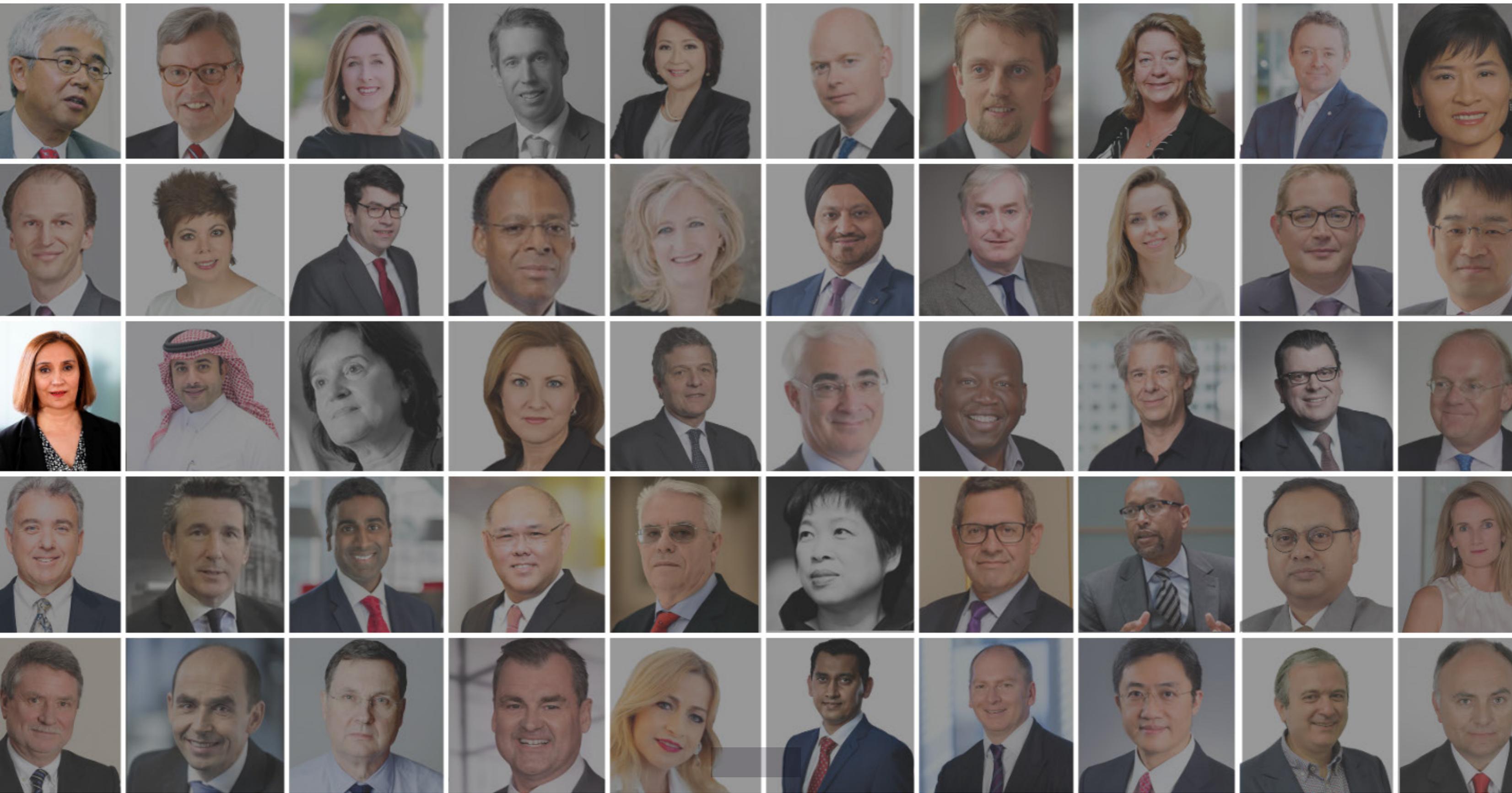




# IIVSC

STANDARDS BUILT ON  
GLOBAL EXPERTISE



**DIANA NIKOLAEVA  
-MITROVSKA**

BOARD: **BUSINESS VALUATION BOARD**

JOINED: **2017**

BASED: **SOFIA, BULGARIA**

JOB: **PARTNER & TRANSACTION  
ADVISORY SERVICES (TAS) LEADER,  
EY**

“  
Being part of the BV Board allows me to contribute my knowledge to the creation of standards that will hopefully extend beyond my professional lifetime.  
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WHY DID YOU PUT YOURSELF FORWARD TO JOIN THE BOARD?



