

IVSC STANDARDS BOARD

Board meeting 30 June 2014

Investment Property Project – Amendments to IVSs 230 and 300

The Board is invited to consider the attached analysis report on the comment letters received on the Exposure Draft and discuss the recommendations for changes to be considered by the expert Working Group.

Summary Report on Responses to Exposure Draft on PROPOSED AMENDMENTS TO IVS 230 AND IVS 300

1. Following representations from a cross section of valuation users involved in the real estate investment industry around the world the IVSC Standards Board issued a Discussion Paper on the issues that had been raised in December 2012. Following consideration of the responses, the Board tentatively agreed that the additional requirements for valuing investment property that had been identified as needing consideration would best be dealt with by making amendments to the existing IVS 200 *Real Property Interests* and by including a section on investment property in IVS 300 *Valuations for Financial Reporting*. An Exposure Draft of these changes was issued on 30 January 2014, with comments invited before 30 April.

2. Nine comment letters were received. The types of respondent can be categorised as follows:

Professional Bodies	3
Valuation and Consulting Firms	3
Others	3

3. The comment letters are displayed on the IVSC web site. Annexed is a table summarising the responses, in particular the answers to the questions asked in the Exposure Draft. Not all comments are referenced. The purpose of this summary is to identify common themes.

4. The responses to the questions in the Exposure Draft are analysed below.

* * * * *

It is common in many jurisdictions for investment property to be held in special purpose, single asset companies so that a transfer of the property interest is made by a transfer of the shares in the company that owns the interest. The Board has been made aware of concerns that the distinction between the two is not always made clear in valuations and to inconsistencies in the way such properties are valued. Additional disclosure requirements are proposed in para 2 and para 6 and a supporting commentary is included in paras C31 and C32.

1. Is the use of special purpose companies to hold property interests common in your experience?

Yes	No	Unanswered or response unclear
6	1	2

Additional Comments

All except one respondent commonly encounter holding companies for real property.

2. If you have answered yes to the above, do you consider that the changes described above are adequate to address this issue?

Yes or mostly agree	No or mostly disagree	Unanswered or response unclear
4	2	3

Additional Comments

Those who disagreed did so because they wanted more guidance on how to value a special purpose company included in this standard. A number of respondents suggested other changes to the wording that they considered added clarity, with one specifically suggesting a cross reference to IVS 200 *Businesses and Business Interests*.

An amendment is proposed to the list of matters to be considered to limit the information on ground conditions to that known to the valuer and used in the valuation. It has been suggested that the existing reference to any information could be inferred as information that was unknown and unknowable by the valuer.

3. Do you agree with this proposed change?

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
4	0	5

Additional Comments

There was a mixed response to this proposal. Two made the point that it could be interpreted as excluding information known to the valuer but not used in the valuation. Another pointed out that the same caveat should apply equally to environmental risks.

Paragraph C8 has been introduced to include additional guidance on the requirement to identify the interest being valued. This is the Board's proposed response to the problem identified in the Discussion Paper of distinguishing the real property interest from any other assets, in particular intangible assets, which may be associated with a business in occupation but which are either in separate ownership or are capable of being separated from the ownership of the property interest.

4. Do you agree with the proposed new paragraph C8? If not, please explain why.

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
6	0	3

Additional Comments

No respondent objected to the principle of this amendment, and most welcomed it. However, a number suggested slight amendments. Two considered the reference only to a brand as being too limiting and would like other examples. One wanted the standard to require a statement in all valuations of real estate to indicate whether there are related intangible assets and what is their value.

Paragraph C9 has been introduced because the Board has become aware of some entities commissioning separate valuations of different components in a property and then aggregating these in the mistaken assumption that this represents the value of the whole. Where there is interdependence and complementary contributions to the value of the whole from those different components this may not be a correct assumption.

5. Do you agree with the proposed new para C9? If not, please explain why.

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
6	1	2

Additional Comments

While a majority favoured the new paragraph, one respondent objected on the grounds that it did not seem to address the issue posed in the question. The question referred to components of a property (eg land, buildings, plant etc) but the proposed para implies that it is about aggregating the value of different legal interests in the same property. A similar point was made by one of those who indicated that they were broadly in favour. Two respondents queried whether the proposed para was appropriately placed.

