

28 February 2011

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Commerce Commission  
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Dear Matthew

**Re: Consultation Paper on Draft Information Request and Process Update**  
***Notice to Supply to the Commerce Commission Section 53ZD of the Commerce Act 1986***

Thank you for the opportunity to make a submission on the Consultation paper which includes a draft section 53ZD information request notice ('Draft Notice') published on 14 February 2011.

We would like to draw your attention to the format of independent assurance report included in Schedule E of the Draft Notice as an auditor who will express an independent opinion on the matter once the Draft Notice is finalised.

The framework for assurance engagements that is established by the New Zealand Institute of Chartered Accountants ('NZICA') has recently been updated to conform to the framework established by the International Auditing Assurance Standards Board of International Federation of Accountants ('IFAC'). The framework contains two different suites of assurance standards. One is in relation to 'audits and reviews of historical financial information' which contains International Standards on Auditing (New Zealand) ('ISAs (NZ)') and the other is 'assurance engagements other than audits or reviews of historical financial information' which contains International Standards on Assurance Engagements (New Zealand) ('ISAEs (NZ)').

We note that the information required to be disclosed in Schedules A to B ('the Schedules') is historical financial information. This would mean that ISAs (NZ) are the applicable assurance standards. However Schedule E refers to ISAE (NZ) 3000 which relates to assurance engagements of non historical financial information. Rather than specifying the format of the audit report we consider that it may be more appropriate for the regulators to refer auditors to the assurance standards issued by NZICA (and when operating the External Reporting Board).

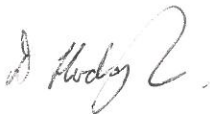
Consistent with the approach adopted for the Electricity Distribution (Information Disclosure) Requirements 2008 the regulations should give the opinion(s) that the Commission is seeking from auditors but leave the rest of the report to be governed by the relevant standards that auditors must comply with as these standards change over time and also because more than one suite of standards may be applicable if a report required under regulation contains historical financial information, historical non financial information and/or prospective financial information.

If the Commission still considers it necessary to specify the form of report, we have drafted an assurance report in accordance with ISAs (NZ) for your consideration. The draft assurance report is based on the current contents and format of the Schedules contained in the Draft Notice. If the final Notice requires entities to disclose non financial information and/or non historical financial information, the format of the assurance report would then, need to be updated to incorporate the requirements under ISAEs (NZ).

As a member of NZICA, we are bound by the Rules established by the NZICA which require us to comply with professional standards. In the near future the auditing standards will be administered by the External Reporting Board, a newly formed government appointed body. To avoid conflicts between the Commission's regulations and the requirements auditors must comply with we suggest that the Commission should seek specific input from NZICA/the External Reporting Board when formed.

Please do not hesitate to contact me, should you require further clarification on any of the matters discussed.

Yours sincerely  
**DELOITTE**



Denise Hodgkins  
**Partner**