1

### What area(s) of valuation do you specialise in?

Business valuation for various purposes - M&A, financial reporting, dispute resolution, etc.

2

### Can you summarise your day job and/or other relevant standard-setting activities?

I am a transaction advisor and throughout my career I have been involved in many deals from start to completion. Valuation is not an abstract theoretical exercise, it is not about formulas – you need to understand the business of the company, analyse its market, competition and financial performance, identify the value drivers so that you can make the right choices about applicable methods and inputs.

In my view the transaction experience is invaluable for understanding the perspectives of different stakeholders regarding the fundamentals of a business and I have been fortunate to benefit from exposure to deal making to nourish my passion for valuation.

My second not less important role relates to quality and risk management of the Strategy and Transactions offering in a region of more than 30 countries.

3

### Why did you put yourself forward to join the Board?

At the stage of my career when I have done a lot of exciting jobs and have had experience in many geographies, I thought of my professional legacy. Being part of the BV Board allows me to contribute my knowledge to the creation of standards that will hopefully extend beyond my professional lifetime. We live in dynamic times where valuation standards should evolve in support of the needs of the business and society and being part of this process creates a sense of purpose and personal fulfilment.



4

### What are the characteristics of the Board that you think enable it to develop and set standards effectively?

The board members contribute experience from diverse economies and regulatory environments in business, academia and professional organisations. Each word of a standard is being coined with a lot of precision so that the standard is made applicable in various circumstances in both developed and emerging economies. The Board is actively involving with stakeholders – valuation professionals and their professional organisations, regulators and standard setters, investment managers to get their view on emerging issues so that these are addressed in a timely manner. It is personally rewarding to be part of the discussions of such a knowledgeable group of colleagues who volunteer their time and energy to the development of the profession.

5

### What are some of the emerging areas/specific issues that you think the Board will be interested in considering in the near future?

The Board will review the comments and will finalise a new standard on Inventory Valuation – the consultation on the Exposure Draft has just completed. We have contributed to the discussion about goodwill and impairment reviews by publishing a series of three articles. Intangible assets are becoming an important driver of company value, however, internally generated intangibles are still underrepresented on

6

### In what ways do you think the valuation profession has grown/matured since you started your own career?

It is exciting to see how the profession is building on the fundamental valuation methodologies to embrace technology for a wider research, deeper analysis and better supported conclusions.

7

### Thinking about the geographic market you are based in; how well established is the valuation profession?

The valuation profession in Central and Eastern Europe is a relatively young profession which has progressed impressively since the early 90s when this region embarked on the market economy path. Appraisers in our region have worked in dynamic macroeconomic, social and regulatory environment, with scarce capital market and other statistical information, facing decision challenges on every step of the valuation methodology. These circumstances have been the driver of the appraisers seeking professional guidelines, affiliation with reputable standard setters, accreditation and continuous education. Recognising the importance of the valuation expertise for the social and economic life, in many jurisdictions lawmakers have adopted legislation which, in addition to the self-regulation of the profession, demands high standards.



International  
Valuation  
Standards  
Council

8

**Thinking about the area of valuation you are interested in; how well established is it globally?**

The profession is well established in developed markets where self-regulation has a long history and traditions. It is still young in emerging markets but interest is growing fast. Recently I read a study about the public recognition of different professions and while we would probably not reach the ranking of doctors, being a passionate valuer, I would like to see the valuation profession enjoying the public recognition of at least the lawyers and the CPAs.

9

**How/in what ways do you think the valuation profession needs to evolve to achieve greater impact in the future?**

As I said, valuation is not a simple mathematical exercise – it requires complex expertise and a lot of subjective judgement which are being mastered through continuous professional education and experience. However, building trust in the profession requires that we also consistently demonstrate integrity and objectivity of our advice. Very often, in less developed markets, we need to educate the public of what and how we do and the role of the professional organisations in enforcing strong ethical standards is very important. When invited to share experience, I typically agree to speak about ethics, risk and client relationship management. I believe that a curious professional can find a lot of materials about valuation techniques, however, we can only have a greater impact in business and society if we strengthen the trust in our work by uncompromising quality and integrity.



10

**How can IVS make a difference to valuers and the clients they work with?**

IVSC is doing a great job to globalize the International Valuation Standards – we see more and more members joining the network and this is a great indication that International Valuation Standards are getting worldwide recognition. In times of volatility and business uncertainty that we currently live the adoption of IVS becomes even more critical to ensure the transparency and objectivity of the valuation work thus enhancing reliability of financial information and trust of stakeholders. can add value over time.

