



IVSC



INTERNATIONAL VALUATION STANDARDS COUNCIL

# ANNUAL REPORT

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APRIL 2022 - MARCH 2023



The International Valuation Standards Council (IVSC) is the global standard setter for valuation practice and the valuation profession. We serve the public interest by promoting consistent compliance with, and implementation of, high-quality, internationally accepted standards in the preparation and presentation of valuations around the world.





# Contents



Report from the Chair of the Board of Trustees	01
Report from the Chief Executive	05
Report from IVSC Asia Director	07
Our Sponsors 2022/23	11
Our IVSC Asia Sponsors 2022/23	12
Board of Trustees	13
Our Members 2022/23	14
Reports:	
Standards Boards	20
Chair of the Standards Review Board	25
Chair of the Business Valuation Board	29
Chair of the Financial Instruments Board	32
Chair of the Tangible Assets Board	35
Membership & Market Boards	38
Chair of the Advisory Forum Working Group	42
Chair of the Membership & Standards Recognition (MSR) Committee	44
Chair of the MSR Europe Committee	46
Financial Statements	48



*Standards Review Board meeting, Singapore*



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ALISTAIR DARLING

CHAIR OF THE  
BOARD OF TRUSTEES

## IVSC: STANDARDISING VALUATIONS IN A VOLATILE WORLD

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### **Navigating Unprecedented Times**

The past year unfolded against a backdrop of profound complexity, marked by the tail end of the COVID-19 pandemic and the far-reaching economic consequences of this global crisis. The fallout, characterised by disrupted global trade, stressed supply chains, inflationary pressures, and governmental attempts at stabilisation through fiscal stimulus measures, continues to reverberate across economies worldwide. Additionally, the ongoing conflict in Ukraine, beyond its tragic human toll and the devastation of communities, added further complexity, disrupting the supply of key commodities and driving up inflation.

These challenges have placed an even greater emphasis on the importance of credible, consistent, and transparent valuations. Valuation lies at the heart of many business and investment decisions, and in a volatile economic climate, the demand for high-quality, reliable valuations that adhere to international standards has never been higher. It is within this context that the IVSC continues to play a pivotal role, underlining our commitment to globally accepted valuation standards and professionalism.





The importance of the IVSC's mission to promote the adoption of International Valuation Standards (IVS) cannot be understated in this economic environment. The IVS drive transparency, quality, efficiency, consistency, and equity in markets, which makes them more attractive to investors and fosters a climate of confidence.

### Strategic Expansion

This past year, we marked an important milestone in our evolution with the inauguration of our first regional office in Asia, situated in Singapore. This initiative is set to significantly boost our engagement with various stakeholders, ensuring our standards incorporate diverse expertise and best practices. This is a testament to our commitment to truly be an international body, cultivating a global dialogue on valuation standards. The participation of Singapore Finance Minister, Indranee Rajah, at the launch ceremony, where she delivered an insightful keynote speech, underscored the importance of this initiative to Singapore, Asia and to the global valuation profession.

### Strengthening Collaborations

Our partnerships, formalised through agreements with the International Organisation of Securities Commissions (IOSCO) and the World Intellectual Property Organisation (WIPO), mark a significant step forward in our collaborative efforts. These alliances enable us to engage in mutual cooperation to progress our shared objectives and address common challenges. Our Statement of Cooperation with IOSCO, in particular, creates an avenue to work more closely with financial regulators worldwide, thereby improving the credibility of the valuation profession and contributing to overall market stability. Our collaboration with WIPO underscores our commitment to promoting transparency and consistency in the valuation of intellectual property, a rapidly evolving and globally significant domain.

*IVSC Board of Trustees meeting, London 2023*







## Board Transitions

It is important for any credible standard setting organisation to have a governance structure which supports new thinking, innovation and fresh perspectives. The IVSC achieves this, in part, through set term lengths for our board roles. In the past year, all of our standards boards and our Board of Trustees have seen transitions. Within the Board of Trustees, we bid a fond farewell to Kathy Casey, Anton Colella, and Alan Johnson, expressing our gratitude for their invaluable contributions to our organisation and to the valuation profession on the global stage. Meanwhile, we welcomed aboard our new Trustees: Japheth Katto (Uganda), Marcelo Barbosa (Brazil), Narayan Seshadri (India), and Professor Mary Barth (United States). Their rich and diverse experience will strengthen our commitment to developing and promoting valuation standards globally.