A new para C11 has been introduced to alert readers to the need to be aware of the purpose for which the real property is intended to be used. Depending on the purpose for which the valuation is required this can influence the choice of inputs and assumptions.

6. Do you agree with the proposed new paragraph C11? If not, please explain why.

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
6	1	2

Additional Comments

Of the majority in favour, a few wanted some changes in the detailed wording. The one who was opposed considered it an over simplification as physical occupation is not confined to ownership. They proposed alternative wording.

Paragraph C20 has been introduced because of concern expressed that some market valuations are based on data from transactions which have not taken place on the same conditions as assumed in the definition of market value (or such other bases of value which may be required). This has particular significance in the case of property interests being transferred through special purpose vehicles (see Q1) but also has more general relevance.

7. Do you agree that the proposed new paragraph C20 adequately addresses this issue?

Yes or mostly agree	No or mostly disagree	Unanswered or response unclear
4	3	2

Additional Comments

Those who were opposed to the proposed paragraph disliked the wording and considered that more detail was required. One commented that it was not clear whether the issue was similarity of the terms of the transaction or to the subject of the valuation. Another disliked the use of the word “same” as all real property is unique – their preference is for “comparable”. Another suggested that a sentence should be included referring to the weight or reliance to be placed on evidence after considering all the relevant factors.

The proposed paragraph C30 has been included to address a frequent misunderstanding of the statement in the paragraph 35 of the IVS Framework that market value has no regard to the costs or taxes involved in a transaction. Some incorrectly interpret this as meaning that no allowance should be made in the valuation method adopted for transaction costs or taxes that would be incurred by market participants. The disregard of costs and taxes only relates to the reported value, not to its calculation.

8. Do you agree that the proposed paragraph C30 provides the required clarity?

Yes or mostly agree	No or mostly disagree	Unanswered or response unclear
7	0	2

Additional Comments

While no respondent argued with the principle of the intended paragraph, a number suggested slight changes to the wording. One wanted considerably more detail, eg how cost should be reflected in different valuation techniques, or where the parties can agree who bears the costs.

9. Do you consider that an example would be helpful?

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
6	1	2

Additional Comments

Only one respondent was opposed to an example of transaction costs.

Questions in respect of proposed changes to IVS 300 Valuations for Financial Reporting

It is proposed to delete the words “the effect of” from the reporting requirements in para 11 on the grounds that the effect of an assumption made during the valuation process is not always known or capable of estimation.

10. Do you agree with this amendment? If not please explain why.

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
4	4	1

Additional Comments

The reasons given for opposing the deletion of the requirement to disclose the effect of an assumption were varied. One considered it contradicted a requirement in IVS 103, others that where the effect of an assumption was known it should be disclosed. A few pointed out that financial reporting standards sometimes required such disclosures. Three suggested retaining the existing requirement but adding a caveat such as “if possible” before “the effect of”.

It is proposed to modify Paragraph G5 to provide stronger guidance that a report that complies with the IVSs should contain sufficient information to enable the reporting entity to determine the level in the input hierarchy in IFRS 13, by virtue of the requirements in IVS 103 5(l) and IVS 300 10. It would be an exceptional case for a report that complied with these requirements not to contain sufficient information to determine which level of the hierarchy is applicable.

11. Do you agree with this change?

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
7	0	2

Additional Comments

While most favoured this amendment, one international valuation firm pointed out that IFRS 13 does NOT require the disclosure of the input hierarchy of all assets measured at fair value to be disclosed. There are exceptions. Also, disclosures may be required by IFRSs other than IFRS13. Suggested wording be amended to reflect this.

Paragraphs G18 - G24 have been introduced to provide guidance on the definition, accounting treatment and valuation requirements in IAS 40 at a similar level to the guidance provided for other valuation measurements required in different parts of the IFRSs. The Board does not consider that outside of financial reporting there is any need to have a definition of investment property. As elsewhere in the guidance section of IVS 300, the intention is not to reproduce the accounting standard in detail, but to highlight some key provisions and direct readers to IAS 40.

