



Yu Kam Hung  
Chairman

## General Practice Division

### Chairman's Message

**A**s usual, the GPD Council has remained busy in a number of issues briefed as follows:

#### **Business Valuation (Convenor: Mr. KK Chiu)**

- The Business Valuation Standard has been established and will be launched on or before August this year.
- In the past, business valuation was performed by experienced members of the GPD. Due to the rising demand for business valuation, partly resulting from the increasing popularity of mergers and acquisitions activity in Hong Kong and mainland China, the Institute considers it necessary to establish standards that would govern practices of related valuation activities. The standardisation aims to address the general public's concerns as well as to further enhance the professionalism of the Institute.
- The Standards were developed to ensure the credibility and integrity of business valuation practices. More importantly, the promulgation of the Standards shall further enhance the professional standards and international status of Hong Kong's valuation profession.
- Following discussion with the Securities and Futures Commission of Hong Kong (SFC) and Hong Kong Exchanges and Clearing Limited (HKEx), it was agreed that the Institute shall take up the role of establishing, monitoring and enforcing professional standards related to the ethics, competence, conduct of work of business valuation and the form and content of business valuation reports for the public. With close to a year of diligent efforts and close collaboration among the related parties, the Standards have been successfully promulgated.
- The Business Valuation Standards of our Institute are being fine-tuned by our legal advisor.
- A press conference concerning the Standards was held on 17 June 2004 at the Surveyors Learning Centre of HKIS to announce that the draft Standards was open to the public for comments until 17 July 2004.
- With the consent of the General Council, the official launch is scheduled to be on 31 July 2004.

#### **Education & APC (Convenor: Mr. Simon Wang)**

- A letter informing all members of the change in APC Assessment format has been issued through the General Council.

#### **Mainland Affairs (Convenor: Mr. Francis Lam)**

- 深圳不動產估價師學會 visited Hong Kong on 9 June 2004 and there was an introduction of HKIS and GPD by your chairman.

#### **Public Relation (Convenor: Mr. Daniel Mak)**

- A lunch meeting with Swire has been proposed for the week of 9 August 2004.

#### **Professional Advancement (Convenor: Ms. Serena Lau)**

- The analysis of the survey has been posted on the web of GPD.

#### **Government Practice & Local Affairs (Convenor: Mr. CK Lau)**

- During the first Lands Department/ HKIS Liaison Group Meeting on 5 May 2004, the Panel raised concerns about the Lands Department in relation to the availability of information and parameters adopted by the Lands Department in land premium negotiation.
- During the subsequent meeting held on 20 May 2004, the Panel raised concerns again on the availability of information and valuation parameters disclosure. The Lands Department advised that they are about to issue new internal guidelines for their staff to address the discussions of valuations with private sector consultants, which should help to enhance transparency of the process and consistency of practice within the Lands Department.
- The panel has also made various suggestions to the Lands Department, which if adopted might be able to streamline the premium negotiation process. The Lands Department has agreed to study those issues in detail and revert to us in due course, most likely through the second Lands Department/ HKIS Liaison meeting to be held on 4 August.
- The panel is now fine-tuning the research topic for academics.

#### **International Affairs (Convenor: Ms. Monica Leung)**

- The visit to Singapore and Malaysia is now scheduled for 30 July 2004 to 2 August 2004.
- Ms Serena Lau and Mr. Ronald Cheung will represent GPD.