## AGM and Reconnection

After a two-year hiatus brought about by the COVID-19 pandemic, in September 2022, we held our Annual General Meeting (AGM) in Fort Lauderdale, Florida. It was a pleasure to meet and reconnect with board members, VPOs, and other stakeholders in person after an extended period of virtual interactions. This meeting was a powerful reminder of the value of our collective strength in overcoming challenges and moving forward. We look forward to bringing our AGM to Paris in 2023 and I hope to see many of our valued supporters there in person.

## New Brand Identity

March 2023 marked another milestone as we unveiled our new brand identity. The refreshed logo and visual identity are more than cosmetic changes—they symbolise our renewed dedication to international valuation standards and the promotion of professionalism in the valuation community. This is the first such update to our brand since IVSC's inception in the 1980's. The input we received to the process from our members and sponsors throughout, and the overwhelmingly positive feedback we have received since, reinforces the ideas that our brand is something we collectively own and should be proud of.

## Support and Contributions

The IVSC, as a not-for-profit global standards setter, relies on the voluntary contributions and unwavering support of our Sponsors, Members, and expert board members across the globe. Our growing network reflects the increasing recognition of valuation's critical role in the global economy. The support we receive is essential for our activities aimed at improving, developing, and promoting international standards, and in leading efforts to raise the profile of valuation professionalism.



## Looking Ahead

In the coming year, we aim to capitalise on our progress and continue our mission to foster dialogue, collaboration, and education, ensuring the International Valuation Standards are not just globally recognised, but universally practiced.

In closing, I want to express my deep gratitude to everyone who has supported the IVSC's mission this past year. Your collective efforts continue to drive significant positive change in the global valuation community.

Finally, I would like to acknowledge and thank our staff for all their dedication and hard work throughout the year.



NICHOLAS TALBOT

CHIEF EXECUTIVE  
OFFICER

## FROM LEADERSHIP TRANSITIONS TO GLOBAL COLLABORATIONS: A YEAR OF GROWTH AT IVSC

We live in a time of continual economic flux where the surety and precision of quality professional valuations are paramount. In any given year, businesses, investors and economies rely on the robustness of valuations, but it is these times of uncertainty that really place a spotlight on their indispensable role.

Amid this, the IVSC remains focused on our mission to develop and promote internationally agreed valuation standards, alongside nurturing professionalism in all regions of the world. Reflecting this endeavour, this year we have seen the return of face-to-face meetings for our boards and committees. After a prolonged hiatus due to the pandemic, these interactions, which are crucial for collaboration and standard setting, have resumed, a testament to our collective resilience.

As we continue our work in this new chapter, we also acknowledge a changing of the guard within our own organisation. This year has seen the terms end for several of our valued board members, who have served diligently since our restructure in 2016. The leadership and contributions of Mark Zyla, Ben Elder, Andreas Ohl, Ahmad Sabry, Rengannis Kartomo, Dirk Hennig, Bob Boulton, and Diana Nikolaeva have been immense, and we are enormously grateful to them all.





Their departure ushers in a new phase of annual transitions, opening doors for new thought leadership to join our technical boards. If you have established your presence in the field of valuation and aspire to effect positive global change, your application is most welcome.

Our principal focus recently has been the concerted efforts across our technical boards to develop an Exposure Draft outlining proposed updates to the IVS. This important work will be opened for widespread public consultation throughout the middle of 2023. We are eagerly looking forward to receiving invaluable insights from stakeholders across the globe and from all aspects of the valuation landscape. Your input will truly shape and enrich our ongoing work.

Relationships and collaborations are at the heart of our operations. We've deepened our ties this year with regulatory bodies such as IOSCO and global entities like WIPO amongst others. These alliances, formed across diverse jurisdictions, help drive our shared vision of valuation quality and consistency.

However, our engagement approach is carefully calibrated, reflecting the varying stages of evolution of valuation standards and professionalism across different regions. Stakeholders across all levels are crucial in turning the standards we develop into tangible real-world professionalism and quality.