12. Do agree with this change?

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
8	0	1

Additional Comments

All respondents agreed with the principle of including the proposed extracts /summary of IAS40. However, one standard setting body wanted a small additional extract relating to exceptional cases where fair value cannot be reliably determined, and one international accounting network wanted a significantly greater extract. One respondent wanted G24 excluded, but another wanted it expanded to provide more details of the content of the proposed TIP.

13. Do you consider that the proposed new section includes all matters that a valuer of investment property needs to know in order to produce a valuation suitable for inclusion in financial statements?

Yes or mostly in favour	No or mostly not in favour	Unanswered or response unclear
6	2	1

Additional Comments

Most respondents were broadly satisfied with the scope of the proposed amendments. Only two wanted significant additional material. Three respondents also raised issues with other parts of the standards where no changes had been proposed. These comments are listed below:

IVS 230

- Words “real property” in market rent definition should be changed to “asset or liability” - because these are words used in “market value” definition.
- Unit of account guidance should be a more central theme in the standard rather than being dispersed in a variety of places. For example, the unit of account would differ and as a result may produce different valuation outcomes in the following situations:
 - The real property itself;
 - An equity interest in real property (affected by debt attached to the real property);
 - A share in the company holding the real property (affected by the value of other assets and liabilities in the company, if any);
 - The equity in a fund holding a multitude of real estate interests (affected by debt at the fund level, if any);
- The unit of account concept merits its own section in the standard and is relevant regardless of the purpose of the valuation. This may most logically fall in the section “Identifying the interest”.

- More information needs to be included about the categories (elements) of each Investment Property for depreciation purposes as well as information regarding its tax basis.
- Paragraphs C12-C15: Additional clarification would be helpful. While valuers need to consider both market rents and actual rent (when they differ) in order to value a property, consideration of these types of rent should be in light of the property interest being measured (i.e., the unit of account) and the relevant bases of value. For example, when preparing a valuation in accordance with International Financial Reporting Standards (IFRS), the assumptions used may vary depending on which standard is applied, e.g., IFRS 3 Business Combinations or IAS 40 Investment Property.
- Paragraphs C27-29. Consideration should be given to a statement about different perspectives comparing the duration of the real property interest with the total useful life of the underlying property. For example there might be a heritable building right or leasehold interest in land, where the duration of the contract does not necessarily reflect the total useful life of the building erected under this right.

IVS 300

- While reference is made in G2 to valuing assets according to their highest and best use, it may be helpful to underline this point with a separate paragraph, perhaps with a cross-reference to paragraph 35 of the IVS Framework.
- Para 4: Sentence “Except in the case of financial instruments it is therefore normally appropriate to include an assumption that the asset or assets will continue to be used as part of the business of which they form part” appears to be too broad. Quote IFRS 13 and think this para contradicts exit price notion of IFRS13 (**note: this reference is to IAS1 para 25**)
- Para G2 Generally agree but could add that valuers may not always be able to assume that MV and IFRS 13 FV are same.
- Para G5 does not adequately explain requirements for categorisation within the hierarchy.

General Observations:

5. The number of respondents was disappointingly low, especially given the widespread nature of the original request for the Board to consider some of the issues addressed. However, there was a reasonable diversity of experience and geographic location among those who did respond. It is notable that only one firm represented on the Working Group for this project sent in a comment letter.
6. While a number of respondents suggested minor alterations to the wording, these were all in an endeavour to bring greater clarity to what is being proposed. With one exception there was no significant opposition to the principle of any of the proposals.
7. The one proposal that did meet significant opposition in principle was that to remove the requirement in IVS 300 para 11 to disclose the effect of any assumption that has a material effect on value. However, most appreciated the practical issue that this amendment was trying to address, and would be happy with a suitable caveat that made it clear that disclosure of the effect was only required where possible or practical.
8. One valuation firm suggested that IVS 230 merits a section on “Unit of Account” which is relevant regardless of the purpose of the valuation. This could also partly address the requests made by two others for more guidance on valuing special purpose entities.

