



**Basis of opinion** (continued)

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. However, the evidence available to us was limited as follows:

*(1) Opening figures and comparative figures*

We draw your attention to the fact that the financial statements for the year ended 30 June 2000 were audited by another firm of accountants. Their audit report stated they were unable to form an opinion on the financial statements due to the possible effects of the limitation in evidence available for audit purposes. Therefore, we are unable to express an opinion of the figures brought forward as at 1 July 2000 and the comparative figures included in these financial statements.

*(2) Subsidiaries*

The Company had investments in two subsidiaries, Accura Enterprises Limited ("Accura") and Flaconwood Limited ("Flaconwood"). Accura had an investment in and a loan to Goldhill Merchandising Inc. ("Goldhill") totalled HK\$50 million. Flaconwood had an investment in AVT Electronics Limited ("AVT") of HK\$37.5 million. These investments were consolidated in the consolidated financial statements of the Company for the year ended 30 June 2001. Details of the financial information of these investments consolidated in the consolidated financial statements of the Company are shown in note 13 to the financial statements. As the audited financial statements of these investments prepared under accounting principles generally accepted in Hong Kong are not available, we are unable to satisfy ourselves that the results and the state of affairs of these investments are fairly stated in the consolidated financial statements of the Company for the year ended 30 June 2001.

**意見之基礎** (續)

本核數師在策劃及進行審核工作時，均以取得一切本核數師認為必需之資料及解釋為目標，使本核數師能獲得充份憑證，就該等財務報表是否存有重大錯誤陳述作出合理之確定。然而，本核數師所獲資料受到以下限制：

*(1) 承前結餘及比較數字*

本核數師謹請閣下留意截至二零零零年六月三十日止年度之財務報表乃由另一家會計師行審核，而彼等於核數師報告中表示，由於所獲審核憑證有限而可能有重大影響，因而無法就有關財務報表表達意見。故此，本核數師未能就二零零零年七月一日之承前結餘及該等財務報表所載之比較數字發表意見。

*(2) 附屬公司*

貴公司於兩間附屬公司 Accura Enterprises Limited (「Accura」) 及 Flaconwood Limited (「Flaconwood」) 擁有投資。Accura 於 Goldhill Merchandising Inc. (「Goldhill」) 之投資及借予 Goldhill 之貸款合共 50,000,000 港元。Flaconwood 於 AVT Electronics Limited (「AVT」) 之投資為 37,500,000 港元。此等投資已併入貴公司截至二零零一年六月三十日止年度之綜合財務報表內。有關此等投資已綜合列帳之詳情已於財務報表附註 13 內呈列。由於根據香港公認之會計準則而編製之此等經審核財務報表並未備妥，本核數師未能信納此等投資之業績及狀況乃按公平原則於貴公司截至二零零一年六月三十日止年度之綜合財務報表內列帳。

**Basis of opinion** (continued)(2) *Subsidiaries* (continued)

As stated in note 12 to the financial statements, the Group has goodwill on consolidation with a carrying value of HK\$36 million generated from the acquisition of Goldhill during the year. The goodwill is calculated based on the financial statements audited by a firm of accountants in overseas. There was no sufficient information available for our review to verify that the aforesaid audited financial statements were prepared in accordance with accounting principles general accepted in Hong Kong. As a result, we are unable to satisfy ourselves that the goodwill is properly stated. In addition, there was no sufficient information available for us to determine the reasonableness of the useful life of the goodwill estimated by the Group and if any provision for impairment losses is required. As a result, we are unable to satisfy ourselves as to the carrying value of the goodwill.

In addition, there was no sufficient evidence available for us to verify the ownership of the investments in Goldhill and AVT. We are therefore unable to satisfy ourselves as to the ownership of these investments. Furthermore, we have not been provided with sufficient information to verify the percentage of holding of the Group in these investments and to determine whether the Company has control over these companies. Hence, we are unable to satisfy ourselves whether these companies satisfy the definition of a subsidiary in accordance with SSAP 2.132 "Consolidated Financial Statements and Accounting for Investments in Subsidiaries", and whether they should be consolidated in the consolidated financial statements of the Group. In addition, since no audited financial statements of these investments prepared under accounting principles generally accepted in Hong Kong are available, we are unable to determine the amount of provision for diminution in value against and non-recovery of loan to these investments, if any.

**意見之基礎** (續)(2) *附屬公司* (續)

誠如財務報表附註12所述，年內，貴集團因收購Goldhill於綜合帳目時所產生之帳面商譽為36,000,000港元。此商譽乃按海外會計公司審核之財務報表為基準計算。本核數師在進行審閱時並無足夠資料核實上述經審核財務報表乃遵照香港公認之會計準則而編製。故此，本核數師未能信納此商譽乃按公平原則列帳。此外，本核數師並無足夠資料確定由貴集團估計之商譽可使用年期是否合理，以及是否需要作出任何減值撥備。故此，本核數師未能信納此商譽之帳面值。

此外，本核數師並無足夠憑據核實於Goldhill及AVT之投資之擁有權。故此本核數師未能信納此等投資之擁有權。此外，本核數師並未獲足夠資料核實 貴集團於此等投資之所持百分比及確定 貴公司於此等投資是否擁有控制權。故此，本核數師未能信納此等公司是否符合根據會計實務準則第2.132號「附屬公司之綜合財務報表及投資帳項」中有關附屬公司之定義，以及此等公司應否於綜合財務報表中綜合列帳。此外，由於此等投資並無根據香港公認之會計準則編製經審核之財務報表，本核數師未能確認此等投資之減值撥備及不可收回貸款（如有）之金額。

**Basis of opinion** (continued)(2) *Subsidiaries (continued)*

The Company has an indirect investment in a subsidiary, Henredon Holdings Limited. There was no sufficient evidence available for us to verify the ownership of this investment and the percentage of holding of the Group in this investment. As a result, we are unable to satisfy ourselves as to the ownership of this investment and that this investment is properly accounted for by the Group as a subsidiary in the consolidated financial statements of the Company for the year ended 30 June 2001.

