

核數師報告

REPORT OF THE AUDITORS

德勤•關黃陳方會計師行

Certified Public Accountants
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**Deloitte
Touche
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致中國星集團有限公司全體股東

(於百慕達註冊成立之有限公司)

本核數師行已將刊於第25頁至85頁內根據香港公認之會計原則所編製之財務報表審核完竣。

董事及核數師之個別責任

編製真實而公正之財務報表乃 貴公司董事之責任。在編製該等真實而公正之財務報表時，董事必須貫徹地採用合適之會計政策。

本核數師之責任是根據審核工作之結果，對該等財務報表作出獨立意見，並將此意見向股東呈報。

意見之基礎

本核數師行乃按照香港會計師公會所發出之核數準則進行是次審核工作。審核工作範圍包括以抽查方式審查與財務報表內所載各數額及披露事項有關之憑證，並包括評估董事於編製該等財務報表時作出之各重大估計及判斷，及衡量究竟其所釐定之會計政策是否適合 貴公司與 貴集團之情況，貫徹地被運用及有否足夠地予以披露。

TO THE SHAREHOLDERS OF CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 25 to 85 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

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 statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. 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.

本核數師行計劃及進行審核工作，均以取得一切認為必需之資料及解釋為目標，使本核數師行能獲提供充分之憑證，就該等財務報表是否存有重要之錯誤陳述，作合理之確定。於作出核數意見時，本核數師行並衡量該等財務報表內所載之資料在整體上是否足夠。本核數師行相信，我們之審核工作已為核數意見建立合理之基礎。

意見

本核數師行認為上述財務報表足以真實而公平地顯示 貴公司與 貴集團於二零零零年十二月三十一日結算時之財務狀況及 貴集團截至該日止年度之虧損及現金流量，並根據香港公司條例之披露規定適當編製。

德勤·關黃陳方會計師行
執業會計師

香港，二零零一年四月二十三日

We planned and performed 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. 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2000 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 23 April 2001