Staff Recommendations for Board:

9. In IVS 230 there is some merit in considering a modest expansion of the material around special purpose entities, perhaps pointing out the different “units of account” identified by one of the respondents. However, the term “unit of account” is one that should be avoided in the context of IVS 230. It is an accounting term. The Board may recall that in the proposed changes between IVS 2011 and IVS 2013 the term “Unit of Valuation” was proposed in the Exposure Draft, but was not pursued. Respondents to that draft pointed out that “Unit of Valuation” has also been defined in US GAAP, and after debate it was agreed that the language around aggregation in the IVS Framework was adequate. However, it should be possible to discuss the differences between what can be involved a valuation of a special purchase entity and of a stand-alone asset owned by that entity without using these terms.
10. That regard should be had to the advice that disclosure of the input hierarchy is not an absolute requirement and appropriate modifications made to the language of the proposed paragraph.
11. Para C9 be expanded to make it clear that the principle that the sum of the parts is not necessarily the same as the whole applies both to the physical components of a property but also to interests in the property.
12. That the various suggestions around the wording of the proposed IVS 230 paras C11 and C20 be considered.
13. Although nearly all respondents indicate that they would appreciate the inclusion of an example to illustrate the point on transaction costs, the focus should be on ensuring that the narrative is as unambiguous as possible. Including a numeric example that all readers could relate to could be difficult given the range of transaction costs and customs as to how these are borne in different markets.

14. The existing requirement in IVS 300 para11 to disclose the effect of a material assumption should be retained, but that it is modified to make it clear that this is not an absolute requirement and that there should be a test of reasonableness or practicality. Although not directly raised by respondents, another avenue that could be explored is to clarify whether "effect of assumption" necessarily means a quantitative illustration or whether it also includes a qualitative explanation.
15. That consideration be given to what are the most appropriate extracts or summaries of IAS 40 to include in the Application Guidance section of IVS 300 in the light of the comments received.
16. That general consideration is given to suggestions for alternative wording.

Summary of Comment Letters

001	R Jefferies	1 2 3 4 5 6 7 8 9 10 11 12 13	<p>No</p> <p>N/A</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>No. Considers wording confusing. Word “same” is used twice and should be “comparable” and words added to indicate adjustments may be necessary.</p> <p>No. Wording is contradictory. Only first and part of second sentence is required.</p> <p>Yes.</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>yes</p> <p>General Comments:</p> <ul style="list-style-type: none"> • Para 26 should be amended and cross reference made to TIP 1
002	Malaysian Accounting Standards Board	1 2 3 4 5 6 7 8 9 10 11 12 13	<p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p> <p>Agree with rationale. However, effect of an assumption may be required by a financial reporting standard</p> <p>Agree. The proposed amendment will provide a clear mandate to include sufficient relevant information on the valuation inputs used.</p> <p>We agree with the IVSC’s approach to include only key provisions of IAS 40 in IVS 300</p> <p>Consider para 22 should be further expanded to include Para 79 (e) of IAS 40, "In the exceptional case when an entity cannot determine the fair value of the investment property reliably, it shall disclose the description of the investment property, an explanation of why fair value cannot be determined reliably and if possible, the range of estimates</p>

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			within which fair value is highly likely to lie". We believe the inclusion of this additional paragraph will enhance the quality of the valuation for financial reporting purposes.
003	RICS	1	Not uncommon
		2	Not entirely. <ul style="list-style-type: none"> • Disagree with insertion of "ownership" in bullet 2 as C5 and C6 correctly point out that a right of occupation or use may take different forms. • Bullet 3 should read "... one or more real property interests..." • Suggest adding "...and regard had to IVS200 where relevant." • Bullet 3 of para 2 refers to "company or other special purpose vehicle" but para 6 has different wording. Better if consistent. C31 also inconsistent. • Delete "also" from para 7 as 6 is not always relevant. • Suggest slight modification of wording to C32
		3	Valuer may only use part of that which is known.
		4	New para needs relating back to IVS 101 paragraph 2 (d) – care is needed re distinguishing between the asset(s) to be valued and other assets. Reference to only a brand name is too specific.
		5	"Relevant" should be inserted before "unencumbered". Point is not only relevant to real property.
		6	First sentence is oversimplification as physical occupation not confined to owner occupation. Suggest alternative.
		7	No. It is an over simplification. The weight to be attached to any transaction evidence will depend on the degree of comparability.
		8	Yes, but wording could be improved. Suggest alternative.
		9	No.
		10	No. Think amendment is contrary to requirement to disclose in IVS 103. Also it may not be possible to arrive at valuation opinions both with and without the assumption.
		11	Suggest "should include" be replaced by "should be accompanied by" as advice may be provide separately from report.
		12	Mostly yes.
		13	Yes.
004	Australian Property Institute	1	Yes
		2	Yes
		3	Yes
		4	Yes
		5	Yes
		6	Yes
		7	Yes
		8	Yes. Suggest minor modification of proposed wording,