(3) *Associates and jointly controlled entities*

As stated in notes 14 and 15 to the financial statements, the audited financial statements or management accounts of all the associates and jointly controlled entities for the year ended 30 June 2001 were not available. Hence, the consolidated financial statements only include the share of results of these associates and jointly controlled entities up to 30 June 2000. We are unable to determine the effects of the results and net assets of these investments for the year ended 30 June 2001 to the Group and the Company. In addition, we are unable to satisfy ourselves as to the carrying value of the associates and jointly controlled entities. Furthermore, we are unable to satisfy ourselves that all information of these investments have been properly and adequately disclosed in the financial statements.

**意見之基礎** (續)

## (2) 附屬公司 (續)

貴公司於附屬公司 Henredon Holdings Limited 擁有間接投資。本核數師並無足夠憑據核實此項投資之擁有權及貴集團於此等投資之持股百分比。故此，本核數師未能信納此項投資之擁有權，及貴集團是否適當地將此項投資列作附屬公司於截至二零零一年六月三十日止年度之綜合財務報表入帳。

## (3) 聯營公司及共同控制企業

誠如財務報表附註14及15所述，由於未獲提供截至二零零一年六月三十日止年度所有聯營公司及共同控制企業之經審核財務報表或管理帳目。因此，綜合財務報表僅載入應佔直至二零零零年六月三十日止此等聯營公司及共同控制企業之業績。本核數師未能確定截至二零零一年六月三十日止年度此等投資之業績及資產淨值對貴集團及貴公司所造成之影響。此外，本核數師未能信納聯營公司及共同控制企業之帳面值，亦未能信納有關此等投資之所有資料是否已於財務報表適當並充份地披露。

**Basis of opinion** (continued)(3) *Associates and jointly controlled entities (continued)*

In addition, there was no sufficient evidence available for us to verify the ownership of a direct investment in an associate with carrying value of HK\$26 million and the percentage of holding of the Company and the Group in this investment. We are therefore unable to satisfy ourselves as to the ownership of this investment and that this investment is properly accounted for by the Company and the Group as an associate.

Furthermore, the Company has a direct investment in an associate with carrying value of HK\$30 million and an indirect investment in a jointly controlled entity with carrying value of HK\$24 million. There was no sufficient evidence available for us to verify the percentage holding of the Company and the Group in these investments. As a result, we are unable to satisfy ourselves that these investments are properly accounted for by the Group and the Company as an associate and a jointly controlled entity.

(4) *Investments in securities*

During the year the Group acquired interests in a company with a cost of HK\$24.9 million. There was no original sale and purchase agreement available for our review. As a result, we are unable to satisfy ourselves as to the ownership and the cost of this investment, and that the terms of the purchase have been properly accounted for and disclosed in the financial statements.

**意見之基礎** (續)

## (3) 聯營公司及共同控制企業 (續)

本核數師亦未獲提供足夠證據核實於一家直接投資之聯營公司帳面值為26,000,000港元之擁有權及貴公司及貴集團於此項投資之股權百分比。本核數師因此未能信納此項投資之擁有權及貴公司及貴集團是否適當地將此項投資列作聯營公司入帳。

此外，貴公司於一家聯營公司之直接投資之帳面值為30,000,000港元及於一家共同控制企業之間接投資之帳面值為24,000,000港元。本核數師並未獲提供足夠證據以核實貴公司及貴集團於此等投資之股權百分比。因此，本核數師無法信納貴集團及貴公司是否適當地將此等投資列作聯營公司及共同控制企業入帳。

## (4) 證券投資

年內，貴集團以成本24,900,000港元收購一家公司之權益。本核數師並未獲提供買賣協議之正本以供審閱。因此，本核數師未能信納此項投資之擁有權及成本，以及買賣協議之條款是否已適當地於財務報表中列帳及披露。

**Basis of opinion** (continued)(4) *Investments in securities (continued)*

As shown in note 16 to the financial statements, the Company has direct unlisted investment securities with carrying value of HK\$51 million, and indirect unlisted investment securities with carrying value of HK\$24.9 million. No audited financial statements or management accounts of these investments were available for our review. As a result, we are unable to satisfy ourselves as to the carrying value of these investments.

The Company has direct investment with carrying value of HK\$51 million and indirect investment with carrying value of HK\$26.4 million. There was no sufficient evidence available for our inspection to verify the ownership of the indirect investment and the percentage of holding of the Company and the Group in the above mentioned investments. As a result, we are unable to satisfy ourselves as to the ownership of the indirect investment and that these investments are properly accounted for by the Group and the Company as investments in securities.

The Company and the Group have investments with carrying value totalled HK\$24.9 million. There was no sufficient evidence available for us to verify the percentage holding of the Company and the Group in these investments. As a result, we are unable to satisfy ourselves that these investments are properly accounted for by the Group and the Company as investments in securities.

**意見之基礎** (續)

## (4) 證券投資 (續)

誠如財務報表附註16所示，貴公司之直接非上市證券投資之帳面值為51,000,000港元及間接非上市證券投資之帳面值為24,900,000港元。本核數師並未獲提供有關此等投資之經審核財務報表或管理帳目以供審閱。因此，本核數師未能信納此等投資之帳面值。

貴公司擁有帳面值為51,000,000港元之直接投資及帳面值為26,400,000港元之間接投資。本核數師於進行查核時，並未獲提供足夠證據以核實此項間接投資之擁有權及貴公司及貴集團於上述投資之股權百分比。因此，本核數師未能信納此項間接投資之擁有權及貴集團及貴公司是否適當地將此等投資列作證券投資入帳。

貴公司及貴集團擁有帳面值為24,900,000港元之投資。本核數師並未獲提供足夠證據核實貴公司及貴集團於此等投資之股權百分比。因此，本核數師未能信納貴集團及貴公司是否適當地將此等投資列作證券投資入帳。

**Basis of opinion** (continued)(4) *Investments in securities (continued)*

As stated in note 19 (b) to the financial statements, the Company disposed certain investment securities to settle the amount due to a creditor of HK\$11.88 million. This resulted in a gain on disposal of investment of HK\$1.35 million in the consolidated income statement and a receivable of HK\$2.57 million included in other receivables of the consolidated balance sheet and of the balance sheet of the Company. There was no supporting evidence available for us to verify the validity of the accounting treatment made by the Group for the disposal of investment securities and the settlement of the amount due to the creditor. There was also no supporting evidence available to examine the balance of the other receivable and to assess the recoverability of this receivable. We are therefore unable to satisfy ourselves that the gain on disposal of investment is properly stated. In addition, we are unable to satisfy ourselves that these receivables are fairly stated and recoverable in full. Furthermore, we are unable to determine whether there was any understatement of liabilities.