A prime example of our commitment to engagement is the 2022 launch of the IVSC Asia office. This local presence enhances our outreach, supports the valuation profession's growth, and ensures Asian perspectives enrich our standards. We're exploring the possibility of additional regional offices to further our global mission; contact us if you'd like to assist.

As we anticipate the launch of the inaugural International Sustainability Standards by the ISSB, we recognise the growing importance of this body of work for valuers. The support of IOSCO, a significant ally with whom we have a strong agreement, signals a potential for the widespread global adoption of these standards in the near future.

Finally, I extend my sincere gratitude to our board members, member organisations, and sponsor organisations. Your relentless support and contributions are the lifeblood of our work at IVSC. Together, we have made great strides in fostering international standards and furthering the valuation profession. We couldn't have achieved these successes without your commitment.

Looking to the future, I am very positive about what we can achieve together. Despite the challenges that we face, our shared efforts are constructing a robust framework for quality valuations that serve economies across the globe. Thank you for being part of this important journey.



## IVSC ASIA: REFLECTIONS ON THE FIRST SIX MONTHS

*Annual Report from the  
IVSC Asia Director,  
Nicolas Konialidis*



### **Establishing a new Asia base for IVSC**

Between October 2022 and March 2023, IVSC Asia ramped up its operations, continuing to build our influence across the region. Strategically positioned in Singapore, the office is designed to serve the broader Asian region, highlighting our commitment to the area. Since March 2023, we have initiated the IVSC Asia Committee, chaired by former Indonesia Trade Minister, Gita Wirjawan. Comprising prominent figures from the spheres of valuation, business, and finance from across Asia, this Committee is poised to be a crucial driving force for IVSC's regional endeavours, building robust networks among valuation stakeholders and offering advisory expertise to the IVSC Asia office.

Having dedicated my career to capital markets and, more recently, to business and intangible assets valuation, I understand profoundly the importance of robust and internationally agreed valuation standards. Furthermore, having been based in the region for close to 15 years, I've experienced first-hand the dynamism, vibrancy, and diversity of the Asian economies that the IVSC collaborates with. It's with this backdrop of experience and understanding that I take immense pride in leading the IVSC Asia office.

**IVSC**  
**ASIA**

The official launch of IVSC Asia was honoured by the attendance of Minister Indranee Rajah, Second Minister for Finance. During the event, she underscored the significance of International Valuation Standards for Singapore and the wider region. Her championing of our cause, coupled with the unwavering support from our esteemed sponsors - DBS Bank, the Economic Development Board of Singapore (EDB), Intellectual Property Office of Singapore (IPOS), OCBC Bank, United Overseas Bank, Sea Group, and the Singapore Accountancy Commission (SAC) – has been instrumental in setting up this key office. Their collective belief in our mission has helped the IVSC Asia office garner widespread attention across Singapore and Southeast Asia.

### **Boosting engagement through events partnerships and projects**

With our established base, IVSC Asia has been active in several regional conferences and events. One standout was the IVAS-IVSC Business Valuation Conference in October 2022, centred around "Navigating new frontiers in sustainable value", attended by influential participants, including ISSB Vice Chair, Sue Lloyd.

Our local presence also ensured our involvement in the 24th ASEAN Valuers Association (AVA) Congress in Bali and the "Creating Value" seminar by the Assessors and Registered Valuers Foundation (AaRVF) in Chennai. These engagements have been crucial in solidifying our relationships with key Asian stakeholders.



*IVSC Trustee and Vice Chair, Lim Hwee Hua, opens the IVAS-IVSC Business Valuation Conference*

### **IVAS-IVSC Business Valuation Conference**

The Institute of Valuers and Appraisers, Singapore (IVAS), and the International Valuation Standards Council (IVSC) co-organised the IVAS-IVSC Business Valuation Conference (6 – 7 October 2022), for the sixth year.

The conference themed was 'Navigating New Frontiers to Create Sustainable Value', focused on insights on creating value against the backdrop of pandemic and geo-political developments.

Ms Indranee Rajah, Minister in the Prime Minister's Office, Second Minister for Finance and National Development graced the event as the Guest-of-Honour.