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		9	Yes. An example will always assist understanding.
		10	No. Suggest effect of assumption should be disclosed “if possible”.
		11	Yes
		12	Yes
		13	Think words “real property” in market rent definition should be “asset or liability” because they are used in “market value” definition.
005	Fédération Française des Experts en Evaluation (FFEE)	1	Yes
		2	Yes. However, suggest slight modification to C32.
		3	Yes. Helps clarify extent of valuer’s responsibilities.
		4	Yes. Important to avoid double counting.
		5	Yes.
		6	Yes
		7	Yes – it might be useful to add example of SPVs
		8	Could add that MV is price that would be agreed and paid in the transaction.
		9	Yes
		10	Yes
		11	Yes
		12	Yes
		13	While reference is made in G2 to valuing assets according to their highest and best use, it may be helpful to underline this point with a separate paragraph, perhaps with a cross-reference to paragraph 35 of the IVS Framework.
006	Duff and Phelps	1	General Comments
		2	
		3	IVS 230
		4	<ul style="list-style-type: none"> • Unit of account guidance should be a more central theme in the standard rather than being dispersed in a variety of places. For example, the unit of account would differ and as a result may produce different valuation outcomes in the following situations:
		5	<ul style="list-style-type: none"> <ul style="list-style-type: none"> • The real property itself;
		6	<ul style="list-style-type: none"> <ul style="list-style-type: none"> • An equity interest in real property (affected by debt attached to the real property);
		7	<ul style="list-style-type: none"> <ul style="list-style-type: none"> • A share in the company holding the real property (affected by the value of other assets and liabilities in the company, if any);
		8	<ul style="list-style-type: none"> <ul style="list-style-type: none"> • The equity in a fund holding a multitude of real estate interests (affected by debt at the fund level, if any);
		9	
		10	The unit of account concept merits its own section in the standard and is relevant regardless of the purpose of the valuation. This may most logically fall in the section “Identifying the interest”.
		11	
		12	
		13	
			IVS 300
			<ul style="list-style-type: none"> • IFRS 13 does <u>not</u> require that the level in the fair value hierarchy of any asset or liability measured at fair value to

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			<p>be disclosed in the financial statements in all circumstances. There are exceptions. The absolute statement proposed in G5 is therefore inappropriate. The last sentence in par. G5 should make it clear that a valuation report should include sufficient information on the valuation inputs used to enable the reporting entity to correctly categorize assets within the fair value hierarchy, in circumstances in which IFRSs require so. Disclosures may be required by IFRSs other than IFRS13.</p>
007	IACVA	<p>1 Yes – very common.</p> <p>2 No. Proposed changes insufficient. Para 6 should be expanded to cover for any real estate held in a special purpose entity.</p> <p>3 Yes, except many of the intangible assets relating to a commercial property such as a shipping centre, are inextricably linked to it and have to be included.</p> <p>4 Paragraph C8 mentions the related intangible assets but does not deal with the situation referred to in response to question 3. Believe that for all valuations of real estate, a statement should be made as to whether or not there are related intangible assets and what is their value.</p> <p>5 Yes – but could benefit from example.</p> <p>6 Yes but should require a statement of purpose for which held and purpose of valuation.</p> <p>7 Yes.</p> <p>8 Yes</p> <p>9 Yes</p> <p>10 No. Prefer to retain with qualification that disclose of effect only when extent is “reasonably knowable”.</p> <p>11 Yes.</p> <p>12 Yes, but G24 should give more indication of what is in TIP#.</p> <p>13 We believe that more information needs to be included about the categories (elements) of each Investment Property for depreciation purposes as well as information regarding its tax basis.</p>	
008	Ernst & Young	<p>1 Yes.</p> <p>2 No. Encourage the IVSC to provide further clarification on SPVs, including illustrative examples. As written, it may not clear how to evaluate property interests held in a SPV or the consequences of valuing a SPV instead of a direct interest.</p> <p>3 Yes. However, same caveat ought to apply to environmental risks.</p> <p>4 Yes. However, other tangible assets associated with a real property interest should be explicitly mentioned if included in the valuation, e.g., fixtures and fittings of a hotel or the kitchen within a restaurant</p> <p>5 Yes. Example would be helpful.</p> <p>6 Yes.</p> <p>7 Yes, but information in respect of transactions may not be</p>	