(5) *Property, plant and equipment*

As shown in property, plant and equipment in note 11 to the financial statements, the Group has other property with a net book value of HK\$20.7 million. There was no sufficient information available for us to assess the carrying value of this property and to determine if any provision for impairment losses should be made. As a result, we are unable to satisfy ourselves as to the carrying value of this property.

**意見之基礎** (續)

## (4) 證券投資 (續)

誠如財務報表附註19(b)所載，貴公司出售若干證券投資以償還應付債權人之款項11,880,000港元。此舉導致綜合收益表錄得出售投資收益1,350,000港元及貴公司之綜合資產負債表及資產負債表中之其他應收款項中錄得應收款項2,570,000港元。本核數師並未獲得充份證據核實貴集團就出售此等證券投資及償還應付債權人款項而採用之會計方法是否真確。本核數師亦未獲提供充份證據以驗證其他應收款項之結餘及評估能否收回此等應收款項。本核數師因此未能信納出售投資之收益是否已正確無誤地呈列。此外，本核數師亦無法信納此等應收款項已公平地呈列兼可全數收回。此外，本核數師亦無法確定是否有任何少報之負債。

## (5) 物業、機器及設備

誠如財務報表附註11有關物業、機器及設備之陳述，貴集團擁有帳面淨值為20,700,000港元之其他物業。本核數師並未獲提供足夠資料以評估此項物業之帳面值及確定是否需要就減值虧損作出任何撥備。因此，本核數師無法信納此項物業之帳面值。

**Basis of opinion** (continued)(5) *Property, plant and equipment (continued)*

The Group has a motor vehicle with net book value of HK\$0.51 million. There was no information available for this motor vehicle. As a result, we are unable to satisfy ourselves as to the carrying value of this motor vehicle.

(6) *Amount due to/from Mr. Kwok Han Qiao and related companies*

As stated in note 19 (a), there was an amount of HK\$98 million due from a debtor, Mr. Kwok Han Qiao ("Mr. Kwok"). The Company has initiated a legal action against Mr. Kwok for the recovery of the amount due. Since the legal opinion was not available for us to assess the possible outcome of the case, we are unable to determine whether adequate provision for non-recovery of the aforesaid receivable has been made.

In addition, included in other receivables of the Group and the Company were amounts of HK\$15 million and HK\$7 million due from a debtor related to Mr. Kwok. There was no sufficient information available for us to examine the balances of these debtors and to determine the recoverability of these receivables. As a result, we are unable to satisfy ourselves that these receivables are fairly stated and recoverable in full.

**意見之基礎** (續)

## (5) 物業、機器及設備 (續)

貴集團擁有帳面淨值為510,000港元之汽車，惟並未提供有關此輛汽車之任何資料。因此，本核數師無法信納此輛汽車之帳面值。

## (6) 應付／應收Kwok Han Qiao先生及關連公司之款項

誠如附註19(a)所述，債務人Kwok Han Qiao先生（「Kwok先生」）之應付款項為98,000,000港元。貴公司已向Kwok先生採取法律行動，要求收回欠款。鑒於本核數師未獲提供法律意見以評估案件之結果，本核數師無法確定是否已就上述無法收回之應收款項作出足夠撥備。

此外，貴集團及貴公司之其他應收款項中分別為應收取自與Kwok先生有關連之債務人之欠款15,000,000港元及7,000,000港元。本核數師未獲提供足夠資料以驗證此等債務人之結餘及確定能否收回此等應收款項。因此，本核數師無法信納此等應收款項乃公平地呈列兼可全數收回。



## Basis of opinion (continued)

## (6) Amount due to/from Mr. Kwok Han Qiao and related companies (continued)

Included in accruals, other payable and deposits received are amounts due to various creditors related to Mr. Kwok by the Group and the Company of HK\$6.8 million. There was no supporting information available for us to determine the nature of these balances and no sufficient evidence available to examine the balances of these creditors. As a result, we are unable to satisfy ourselves that these other payables are properly and correctly booked. In addition, we are unable to determine whether there was any understatement of liabilities.

Included in other loans and unsecured non-interest bearing borrowing are loans from various creditors related to Mr. Kwok to the Group and the Company of HK\$26.7 million and HK\$23.7 million respectively. In addition, included in accruals, other payable and deposits received in the consolidated balance sheet and the balance sheet of the Company are interest payable to these loan creditors by the Group and the Company of HK\$19.7 million and HK\$18.6 million respectively. There was no sufficient evidence available for us to verify the balances of the aforesaid loans and interest payable. As a result, we are unable to satisfy ourselves that the balances of these loans and interest payables are correctly stated. In addition, we are unable to determine whether there was any understatement of liabilities.

