

**SLOVENSKI INŠTITUT  
ZA REVIZIJO**  
SLOVENIAN INSTITUTE OF AUDITORS

**Dunajska 106, Ljubljana, SI-Slovenia**

**tel.: +386 1 568 55 54**

**faks: +386 1 568 63 32**

**INTERNATIONAL VALUATION STANDARDS COUNCIL**

41 Moorgate

London EC2R 6PP

United Kingdom

Subject: COMMENTS TO EXPOSURE DRAFT IVS 2011

Ljubljana September 3rd 2010

Dear Sirs!

Our board of valuers studied the proposed draft of IVS and comments to it. We agree with most of the comments some organizations put on it but we would like to expose some of them and add ours.

The General comment is: There is no need to change commonly adopted terms (i.e. sales comparison approach, valuation). It is widely used among participants. Perhaps more detailed definitions of the terms are in place.

Comments to specific standards

**IVS 101**

**Para 23 Independence:** said *where the purpose of the valuation requires the value to have a specific status, or disclosures confirming the value's status to be made, the requirements are set out in the appropriate standard.* Which standard do you mean? I.e. the IVS 202.01 valuations for secured Lending is not defining independent *value*

**Para 24 Competence:** the definition must be addressed to a person not a firm

**IVS 102 (valuation approaches)**

It should be mentioned, that for the valuation of land (buildable land and investment in process) more than three valuation approaches are used – there are methods described in the IVS 2007 5.25

### **Under IVS 200**

Why **the Valuation Review** is not included? The valuation review is needed to ensure the accuracy, appropriateness and quality of valuation (IVS 2007 GN 11 1.2)

Why **the Mass Appraisal** for property taxation is not included? Although the Mass appraisal is ruled by law in every country individually, basic valuation principles must be followed

### **Under IVS 300**

Why the valuation of **Agriculture** is not included? The valuation of Agriculture is mentioned only in annex to IVS 201.1 (IAS 21) although the valuation of agriculture is similar to valuation of Trade related property. The valuation of Agriculture is also needed for the purpose of secured lending not only to define fair value under IFRS

We fully agree with the comment of Italian ASSOVIIB regarding **Technical Papers** (we quote: *We understand that some of the guidance and methodology will be treated in separate Technical Information Papers. Since scope and time frames of the Technical Papers are not yet stated, we would like to ask the IVSB if we should expect the Papers to cover all removed issues or if this will imply a shift from international to national standards. If the IVSB is considering to include these notions into a future Technical Paper, we hope that the Paper will have the same "authority" of the Standard and will be recognized on an international level as an example of best practice to be followed and incorporated into national standards as much and as closely as possible. In the case removed issues are not addressed at an international level, the national standards would no longer be "complementary and mutually supportive" to the IVS but would have to reformulate much of the guidance that is no longer in the Exposure Draft.*)

We add a question to that: how to behave until the Technical papers are not issued? Regarding to issues in IVS 2007?

Sincerely yours,

Milena Kosi

The President of the Board of Valuers  
Slovenian Institute of Auditors