

Certified Public Accountants  
Hong Kong Member Firm of  
Grant Thornton International

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均富會計師行

## **TO THE MEMBERS OF CENTURY LEGEND (HOLDINGS) LIMITED**

(incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 23 to 57 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 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 Society of Accountants, except that the scope of our work was limited as explained below.

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 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.

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 below.

As detailed in note 14 to the financial statements, on 19 November 2003 the Group acquired a 5% interest in two unincorporated syndicates of which the principal activities are the carrying out of junket operations (the "Investment") and the cost for acquiring such investment amounting to US\$1.5 million (equivalent to HK\$11,645,000) has been included under Investments in the balance sheet of the Group as at 31 December 2003. We were not able to obtain sufficient documentary evidence to ascertain the existence of the Investment, the Group's ownership in the Investment and to assess whether there was any impairment in respect of the carrying value of the Investment. There were no alternative procedures we could adopt to satisfy ourselves regarding the existence of, the ownership of the Group in and the valuation of the Investment as at 31 December 2003. Any adjustments found to be necessary as a result of the scope limitations would reduce the Group's net assets as at 31 December 2003 and increase its loss for the year.

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.

# AUDITORS' REPORT

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## **Qualified opinion arising from limitation of audit scope**

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the existence, ownership and the carrying value of the Investment as mentioned above, 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 31 December 2003 and of the Group's loss and cash flows for the year then ended and 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 Investment, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

### **Grant Thornton**

*Certified Public Accountants*

Hong Kong, 23 April 2004