## 意見之基礎 (續)

## (6) 應付／應收Kwok Han Qiao先生及關連公司之款項 (續)

應計費用、其他應付款項及已收按金包括 貴集團及 貴公司應付予數位與Kwok先生有關連之債權人之欠款，為數6,800,000港元。本核數師並未獲提供充份資料以確定此等結餘之性質及無足夠證據以查核此等債權人之結餘。因此，本核數師未能信納此等其他應付款項已適當及正確地入帳。此外，本核數師無法確定是否有任何少報之負債。

其他貸款及無抵押免息借款包括由與Kwok先生有關連之數位債權人分別提供予 貴集團及 貴公司之貸款26,700,000港元及23,700,000港元。此外， 貴集團之綜合資產負債表及 貴公司之資產負債表中之應計費用、其他應付款項及已收按金包括 貴集團及 貴公司分別應付予此等貸款債權人之利息19,700,000港元及18,600,000港元。本核數師並未獲提供足夠證據以核實上述應付貸款及利息之結餘。因此，本核數師無法信納此等應付貸款及利息之結餘均已正確地呈列。此外，本核數師亦無法確定是否有任何少報之負債。

**Basis of opinion** (continued)(6) *Amount due to/from Mr. Kwok Han Qiao and related companies (continued)*

As stated in note 19(c) to the financial statements, the Group transferred certain investment securities to a creditor related to Mr. Kwok for the full settlement of the amounts due to this creditor and three other creditors. These resulted in a receivable of HK\$2.7 million which are included in other receivables of the consolidated balance sheet of the Company. There was no sufficient evidence available to examine the balances due to these creditors before the above settlement. There was also no evidence available for our inspection to confirm that the three other creditors had agreed with the settlement arrangement and the transfer value recorded by the Group. We are therefore unable to verify the validity of the accounting treatment made by the Group for the disposal of investment and the settlement of the amount due to this creditor and the three other creditors. In addition, there was no supporting evidence available to confirm the balance of the other receivable and to assess the recoverability of this receivable. We are therefore unable to satisfy ourselves that these receivables are fairly stated and recoverable in full. Furthermore, we are unable to determine whether there was any understatement of liabilities.

**意見之基礎** (續)

## (6) 應付／應收Kwok Han Qiao先生及關連公司之款項 (續)

誠如財務報表附註19(c)所載，貴集團轉讓若干投資證券予與Kwok先生有關連之債權人，以全數償還欠付此債權人及其他三位債權人之款項。此舉產生應收款項2,700,000港元，並已於貴公司之綜合資產負債表列入其他應收款項。惟本核數師未獲足夠證據查核於上述款項獲償還前，應付予此等債權人之結餘，亦無證據查核，以確定其他三位債權人已同意此償還安排及貴集團錄得之投資證券轉讓價值。本核數師因此無法核實貴集團就計算出售投資證券及償還應付予此位債權人及其他三位債權人之款項所採用之會計方法是否具有效力。另外，亦無充份證據確定其他應收款項結餘及評估能否收回此項應收款項。本核數師因此無法信納此等應收款項乃公平地呈列兼可全數收回。此外，本核數師亦無法確定是否有任何少報之負債。

**Basis of opinion** (continued)**(6) Amount due to/from Mr. Kwok Han Qiao and related companies** (continued)

During the year the Group had an amount due from a debtor related to Mr. Kwok of HK\$5.79 million and a loan payable to a creditor related to Mr. Kwok of HK\$4.45 million. The Group had offset these two balances and resulted in a net receivable of HK\$1.34 million which is included in other receivables in the consolidated balance sheet. There was no sufficient evidence available to examine the balances of the above mentioned debtor and creditor before offsetting, we are therefore unable to satisfy ourselves that these balances are correctly booked. In addition, there was no supporting evidence available for us to verify the validity of the offset of these balances, to examine the balance of the other receivables and to determine the recoverability of these receivables. As a result, we are unable to satisfy ourselves that these receivables are fairly stated and recoverable in full. Furthermore, we are unable to determine whether there was any understatement of liabilities.

**(7) Accounts receivable**

The Group had accounts receivable of HK\$3.6 million of which full provision for bad and doubtful debts had been made. There was no sufficient information available for us to verify the completeness of the sales and to confirm the balances of these debtors. We are therefore unable to satisfy ourselves that the turnover of the Group was properly stated. In addition, we are unable to satisfy ourselves that the balance of these debts is fairly stated and the provision for bad and doubtful debts is properly made.

**意見之基礎** (續)**(6) 應付／應收Kwok Han Qiao先生及關連公司之款項** (續)

年內，貴集團應收與Kwok先生有關連之債務人之款項為5,790,000港元及應付予與Kwok先生有關連之債權人之貸款為4,450,000港元。貴集團已對銷此兩項結餘，及其產生之一項應收款項淨額為數1,340,000港元已列入綜合資產負債表中之其他應收款項。鑒於並無足夠證據查核上述債務人及債權人於對銷前之結餘，本核數師因而無法信納此等結餘是否正確地入帳。此外，本核數師亦未獲提供充份證據以核實此等結餘之對銷是否有效及查核其他應收款項之結餘及確定能否收回此等應收款項。因此，本核數師無法信納此等應收款項乃公平地呈列兼可全數收回。此外，本核數師亦無法確定是否有任何少報之負債。

**(7) 應收帳款**

貴集團有應收帳款3,600,000港元，已就呆壞帳作出全數撥備。本核數師並無足夠資料以核實有關銷售之完整性，以及確認此等債項之結餘。本核數師因此無法信納貴集團之營業額已妥為入帳。此外，本核數師無法信納此等債項之結餘乃公平地呈列，以及呆壞帳已適當撥備。

**Basis of opinion** (continued)**(8) Other receivables**

Included in other receivables of the Group was an amount of HK\$1.35 million due from several debtors. There was no sufficient information available for us to examine the balances of these debtors and to determine the recoverability of these receivables. As a result, we are unable to satisfy ourselves that these receivables are fairly stated and recoverable in full.

**(9) Amounts due from winding up subsidiaries**

At the balance sheet date, the Group and the Company have amounts due from winding up subsidiaries of HK\$300 million and HK\$235 million respectively. Full provision for bad and doubtful debts of the aforesaid debts has been made by the Group and the Company during the year. However there was no sufficient information available for us to examine the balances of the amounts due from the winding up subsidiaries. We are therefore unable to satisfy ourselves that the balance of these debts is fairly stated. In addition, we are unable to determine whether the amount of provision for non-recovery is appropriate.

