

**INNOVO LEISURE RECREATION HOLDINGS LTD:
NOW, ERNST AND YOUNG GETS INTO THE ACT**

Ernst and Young, the accounting firm, with offices in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), has issued its claim against [Innovo Leisure Recreation Holdings Ltd](#) (Code: 703, Main Board, The Stock Exchange of Hongkong Ltd).

However, it is only too apparent that Innovo Leisure Recreation has no visible means of continuing its operations.

Any judgment, therefore, obtained against Innovo Leisure Recreation, might well turn out to be a judgment that could never be enforced.

Because the cash drawer of Innovo Leisure Recreation is empty, or nearly empty.

Innovo Leisure Recreation, formerly known as Surge Recreation Holdings Ltd, recently became the recipient of a District Court Writ, lodged by Ernst and Young, which is alleging that the accounting firm is owed \$HK880,000 by the publicly listed company, the shares of which have been suspended from trading since December 15, 2003.

According to the Statement of Claim, attached to District Court Action Number 6335, Ernst and Young was engaged as a tax consultant and to assist Surge Recreation *'in relation to the proposed listing'* on The Stock Exchange of Hongkong Ltd. (Paragraph 3 of the Statement of Claim)

That was back in August 2001, it is alleged.

On or about August 30, 2002, Ernst and Young issued its fee note in the amount of \$HK1.38 million and received, on September 4, 2002, and March 12, 2003, the sums of \$HK300,000 and \$HK200,000, respectively. (Paragraph 5)

That left an unpaid balance of \$HK880,000.

In purported partial payment of this alleged debt, it is claimed that Surge Recreation, as Innovo Leisure Recreation was, then, known, issued 3, \$HK200,000 cheques, all drawn on Wing Hang Bank Ltd, all of which were dishonoured on presentation.

The dates of these 3 cheques were April 14, 2003, May 14, 2003, and June 14, 2003. (Paragraphs 6 and 7)

According to Paragraph 10 of the Statement of Claim, Ernst and Young has never received any more money from Surge Recreation since March 12, 2003, and, clearly, it is tired of waiting any longer.

The latest information from Innovo Leisure Recreation, the present name of Surge Recreation, is that the company ... [CLICK TO ORDER FULL ARTICLE](#)

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