

Report of the Auditors

核數師報告



恒和珠寶集團有限公司
(於香港註冊成立之有限公司)
全體股東：

本會計師事務所已審核刊於第三十三頁至第八十五頁之財務報告。該財務報告乃根據香港一般採納之會計準則編製。

董事及核數師各自之責任

公司條例規定董事須編製真實與公平之財務報告。採用適當之會計政策並貫徹執行，是編製真實與公平之財務報告的基本要求。本事務所之責任，是根據本事務所對該財務報告之審核結果，作出獨立意見，並向股東報告。

意見之基礎

本事務所乃根據香港會計師公會頒佈之審核標準而進行審核。審核範圍包括以抽查方式，審核財務報告內所載數額及披露事項之憑證，並包括評估董事於編製財務報告時所作之重大估計及判斷，以及所採用之會計政策是否適合 貴集團與 貴公司之具體情況，以及有否貫徹執行並作出充份披露。

TO THE MEMBERS
CONTINENTAL HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)

We have audited the financial statements on pages 33 to 85 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Hong Kong Companies Ordinance requires the directors to prepare 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 an 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

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本事務所在策劃和進行審核工作時，均以取得一切本事務所認為必需的資料及解釋為目標，使本事務所能獲得充份的憑證，以合理確定財務報告並無重大之錯誤陳述。在作出意見時，本事務所亦已評估財務報告內所提呈之資料整體上是否足夠。本事務所相信審核工作已為下列意見建立合理之基礎。

意見

依本事務所之意見，該財務報告均真實與公平地顯示 貴集團與 貴公司於二零零二年六月三十日之財務狀況及 貴集團截至該日止全年度之盈利及現金流量，並根據香港公司條例適當編製。

安永會計師事務所

執業會計師

香港，二零零二年十月二十一日

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 of the Group as at 30 June 2002 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

Hong Kong, 21 October 2002