**(10) Amounts due to winding up subsidiaries**

As shown in the consolidated balance sheet, the Group has amounts due to winding up subsidiaries of HK\$74 million. There was no sufficient information available for us to examine the balances of the amount due to the winding up subsidiaries. As a result, we are unable to satisfy ourselves that the balance of these debts is correctly booked. In addition, we are unable to determine whether there was any understatement of liabilities.

**意見之基礎** (續)**(8) 其他應收款項**

計入 貴集團之其他應收款為 1,350,000 港元乃來自數項應收帳款。本核數師並未獲足夠資料以查核此等債項之結餘，以及未能確定能否收回此等應收款。因此，本核數師無法信納此等應收款乃公平入帳並可悉數收回。

**(9) 應收清盤附屬公司之款項**

於結算日， 貴集團及 貴公司有應收附屬公司款項分別為 300,000,000 港元及 235,000,000 港元。年內 貴公司及 貴集團已就上述債項之呆壞帳作出全數撥備。然而，本核數師並無足夠資料以查核應收清盤附屬公司之結餘。因此本核數師無法信納此等債項之結餘乃公平入帳。此外，本核數師無法確定就不可收回金額作出之撥備金額是否適當。

**(10) 應付清盤附屬公司之款項**

誠如綜合資產負債表所呈列， 貴集團應付清盤附屬公司之款項為 74,000,000 港元。本核數師並無足夠資料查核應付清盤附屬公司之結餘款項。因此，本核數師無法信納此等債項之結餘乃正確地入帳。此外，本核數師無法確定是否有任何少報之負債。

**Basis of opinion** (continued)*(11) Accounts and bills payables*

As shown in the consolidated balance sheet, the Group has amounts payable to suppliers of HK\$2.3 million. There was no sufficient evidence available for us to examine the balance of these accounts and bills payables. As a result, we are unable to satisfy ourselves as to the completeness of the cost of sales and that the balances of these payables are correctly booked. In addition, we are unable to determine whether there was any understatement of liabilities.

*(12) Other payables*

Included in accruals, other payable and deposits received are amounts due to various creditors by the Group and the Company of HK\$42.8 million and HK\$1.7 million respectively. There was no supporting information available for us to determine the nature of these balances and no sufficient evidence available to examine the balances of these creditors. As a result, we are unable to satisfy ourselves that these other payables are properly and correctly booked. In addition, we are unable to determine whether there was any understatement of liabilities.

There are amounts due to various creditors by the Group and the Company of HK\$43 million and HK\$36.6 million respectively. We have not been provided with sufficient evidence to examine the balances of these creditors. As a result, we are unable to satisfy ourselves that these other payables are properly and correctly booked. In addition, we are unable to determine whether there was any understatement of liabilities.

**意見之基礎** (續)*(11) 應付帳項及票據*

誠如綜合資產負債表所呈列，貴集團有應付供應商款項2,300,000港元。本核數師並未獲足夠資料查核此等帳款及應付票據結餘。因此，本核數師無法信納銷售成本之完整性，以及此等應付款項乃正確地入帳。此外，本核數師無法確定是否有任何少報之負債。

*(12) 其他應付款項*

應計費用、其他應付款項及已收按金包括貴集團及貴公司分別結欠多個債權人之42,800,000港元及1,700,000港元之款項。本核數師無足夠資料確定此等結餘之性質，且並未獲足夠憑據以查核此等應付款項之結餘。因此，本核數師無法信納此等其他應付款項乃適當及正確地入帳。此外，本核數師無法確定是否有任何少報之負債。

貴集團及貴公司結欠多個債權人之款項分別為43,000,000港元及36,600,000港元。本核數師並無足夠資料以查察此等應付款項之結餘。因此，本核數師無法信納此等其他應付款項乃適當及正確地入帳。此外，本核數師無法確定是否有任何少報之負債。

**Basis of opinion** (continued)*(13) Finance loan creditors*

Included in finance loans in note 24 to the financial statements are amounts due to several finance loan creditors by the Group and the Company of HK\$1.6 million and HK\$406 respectively. The finance lease agreements of these loans were not available for our inspection. In addition, there was no sufficient evidence available for us to examine the balances of these loans. As a result, we are unable to satisfy ourselves that the terms of the loans were properly disclosed in the financial statements and the aforesaid loans are correctly booked. In addition, we are unable to determine whether there was any understatement of liabilities.

*(14) Other loans and unsecured non-interest bearing borrowings and interest payables*

Included in other loans and unsecured non-interest bearing borrowings are loans from various creditors to the Group and the Company of HK\$7.5 million and HK\$5.8 million respectively. In addition, included in interest payables for secured borrowings and accruals, other payable and deposits received in the consolidated balance sheet and the balance sheet of the Company are interest payable to the loan creditors by the Group and the Company of HK\$15.9 million and HK\$0.9 million respectively. There was no sufficient evidence available for us to verify the balances of the aforesaid loans and interest payables. As a result, we are unable to satisfy ourselves that the balances of these loans and interest payables are correctly stated. In addition, we are unable to determine whether there was any understatement of liabilities.