The conference featured over 20 local and international speakers, including Ms Sue Lloyd, Vice-Chair of the International Sustainability Standards Board (ISSB). A total of 875 delegates from 24 countries attended the hybrid conference.



Find out more





Aligning with our mission, IVSC Asia participated in a roundtable with the World Bank in Jakarta in December 2022, discussing valuation of unregistered land, a matter of deep socio-economic importance. This followed our earlier collaboration with the United Nations' Human Settlements Programme in 2018.

The fiscal year concluded with IVSC participating in a meeting of ASEAN representatives facilitated by the UN World Intellectual Property Organisation (WIPO) in Surabaya. This collaboration complements our memorandum with WIPO to advance Intellectual Property valuation practices.

### **Steering the Valuation Landscape**

The establishment of IVSC Asia has also broadened our interactions and engagement with regional entities. Among the most noteworthy developments has been our collaboration with APEC, a network dedicated to fostering business, trade, and investment across countries in the region.

Our involvement with APEC's Business Advisory Council (ABAC) has seen us invited to participate in several round tables and virtual events. This relationship, which seeks IVSC input on the topic of enhancing valuation practices across APEC countries builds on earlier support for IVS from APEC finance ministers in 2016. Our contribution to this ongoing workstream will be reflected in the report that will be submitted to the ministers in November 2023.

Separately, we have also been promoting a Business Valuation profession in Hong Kong, working closely with regulators, VPOs, and other principal bodies. This initiative has been gaining momentum over the six months and will remain an area of focus for us into the next reporting period.

In addition to our policy and regulatory engagements, we have also pursued educational initiatives. These encompass esteemed institutions such as UTM, Singapore Management University, and the University of Sydney.

Our long-standing association with the Intellectual Property Office of Singapore (IPOS) remains robust. We've engaged in events tied to the new Intangibles Disclosure Framework which aims to boost the visibility and commercial viability of intangible assets. This aligns with the Singapore IP 2030 strategy led by IPOS.

### **Board Meetings: Harnessing Regional Expertise**

IVSC Asia seeks to facilitate regional expertise into our standard-setting process. March saw the IVSC's Standard Review Board (SRB) meet in Singapore, kindly hosted by IVSC sponsor, KPMG. This gathering led to key conversations on the evolution of our standards and fostered ties with key stakeholders including the Institute of Valuers and Appraisers of Singapore (IVAS), and sovereign wealth funds Temasek and GIC.

Concurrently, our Business Valuation Board and Tangible Assets Board convened in Sydney, engaging with local establishments and regulatory bodies, such as the Australian Property Institute (API), Chartered Accountants of Australia and New Zealand (CAANZ), the Australian Tax Office (ATO), the Australian Institute of Valuers (AVI), the Auctioneers and Valuers Association of Australia (AVAA) and the Australian Securities & Investments Commission (ASIC).

### Looking ahead

The first six months of IVSC Asia's operations have been busy as it sought to establish itself and amplify the IVSC's message while leveraging the organisation's strong reputation. Furthermore, with the establishment of the IVSC Asia Committee, spearheaded by esteemed figures, we foresee an enhanced engagement and influence in the regional valuation landscape. Looking forward, we expect our outreach to spread to other jurisdictions and for these efforts to start bearing fruit, with the support of our sponsors and members.

*“We are glad that IVSC has chosen to partner Singapore in setting up its Asia office, and look forward to working with IVSC, and other international partners, to develop the business and financing ecosystem in the region.”*

**Edwin Tong**, Second Minister for Law and Co-Chairperson of the Singapore IP Strategy 2023 Steering Committee



With thanks to

# OUR SPONSORS

The IVSC is proud to be sponsored by the following organisations:



Sponsors play an essential role in supporting the mission of the IVSC. They share a belief that raising standards of international valuation practice is of benefit to the wider public interest. Better standards improve the transparency and stability of financial markets, contribute to the growth of stronger economies, and lead to improved confidence for investors and users of valuation services.



