

# Deloitte.

## 德勤

### TO THE SHAREHOLDERS OF INNOVO LEISURE RECREATION HOLDINGS LIMITED

*(incorporated in Bermuda with limited liability)*

We have audited the financial statements on pages 29 to 55 which have been prepared in accordance with accounting principles generally accepted in Hong Kong, other than as set out below.

#### Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, 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 opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants except that the scope of our work was limited as explained below.

### 致澤新遊樂控股有限公司股東

*(於百慕達註冊成立之有限公司)*

本核數師行已完成審核載於第29至55頁按照香港普遍採納之會計原則編製的財務報表，惟下文所載者除外。

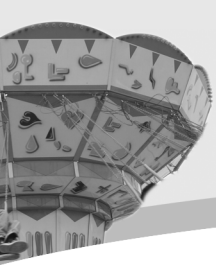
#### 董事與核數師的個別責任

貴公司之董事須負責編製真實與公平的財務報表。在編製該等財務報表時，董事必須貫徹採用合適的會計政策。

本行的責任是根據本行審核工作之結果，對該等財務報表發表獨立意見，並按照百慕達公司法第90條之規定，僅向整體股東作出報告，而不作其他用途。本行概不就本報告之內容向任何其他人士負上或承擔任何責任。

#### 意見的基礎

除下述本行審核工作範圍受到規限外，本行已按照香港會計師公會頒佈的核數準則進行審核工作。



### Basis of opinion – continued

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

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 explained in note 2 to the financial statements. The financial statements have been prepared on a going concern basis on the basis that a controlling shareholder has agreed to provide adequate financial support to enable the Group to meet in full its financial obligations as they fall due in the foreseeable future. Although the Company has received a letter of support from the controlling shareholder evidencing the commitment in this respect, we are unable to obtain sufficient evidence to satisfy ourselves as to the financial resources of the controlling shareholder and so as to his ability to provide financial support to the Group. If the financial support from the controlling shareholder is not forthcoming and the Group is unable to obtain sufficient other sources of financing, the Group may cease to operate and the going concern basis would then be inappropriate. In these circumstances, adjustments might be required to reduce the value of assets to their recoverable amount and to provide for any further liabilities might arise.

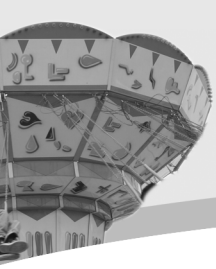
In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### 意見的基礎 – 續

審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評估董事於編製該等財務報表時所作重大估計和判斷、所釐定會計政策是否適合貴公司及貴集團具體情況，及有否貫徹應用並足夠地披露該等會計政策。

本行在策劃及進行審核工作時，均以取得一切本行認為必需的資料及解釋為目標，使本行能獲得充分的憑證，就該等財務報表是否存有重要錯誤陳述，作出合理的確定。然而，如財務報表附註2所闡述，本行可取得證據有限。由於一名控股股東已同意提供足夠財務支援，致使貴集團可於可見將來悉數支付到期財務責任，故財務報表按持續經營基準編製。儘管貴公司已收到控股股東之支持函件，證明其於此方面之承諾，本行無法取得充分證據信納控股股東之財務資源及該等資源足以為貴集團提供財務支援。倘貴集團無法從控股股東取得財務支援，且貴集團未能取得其他融資來源，則可能終止營運，屆時採用持續經營基準將屬不恰當。在此等情況下，或需要作出調整，將資產價值撇減至可收回金額，並為可能出現之其他債務撥備。

於表達意見時，本行亦已衡量該等財務報表所載資料在整體上是否充足。本行認為，本行之審核工作為下列意見建立合理基礎。



#### Fundamental uncertainty relating to certain receivables

In forming our opinion, we have considered the adequacy of the disclosure in notes 14 and 15 to the financial statements which explains that included in the balance sheet of the Group at 31st December, 2004 are amounts of HK\$29,323,000 and HK\$38,682,000 due from a trade debtor and the former director respectively. The Group has filed claims in June 2004 and July 2004 against the trade debtor and the former director respectively in the Hong Kong High Court to recover the amounts. Since the claims are still pending for hearing, the directors consider it is unable to determine the final outcome of the claims at such preliminary stage. Accordingly, no allowance in respect of either of these amounts has been made in the financial statements. We consider this fundamental uncertainty has been adequately disclosed in the financial statements and our opinion is not qualified on this respect.