**意見之基礎** (續)*(13) 融資貸款債權人*

財務報表附註24之融資貸款包括貴集團及貴公司分別結欠多個融資貸款債權人之1,600,000港元及406港元之款項。本核數師並未獲提供此等貸款之融資租賃協議以作查察。本核數師並無足夠資料以查核此等貸款之結餘。因此，本核數師無法信納貸款條款是否已適當地於財務報表內披露及上述貸款乃正確地入帳。此外，本核數師無法確定是否有任何少報之負債。

*(14) 其他貸款及無抵押免息借款及應付利息*

其他貸款及無抵押免息借款包括貴集團及貴公司分別結欠多個融資貸款債權人之7,500,000港元及5,800,000港元之款項。此外，貴公司綜合資產負債表及資產負債表之有抵押借款之應付利息及應計費用、其他應付款項及已收按金包括貴集團及貴公司分別應付予貸款債權人之利息為15,900,000港元及900,000港元。本核數師並無足夠資料以核實上述貸款及應付利息之結餘。因此，本核數師無法信納此等貸款及應付利息乃正確地入帳。此外，本核數師無法確定是否有任何少報之負債。

**Basis of opinion** (continued)**(14) Other loans and unsecured non-interest bearing borrowings and interest payables** (continued)

In addition, included in finance costs in note 5 to the financial statements, there were loan interests of the Group and the Company amounted to HK\$27 million and HK\$16 million respectively. There was no sufficient information available for us to verify the accuracy and completeness of these finance costs.

**(15) Bank balances**

Up to the date of this report, we have not received sufficient evidence in respect of various bank deposits balances of the Group and the Company. Consequently, we are unable to satisfy ourselves that these balances included in the consolidated balance sheet and the balance sheet of the Company as at 30 June 2001 are fairly stated. In addition, we are unable to determine whether there are any unrecorded assets and liabilities and whether the contingent liabilities are adequately disclosed in the financial statements.

**(16) Costs incurred for issues of shares**

During the year, the Company had incurred arrangement fees relating to several placing and allotments of shares of the Company of HK\$1.82 million which were included in the share premium account. There was no supporting evidence available for our inspection to determine the nature and reasonableness of these fees. As a result, we are unable to verify the validity of the respective payments.

**意見之基礎** (續)**(14) 其他貸款及無抵押免息借款及應付利息** (續)

此外，財務報表附註5之融資成本包括 貴集團及 貴公司之貸款利息分別27,000,000港元及16,000,000港元。本核數師並無足夠資料以核實此等融資成本之準確性及完整性。

**(15) 銀行結餘**

截至本報告日期，本核數師並未收到有關 貴集團及 貴公司之多項銀行存款結餘之足夠憑證。因此，本核數師未能信納載入 貴公司二零零一年六月三十日之綜合資產負債表及資產負債表之此等結餘乃公平列帳。此外，本核數師未能確定是否有任何未記錄之資產及負債，以及或然負債是否已於財務報表中作充分披露。

**(16) 發行股份產生之費用**

年內， 貴公司因配售及配發 貴公司股份而產生手續費1,820,000港元，該筆費用已載入股份溢價帳中，惟本核數師並無證據核實該等費用之性質及合理性。因此，本核數師未能證實有關費用之有效性。

**Basis of opinion** (continued)*(17) Capital commitments*

Included in note 30 to the financial statements, the Group and the Company had capital commitments contracted but not provided for amounted to HK\$153 million and HK\$113 million respectively. There were no sufficient supporting documents available for our review. As a result, we are unable to satisfy ourselves that the aforesaid capital commitments are fairly stated and are properly disclosed in the financial statements.

The contracts in relation to the commitments of the Group to sell certain listed securities at a consideration of HK\$73 million, which were brought forward from the year ended 30 June 2000, had been expired during the year. There was no supporting evidence available for our inspection. As a result, we are unable to satisfy ourselves as to the completeness of the capital commitments.

In addition, there was no sufficient information available for our review to verify the completeness of capital commitments. We are therefore unable to determine whether all capital commitments have been properly disclosed in the financial statements.

*(18) Operating lease commitments*

There was no sufficient information available for our review to verify the completeness of operating lease commitments. We are therefore unable to determine whether all operating lease commitments have been properly disclosed in the financial statements.

**意見之基礎** (續)*(17) 資本承擔*

誠如財務報表附註30所載，貴集團及貴公司之已訂約但未撥備資本承擔分別為153,000,000港元及113,000,000港元，惟本核數師並無足夠證明文件以作審閱。因此，本核數師未能信納上述資本承擔已公平列帳及已於財務報表中適當披露。

有關貴集團承諾以代價73,000,000港元出售若干上市證券之合約（由截至二零零零年六月三十日止年度結轉）已於年內屆滿，惟本核數師並無證據以作審查。因此，本核數師未能信納資本承擔之完整性。

此外，本核數師並無足夠資料進行審查，以核實資本承擔之完整性。因此本核數師未能確定所有資本承擔已於財務報表中適當披露。

*(18) 經營租賃承擔*

本核數師並無足夠資料進行審閱，以核實經營租賃承擔之完整性。因此本核數師未能確定所有經營租賃承擔是否已於財務報表中作適當披露。



**Basis of opinion** (continued)*(19) Related party transactions*

There was no sufficient information available for our review to determine the completeness of related party transactions. We are therefore unable to ascertain whether all related party transactions have been disclosed in the financial statements.

*(20) Contingent liabilities*

Included in note 32 to the financial statements, the Group and the Company had contingent liabilities with maximum liabilities amounted to HK\$117.46 million and HK\$107.96 million respectively of which HK\$68.4 million had been provided in the Group and the Company's financial statements. There were no sufficient information and supporting documents available for our inspection. As a result, we are unable to satisfy ourselves as to the completeness of the contingent liabilities and whether the contingent liabilities are properly disclosed in the financial statements.

During the year the Group and the Company had released contingent liabilities brought forward from the year ended 30 June 2000 amounted to HK\$33 million and HK\$32.3 million respectively. We have not been provided with supporting evidence to verify the release of these contingent liabilities. As a result, we are unable to satisfy ourselves as to the completeness of the contingent liabilities disclosed in the financial statements.

In addition, there was no sufficient information available for our review to verify the completeness of contingent liabilities. We are therefore unable to determine whether all contingent liabilities have been properly disclosed in the financial statements.