With thanks to

# IVSC ASIA SPONSORS

IVSC Asia Pte is proud to be sponsored by the following organisations:



Sponsors serve as the foundational pillar for the ambitions of IVSC Asia. These pioneering organisations have not only pledged their support to establish and grow IVSC Asia's presence, but they have also exhibited a dedication to upholding the pinnacle of standards and professionalism in valuation across the region. Their shared belief is that enhancing the standards of valuation practice in Asia has implications far beyond business boundaries - it fosters greater transparency and stability within financial markets, drives regional economies forwards, and instils heightened confidence among investors and users of valuation services. The IVSC is honoured and thankful for their enduring commitment and backing.

IVSC is grateful to the organisations that have now joined as members of IVSC Asia:





MARCELO BARBOSA\*\*  
**BRAZIL**



MARY BARTH\*\*  
**USA**



KATHLEEN CASEY\*  
**USA**



ANTON COLELLA\*  
**UK**



ALISTAIR DARLING (CHAIR)  
**UK**



ANA MARIA ELORRIETA  
**ARGENTINA**



JAY E. FISHMAN  
**USA**



ZHANG GENGHUA  
**CHINA**



HWEE HUA LIM (VICE CHAIR)  
**SINGAPORE**



ALAN JOHNSON\*  
**PORTUGAL**



JAPHETH KATTO\*\*  
**UGANDA**



ISEO PASQUALI  
**CANADA**



AIKO SEKINE  
**JAPAN**



NARAYAN K. SESHADRI\*\*  
**INDIA**



RANJIT SINGH  
**MALAYSIA**

\*TERM ENDED OCT 2022  
\*\*NEWLY APPOINTED

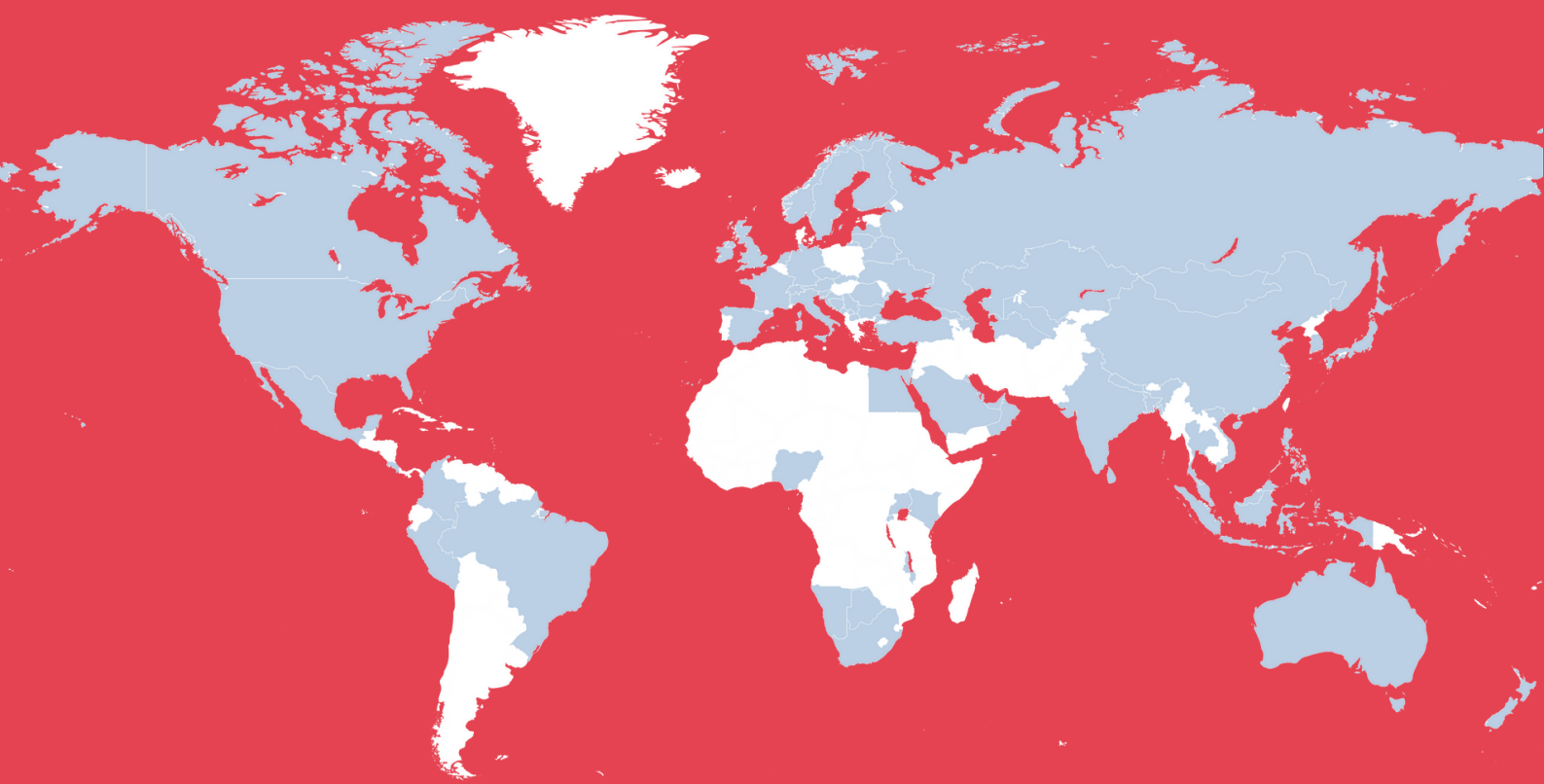


Click to read bios



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# 192 MEMBER ORGANISATIONS IN 2022-23



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In 2022-23 the IVSC welcomed

## 17 NEW MEMBER ORGANISATIONS



In 2022-23

## IVSC MEMBER ORGANISATIONS



2022-23

## IVSC MEMBER ORGANISATIONS

- 414 Capital Inc
- 73 Strings SAS
- ACCYBER
- Agency for Land Relations and Cadastre of the Republic of Moldova
- Al Muheet Institute
- All India Institute of Valuers Foundation
