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PRIVATE AND CONFIDENTIAL

International Valuation Standards Council
Standards Review Board
1 King Street
London
EC2V 8AU
United Kingdom

August 10, 2017

Dear Sirs/Madame:

Re: IVS Agenda Consultation 2017

We are writing in response to the International Valuation Standards Council's ("IVSC") Standards Review Board's (the "Board") invitation to comment ("ITC") on the IVS Agenda Consultation 2017. We appreciate the opportunity to comment on the IVSC's projects and the open process adopted by the Board in developing its standards.

We believe that the proposed areas of focus will enhance IVS. The areas identified in the gap analysis, including non-financial liabilities, discount rates, early stage company valuations, biological assets, extractive industries and inventory, are all areas where specific standards guidance will be useful to valuers and the users of valuations.

We note that the proposed areas reflect very different valuation specialties, e.g., biological assets compared to extractive industries compared to early stage companies, so the composition of the working groups will be very important to ensure that current and emerging best practices are identified and appropriately considered. This may also require balancing different geographic participations as each of these subjects may be of differing importance in different regions.

Several of the topics identified have specific relevance to valuations performed for financial reporting purposes. As such, we believe that it is important that the underlying financial reporting concepts and requirements be fully considered in developing guidance as any differences may lead to confusion amongst valuers and the user of valuations (e.g., in how terms are used for financial reporting and in IVS).



There are a number of other interesting topic areas that have been considered by the Board. However, recognizing the limited resources available to the Board, we agree that these are better considered in subsequent projects to avoid the risk of delays in core projects or superficial consideration of what are complex areas.

The ITC contains a number of questions in relation to the substance of the proposed subjects of individual projects. We believe that comments on specific subjects should be in response to separate consultation or exposure documents rather than the ITC. This ensures that the relevant working group with subject matter expertise or the Board has had an opportunity to consider the relevant issue in detail rather than prematurely moving the project in a particular direction.

The ITC notes that guidance notes are issued by individual member valuation practice organizations (“VPOs”) rather than the IVSC. Such guidance notes are often important in ensuring that agreed positions are fully understood and accepted, especially where relatively new techniques are advanced. However, some VPOs are more active than others in issuing guidance notes. It would be useful for the IVSC to promote the issuance of guidance notes by its member VPOs as well as facilitating the sharing of guidance notes material across VPOs, e.g., across countries. Where appropriate it would also be beneficial for the IVS working groups to reference existing materials of other member VPOs as a means of streamlining the IVSC program delivery.

Please contact Jim Calvert at +353 1-410-1001 or Patrick Coady at +1 613-212-2841 if you wish to discuss any of the matters addressed in this letter.

Yours truly,

KPMG LLP

A handwritten signature in black ink, appearing to read 'Patrick Coady', with a stylized flourish at the end.

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