**意見之基礎** (續)*(19) 關連人士交易*

本核數師並無足夠資料進行審閱，以確定有關連人士交易之完整性。因此本核數師未能確定所有有關連人士交易已於財務報表中披露。

*(20) 或然負債*

誠如財務報表附註32所載，貴集團及貴公司之或然負債最高負債額分別為117,460,000港元及107,960,000港元，其中68,400,000港元已於貴集團及貴公司之財務報表中作出撥備，惟本核數師並無足夠資料及證明文件進行核實。因此，本核數師未能信納或然負債之完整性及或然負債是否已於財務報表中適當披露。

貴集團及貴公司已於年內解除由截至二零零零年六月三十日止年度結轉之或然負債分別33,000,000港元及32,300,000港元。本核數師並未獲提供證據證明該等或然負債已解除。因此本核數師未能信納於財務報表披露之或然負債之完整性。

此外，本核數師並無足夠資料進行審閱，以核實或然負債之完整性。本核數師因此未能確定所有或然負債已於財務報表中適當披露。

**Basis of opinion** (continued)*(21) Subsequent events*

As further explained in note 1 to the financial statements, the books and records of the Company and the Group have not been fully updated subsequent to the balance sheet date as a result of the resignations of key members of staff within the Group, especially those in the accounting department, during the year. Accordingly, we were not able to carry out the audit procedures we considered necessary to complete our review of subsequent events of the balance sheet date as at 30 June 2001 up to the date of our report. Such a review might have resulted in adjustments to the amounts reported in these financial statements, in particular, in respect of provisions for impairment of assets and/or additional disclosures in respect of non-adjusting events.

As stated in note 33(e) to the financial statements, the Company disposed a subsidiary at a consideration of RMB3 million. There was no original sale and purchase agreement available for our review. As a result, we are unable to satisfy ourselves as to the existence of this disposal and whether the details of this transaction are properly disclosed.

*(22) Winding up subsidiaries*

During the year, the High Court issued winding up orders to several subsidiaries. The Group ceased to consolidate these winding up subsidiaries from 1 July 2000 and made adjustment to reverse the accumulated losses of these winding up subsidiaries as at 1 July 2000 and wrote off the cost of these

**意見之基礎** (續)*(21) 結算日後事項*

誠如財務報表附註1所闡述，由於貴集團若干要員（尤其會計部僱員）於年內辭任，故 貴公司及 貴集團之帳簿及記錄於結算日後仍未全面更新。因此，本核數師未能進行認為必須之核數程序以完成審閱二零零一年六月三十日結算日至本報告日期之結算日後事項。審閱工作可能導致於該等財務報表中呈列之金額有所調整，尤其資產減值撥備及／或有關非調整事項之額外披露。

誠如財務報表附註33(e)所述，貴公司以代價人民幣3,000,000元出售一間附屬公司，惟本核數師並未獲提供買賣協議之正本進行審閱。因此，本核數師未能信納該項出售之存在性及該項交易資料是否已於財務報表中適當披露。

*(22) 附屬公司清盤*

年內，高等法院向數間附屬公司發出清盤令。貴集團由二零零零年七月一日起終止將此等清盤之附屬公司合併入帳，並作出調整撥回此等附屬公司於二零零零年七月一日之累計

**Basis of opinion** (continued)*(22) Winding up subsidiaries (continued)*

investments. This resulted in a decrease in the loss attributable to the shareholders of HK\$448.7 million as shown in the consolidated income statement. As mentioned in point 1 in the basis of opinion section of this report, we are unable to form an opinion on the financial statements for the year ended 30 June 2000. As a result, we are unable to satisfy ourselves that the adjusted amount is properly stated and to determine the effect on the loss attributable to shareholders.

*(23) Subsidiaries, associates and jointly controlled entities written off*

At the balance sheet date, the Group wrote off investments in several subsidiaries, associates and jointly controlled entities. The Group ceased to consolidate these written off subsidiaries and ceased to account for these written off associates and jointly controlled entities under equity method from 30 June 2001. The Group made adjustments to reverse the accumulated losses of these written off investments as at 30 June 2001 and wrote off the cost of these investments. This resulted in an increase in the loss attributable to the shareholders of HK\$2.8 million as shown in the consolidated income statement. As mentioned in point 1 in the basis of opinion section of this report, we are unable to form an opinion on the financial statements for the year ended 30 June 2000. As a result, we are unable to satisfy ourselves that the adjusted amount is properly stated and to determine the effect on the loss attributable to shareholders. In addition, the

**意見之基礎** (續)*(22) 附屬公司清盤 (續)*

虧損，以及撇銷此等投資之成本。此舉導致於綜合收益表中呈列之股東應佔虧損減少448,700,000港元。誠如本報告意見基準一節第一項所述，本核數師未能就截至二零零零年六月三十日止年度之財務報表表達意見。故此，本核數師未能信納該調整金額乃合理呈列及無法確定其對股東應佔虧損之影響。

*(23) 附屬公司、聯營公司及共同控制企業撇銷*

於結算日，貴集團撇銷於數間附屬公司、聯營公司及共同控制企業之投資。貴集團由二零零一年六月三十日起終止將此等已撇銷之附屬公司合併入帳，並終止以權益計算法將此等已撇銷之聯營公司及合營企業入帳。貴集團於二零零一年六月三十日為此等已撇銷之投資作出調整以撥回其累計虧損，並撇銷此等投資之成本。此舉導致綜合收益表所列之股東應佔虧損增加2,800,000港元。誠如本報告書意見基準一節第一項所述，本核數師未能就截至二零零零年六月三十日止年度之財務報表表達意見。故此，本核數師未能信納該調整金額乃合理呈列，以及無法確定其對股東應佔虧損之影響。此外，貴集團撇銷給予此等已撇銷投資之貸款

**Basis of opinion** (continued)*(23) Subsidiaries, associates and jointly controlled entities written off (continued)*

Group wrote off the loans to these written off investments of HK\$0.6 million and booked an income for the waiver of a loan due to a written off subsidiary of HK\$9.2 million. There was no sufficient information available for us to examine the balances of loans to the written off investments of HK\$0.5 million and the loan due to the written off subsidiary and to verify the validity of the waiver of loan due to the written off subsidiary. As a result, we are unable to satisfy ourselves that the balances of loans to the written off investments and the loan due to the written off subsidiary are fairly stated. In addition, we are unable to determine whether the amount of written off is appropriate and whether there was any understatement of liabilities.