- American Institute of Certified Public Accountants (AICPA)
- American Society of Appraisers
- Appraisal Foundation
- Appraisal Institute (US)
- Appraisal Institute of Canada
- Asociación Profesional de Sociedades de Valoración (ATASA)
- Asociacon Espanola de Analisis de Valor
- Association of Appraisal Organisations of Uzbekistan
- Association of Certified Appraisers Bosnia Herzegovina
- Auctioneers & Valuers Association of Australia
- Australian Institute of Business Brokers
- Australian Property Institute (API)
- Australian Valuers Institute
- Austrian Chamber of Tax Advisors and Public Accountants (Kammer der Steuerberater und Wirtschaftsprüfer)
- AVISTA Valuation Advisory Ltd
- Azerbaijan Society of Appraisers
- Bangladesh Survey & Valuation Companies, Firms & Individual Concerns Association
- BDO
- Berkeley Research Group (BRG)
- Bloomberg
- Bosnian & Herzegovinian Property Association
- Brand Finance
- Bureau for Court Expertise, Republic of Macedonia
- Business Valuation Resources
- CBV Institute
- CEV Integral Appraisers Foundation RVO
- CFA Institute
- Chamber of Professional Valuers Bulgaria
- Chamber of Valuers of Montenegro
- Chamber of Valuers of the Republic of North Macedonia
- Chartered Accountants of Australia and New Zealand
- Chartered Valuation Analyst (CVA) Institute
- China Appraisal Society
- Claro Real Estate Company
- Compagnie Nationale des Commissaires aux Comptes
- Conselho Federal de Corretores de Imóveis
- Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (CNDCEC)
- Consiglio Nazionale Geometri Italy
- Costa Rican Valuation Institute (ICOVAL)
- CPA Australia
- Croatian Society of Valuers/Appraisers - HRVATSKO DRUŠTVO PROCJENITELJA
- DBS Bank Ltd
- Deloitte
- Department of Municipal Affairs, Emirate of Abu Dhabi
- DFK International
- Divya Jyoti Valuers Foundation
- Dubai Land Department
- Economic Development Board of Singapore (EDB)
- Egyptian Association of Real Estate Appraisers
- Ernst & Young



