Client Name] and Independent Practitioners

As the directors of [client name], you are responsible for the design, implementation and maintenance of control procedures with respect to the programs that are used to extract and calculate the data listed out in Table 1 on a network basis from the underlying switch and billing system data. These control procedures are described in a separate management representation letter.

It is our responsibility to express a conclusion that conveys a level of limited assurance to the correctness of Table 1 and to report our conclusion to you as directors of [client name].

2. Basis of Conclusion

We conducted our limited assurance engagement in accordance with the Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the Hong Kong Institute of Certified Public Accountants and with reference to the “Revised Guidelines for Independent

Practitioners: Assurance Engagement on Traffic Volume of External Telecommunication Services Reported to Office of the Telecommunications Authority” (the “Guidelines”) issued by OFTA on 20 March 2006. The engagement process comprises evidence gathering and evaluation and measurement to support a conclusion. We believe that our assurance engagement provides a reasonable basis for our conclusion.

3. Scope of Work

[Depending on whether the licensee concerned has Non-Zero or Zero ETS traffic, independent practitioner should state the respective objective(s) and procedures conducted to achieve the corresponding objective(s).]

For “Non-Zero” ETS Traffic (if applicable)

The overall objectives of the Scope of Work for **Non-Zero ETS traffic** [please state the appropriate kind of traffic – incoming, outgoing and/or both] are :

- (i) to assess the accuracy of extraction of data from the underlying system; and
- (ii) to review the overall reasonableness of the overall level of traffic volume for the reporting period.

To achieve the above objectives, we have conducted the following procedures :

[Please state the work done (i.e. procedures) to achieve the objectives. Examples of what constitute “Acceptable Procedures” and “Unacceptable Procedures for Non-Zero ETS Traffic are given in paragraphs 8 and 9 in the Revised Guidelines.]

For “Zero” ETS Traffic (if applicable)

The overall objective of the Scope of Work for **Zero ETS traffic** [please state the appropriate kind of traffic – incoming, outgoing and/or both] is :

- (i) to ensure the Relevant Licensee does not conduct ETS business in respect of either or both of the incoming traffic and/or outgoing traffic reportable under Table 1.

To achieve the above objective, we have conducted the following procedures :

[Please state the work done (i.e. procedures) to achieve the objective. Examples of what constitute “Acceptable Procedures” and “Unacceptable

Procedures for Zero ETS Traffic are given in paragraph 10 in the Revised Guidelines.]

4. Conclusion

Based on our work described in this report, in our opinion, nothing has come to our attention that causes us to believe that the traffic certified in the attached Table 1 is materially incorrect. Listed below is a summary of Table 1:

	Traffic Submitted to OFTA by [client name] (a)	Traffic Certified in Table 1 (b)	Difference (Note 1) (b) – (a)
<i>Outgoing Traffic (Billable Minutes):</i>			
Via PSTN from end-customers			
Via leased lines from end-customers			
Subtotal:			
<i>Incoming Traffic (Conversation Minutes):</i>			
Via PSTN to end-customers			
Via leased lines to end-customers			
Subtotal:			
GRAND TOTAL			

Note 1: Please specify reason(s) for any difference, if any.

5. Use of this Report

It is understood that this report is solely for the information of [client's name] and for submission to the Telecommunications Authority ("TA"). This report should not be referred or distributed to any other persons or entity other than the TA. It is not to be referred to or quoted, in whole or in part, in any other document without our prior written approval.

Yours faithfully,

ABC & Co.
[Certified Public Accountants (Practising)/ Certified Public Accountants]
Hong Kong

ANNEX I

Table 1 for Yearly Assurance Report

Traffic to and from end-customers

For the period from 1 April 200X to 31 March 200Y

[Note: Table 1 to be inserted should show detailed breakdown of external traffic statistics by each route or destination on an *aggregate* basis for the entire period covered. That is to say, Independent Practitioners are not required to break down the traffic on a monthly basis. A copy of Table 1 in Excel format is published on OFTA's website at <http://www.ofta.gov.hk/howto/ets.html>. A printed copy of Table 1 together with the Assurance Report shall be submitted to OFTA.]