*(24) Directors' and senior executives' emoluments*

There was no sufficient information available for us to review the details of three directors' emoluments totalled HK\$80,000 and senior executives' emoluments as shown in note 10 to the financial statements. We are therefore unable to determine whether the details of directors' and senior executives' emoluments have been properly disclosed in the financial statements.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

**意見之基礎** (續)*(23) 附屬公司、聯營公司及共同控制企業撤銷 (續)*

600,000港元，並將豁免應付予一間已撤銷之附屬公司之貸款9,200,000港元入帳列作收益。惟本核數師並無足夠資料查核已撤銷投資之貸款結餘500,000港元及結欠已撤銷之附屬公司之貸款，以及核實豁免應付予已撤銷之附屬公司貸款之有效性。因此，本核數師未能信納該撤銷投資之貸款結餘及應付已撤銷之附屬公司貸款結餘乃公平列帳。此外，本核數師無法確定該筆撤銷款項數額是否合理，以及是否有任何少報之負債。

*(24) 董事及高級行政人員之酬金*

本核數師並無足夠資料審閱三名董事酬金總額達80,000港元，以及財務報表附註10所述之高級行政人員酬金。本核數師未能確定董事及高級行政人員之酬金資料是否已於財務報表中適當披露。

在擬定意見時，本核數師亦已評估該等財務報表所載資料在整體上是否足夠。本核數師相信，本核數師之審核工作已為下列意見提供合理之基準。

**Fundamental uncertainty relating to the going concern basis**

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the adoption of the going concern basis on which the financial statements have been prepared. As explained in note 1 to the financial statements, the Group is in financial difficulty and is negotiating with its bankers and creditors to restructure the indebtedness. The financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome of its negotiations with its financial creditors for the restructuring of the Group's borrowings and of the other measures to be implemented by the Group. The financial statements do not include any adjustments that would result from the failure of these measures. We consider that appropriate disclosures have been made but the uncertainty surrounding the circumstances under which the Group might successfully continue to adopt the going concern basis are so extreme that we have disclaimed our opinion.

**持續經營基準之基本不明朗因素**

本核數師在擬定意見時，已考慮財務報表附註1有關採納持續經營基準之不明朗因素之披露是否足夠。誠如財務報表附註1所述，貴集團正面對財政困難，並正與其往來銀行及債權人商討重組債務。財務報表乃按持續經營基準編製，而其有效性須視乎貴集團與財務債權人商討重組貴集團借貸之結果，以及貴集團能否成功施行其他措施而定。財務報表並不包括任何因上述措施失敗而作出之調整。本核數師認為財務報表已作出適當披露，惟由於貴集團能否繼續成功經營之不明朗因素影響極為深遠，故本核數師對此不表達意見。

**Qualified opinion: Disclaimer on view given by financial statements***Disagreement of accounting treatment - winding up subsidiaries*

During the year, the High Court issued winding up orders to several subsidiaries. In accordance with SSAP 2.132 "Consolidated Financial Statements and Accounting for Investments in Subsidiaries", the Group should share the results of these winding up subsidiaries up to the date of the winding up orders issued. However, the Group had not consolidated the results of these subsidiaries for the period from 1 July 2000 to the date of winding up order. This treatment is not in compliance with SSAP 2.132. Based on the available information, the unaudited net loss of these winding up subsidiaries for the aforesaid period was approximately HK\$132 million. In addition, had SSAP 2.132 adopted, the rental income included in other revenue and adjustment for winding up subsidiaries in the consolidated income statement would be reduced by HK\$0.66 million.

We are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the affairs of the Company and of the Group as at 30 June 2001 or of the loss and cash flows of the Group for the year then ended and as to whether the financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance because of the significance of the possible effects of the limitations in evidence available to us as set out in the basis of opinion section of this report, the fundamental uncertainty relating to going concern basis.

**有保留意見：對於財務報表所反映之情況不表示意見***不同意會計處理方法－清盤附屬公司*

年內，高等法院向數間附屬公司發出清盤令。根據會計實務準則第2.132號（「於附屬公司之投資之綜合財務報表及帳目」），貴集團應分佔此等清盤公司，直至清盤令發出日期為止之業績。然而，由二零零零年七月一日起至清盤令日期期間，貴集團並無將此等附屬公司之業績綜合列帳。此項處理方法並無遵守會計實務準則第2.132號。根據所提供之資料，此等清盤附屬公司於上述期間之未經審核虧損淨額約為132,000,000港元。此外，倘採納會計實務準則第2.132號，於綜合收益表中所列其他收益之租金收入及清盤附屬公司之調整將削減660,000港元。

誠如本報告書意見基準一節所述有關本核數師所獲憑證有限而可能造成重大影響及有關持續經營基準之基本不明朗因素，本核數師未能就該等財務報表是否真實與公平反映 貴公司及 貴集團於二零零一年六月三十日之財務狀況及 貴集團截至該日止年度之虧損及現金流量以及該等財務報表是否依照香港公司條例之披露要求而妥善編製發表意見。

**Qualified opinion: Disclaimer on view given by financial statements** (continued)

In respect alone of the limitation on our work relating to the matters as set out in the basis of opinion section of this report:

- (i) we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- (ii) we were unable to determine whether proper books and records had been kept.

**RSM Nelson Wheeler**

*Certified Public Accountants*

Hong Kong

25 January 2002

**有保留意見：對於財務報表所反映之情況不表示意見** (續)

按本報告意見之基礎一節所述，僅就該等事宜使本核數師之審核工作範圍受到之限制如下：

- (i) 本核數師未取得進行審核所需之一切資料及說明；及
- (ii) 本核數師無法確定帳冊及紀錄是否已妥善保存。

**羅申美會計師行**

*執業會計師*

香港

二零零二年一月二十五日