#### Qualification arising on disagreement about accounting treatment

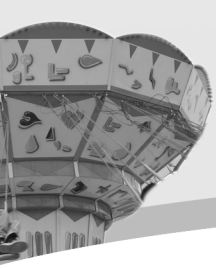
As explained in note 2 to the financial statements, a subsidiary 番禺飛圖夢幻影城有限公司 (Panyu Fantasy Film City Limited) ("PFFCL"), which is under the control of a local court in Mainland China, was de-consolidated in the financial statements of the Group for the year ended 31st December, 2003. However, this accounting treatment was not in accordance with Statement of Standard Accounting Practice No. 32 "Consolidated financial statements and accounting for investments in subsidiaries" issued by the Hong Kong Institute of Certified Public Accountants because as at 31st December, 2003, in our opinion, the Group retained the ability, by virtue of its equity interest in PFFCL, to exercise effective control. Accordingly, in our opinion, the results, cash flows and changes in equity of PFFCL should have been consolidated throughout the period up to May 2004 and any loss on de-consolidation recognised. In the absence, however, of the financial statements of PFFCL for this period, it is not practicable for us to determine the effect on the financial statements of the failure to properly account for PFFCL.

#### 有關若干應收款項之基本不明朗因素

財務報表附註14及15解釋 貴集團於二零零四年十二月三十一日之資產負債表包括貿易應收款項及應收一名前任董事之款項，分別為29,323,000港元及38,682,000港元。於達致意見時，本行已考慮當中之披露是否足夠。貴集團已於二零零四年六月及二零零四年七月入稟香港高等法院，就收回有關款項向貿易債務人及該名前任董事提出申索。由於申索正排期聆訊，董事認為無法在此初步階段預測最終申索結果。因此，貴集團並未就上述兩筆款項於財務報表作出撥備。吾等認為是項基本不確定因素已於財務報表作出足夠披露，對此並無保留意見。

#### 因會計處理方法意見分歧產生之保留意見

誠如財務報表附註2所闡釋，現由中國大陸地方法院控制之附屬公司番禺飛圖夢幻影城有限公司（「飛圖夢幻影城」）已自 貴集團截至二零零三年十二月三十一日止年度之財務報表解除綜合計算。然而，此項會計處理方法並不符合香港會計師公會頒佈之會計實務準則第32號「綜合財務報表及附屬公司投資之會計方法」之規定，原因乃本行認為 貴集團於二零零三年十二月三十一日持有飛圖夢幻影城之股本權益，故有能力行使實際控制權。因此，本行認為飛圖夢幻影城之業績、現金流量及股本變動應於截至二零零四年五月止期間前綜合入賬，並確認於解除綜合計算時之任何虧損。然而，於並無飛圖夢幻影城此期間財務報表之情況下，吾等無法確定並無適當處理飛圖夢幻影城賬目對財務報表之影響。



# AUDITORS' REPORT

## 核數師報告

### Disclaimer of opinion

Because of the significance of the limitation in the scope of our work related to the going concern basis, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31st December, 2004 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.

In respect alone of the limitation on our work relating to the going concern basis we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*

Hong Kong, 29th April, 2005

### 未能就財務報表提供意見

由於本行有關持續經營基準之工作範圍遭受重大限制，本行無法確定財務報表是否真實公平反映 貴公司及 貴集團於二零零四年十二月三十一日之財務狀況或 貴集團於截至該日止年度之虧損及現金流量，以及財務報表是否按照香港公司條例之披露規定妥為編製。

僅就本行有關持續經營基準之工作限制而言，本行並無取得本行認為核數所需全部資料及解釋。

**德勤•關黃陳方會計師行**  
執業會計師

香港，二零零五年四月二十九日