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		<p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p>	<p>available due to confidentiality clauses.</p> <p>Generally agree, but would like further clarification eg:</p> <ul style="list-style-type: none"> • How transaction costs affect market value • How transaction costs should be considered when applying different valuation techniques (e.g., discounted cash flows (DCF) versus income capitalisation) when estimating market value • What to consider when valuations relate to jurisdictions in which the parties to a sales contract can freely negotiate whether the buyer or the seller bear certain transaction costs • How to consider transactions costs in a valuation when they are already reflected in the discount rate used in the valuation model <p>Yes. Example would be useful.</p> <p>Yes.</p> <p>Yes</p> <p>Yes</p> <p>See below</p> <p>General Comments:</p> <p>IVS 230</p> <ul style="list-style-type: none"> • Paragraphs C12-C15. Believe that additional clarification would be helpful. While valuers need to consider both market rents and actual rent (when they differ) in order to value a property, we believe consideration of these types of rent should be in light of the property interest being measured (i.e., the unit of account) and the relevant bases of value. For example, when preparing a valuation in accordance with International Financial Reporting Standards (IFRS), the assumptions used may vary depending on which standard is applied, e.g., IFRS 3 Business Combinations or IAS 40 Investment Property. • Paragraphs C27-29. Believe statements should be considered about different perspectives comparing the duration of the real property interest with the total useful life of the underlying property. For example there might be a heritable building right or leasehold interest in land, where the duration of the contract does not necessarily reflect the total useful life of the building erected under this right. <p>IVS 300</p> <ul style="list-style-type: none"> • Para 4: Sentence “Except in the case of financial instruments it is therefore normally appropriate to include an assumption that the asset or assets will continue to be used as part of the business of which they form part appears to be too broad. Quote IFRS 13 and think this para contradicts exit price notion of IFRS13 (note: reference is to IAS1 para 25) • Para G2 Generally agrees but could add that valuers may not always be able to assume the same. • Para does not adequately explain requirements for categorisation within the hierarchy.
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009	KPMG	1	Yes
		2	In addition to stating whether the valuation is of SPV or of the property asset itself, consideration should be given to possible adjustments to comparable pricing data and the tax implications of an assumed sale of the asset vs. an assumed sale of the shares of the SPV.
		3	Proposed amendment could be interpreted as not covering information known to the valuer but not used in the valuation. More importantly, it does not address whether a valuer is expected to make pro-active inquiries on such matters.
		4	Agree
		5	No. The question appears to relate to different elements or components of a property but the proposed para C9 only discusses interests. Confusing.
		6	Amendment should clarify the effect of the purpose of the valuation on the assumed basis of value.
		7	No. It is not clear whether amendment is referring to terms of transaction (eg market value or distressed sale) or to the subject of the valuation, (eg SPV v property asset). It would be useful to discuss what adjustments may be appropriate and the factors an appraiser may consider in making such adjustments. For example, if there are tax advantages or disadvantages to selling or buying the underlying asset or shares, these may need to be considered in adjusting data from the comparable transaction. Where sufficient information is not available to quantify possible adjustments, this may change the reliance, if any, the valuer places on the comparable transaction.
		8	Yes. It may be useful to clarify that such factors influence not only the decision to buy or sell but the pricing at which transactions occur
		9	Yes. We believe that it is useful to include examples to illustrate technical positions.
		10	No. Financial reporting requirements may require an entity to disclose the effect of certain changes in assumptions on a fair value measurement
		11	Agree
		12	Agree
		13	Suggest more extensive extract from IAS 40, to inc 40.40 and 40 .50.