- Estate Surveyors and Valuers Registration Board of Nigeria
- European Association of Certified Valuers and Analysts (EACVA)
- European Mortgage Federation - Covered Bond & Mortgage Council
- EverEdge Global
- Federación de Colegios de Valuadores, A.C. (FECOVAL)
- Federation Francaise des Experts en Evaluation
- Financial Reporting Council Bangladesh
- Finnish Association for Real Estate Valuation
- Grant Thornton
- Greater China Appraisal Hong Kong
- Harvest Investments Ltd
- Hong Kong Institute of Surveyors
- Houlihan Lokey
- HypZert GmbH
- IACVS (Int Association of Certified Valuation Specialists)
- ICMAI Registered Valuers Organisation
- IIV India Registered Valuers Foundation
- INDAABIN
- Independent Valuers Society of Georgia NNLE
- Indian Institute of Corporate Affairs
- Indonesian Society of Appraisers
- Institut der Wirtschaftsprüfer
- Institut des réviseurs d'entreprises (IRE) – Instituut van de bedrijfsrevisoren (IBR) (Institute of Registered Auditors)
- Institute for Mergers, Acquisitions and Alliances GmbH
- Institute of Certified Accountants of Montenegro
- Institute of Chartered Accountants in England & Wales (ICAEW)
- Institute of Chartered Accountants of Bangladesh
- Institute of Chartered Accountants of India
- Institute of Chartered Valuers Bangladesh
- Institute of Company Secretaries of India
- Institute of Cost Accountants of India
- Institute of Finance, School of Business, University of Applied Science and Arts Northwestern Switzerland
- Institute of Philippine Real Estate Appraisers (IPREA)
- Institute of Real Property Valuers in Rwanda
- Institute of Valuers & Appraisers of Singapore / Accounting and Corporate Regulatory Authority
- Institute of Valuers, Sri Lanka
- Institution of Surveyors of Kenya
- Institution of Surveyors of Uganda
- Institution of Valuers India
- Institution of Valuers India Registered Valuers Foundation
- Instituto Brasileiro Avaliadores (IBAPE)
- Intellectual Property Office of Singapore (IPOS)
- International Association of Assessing Officers (IAAO)
- International Institute of Business Valuators
- International Real Estate Valuer, owned by Emad Alfaraj
- Israel Real Estate Appraisers Association
- Japan Association of Real Estate Appraisers
- Japanese Institute of Certified Public Accountants
- Jones Lang LaSalle
- JPA Group
- KAF Institute
- Korea Association of Property Appraisers
- Korean Institute of Certified Public Accountants
- KPMG
- Kroll
- Latvian Assoc of Appraisers
- Leventhal School of Accounting, University of S California
- Lincoln International LLP
- Luxembourg Valuation Professionals Association
- Malaysian Institute of Accountants
- Mazars
- Ministry of Agriculture, Water and Land Reform, Namibia





- Mongolian Institute of Certified Appraisers
- Multilateral Investment Guarantee Agency
- Mynarski International Valuation
- Nanyang Technological University
- National Association of Romanian Valuers (Asociatia Nationala a Evaluatorilor Autorizati din Romania)
- National Association of Valuers of Serbia
- National Council for Real Estate Investment Fiduciaries (NCREIF)
- National Forensic Bureau of Georgia
- Nederlands Register Vastgoed Taxateurs
- Nepal Valuers' Association
- Nigerian Institute of Estate Surveyors and Valuers
- Norsk takst/Norwegian Surveyors and Valuers Association
- OCBC Bank
- Office of the Valuer General (South Africa)
- Organismo Italiano di Valutazione (OIV)
- Pan-Ukrainian Association of Valuation Specialists (PUAVS)
- Panamerican Union of Valuation Associations
- Philippines Association of Realty Appraisers
- Philippines Bureau of Local Government Finance
- Practising Valuers Association of India
- Price Management Dept, Min of Finance Vietnam
- Property Institute of New Zealand
- Public Investment Fund
- PwC
- Real Estate Development and Management, Ankara University
- Real Estate Institute of Botswana
- Real Estate Regulatory Authority, Bahrain
- Real Quality Rating (RQR)
- Registro Nacional de Avaluadores Columbia
- Royal Institution of Chartered Surveyors (RICS)
- Royal Institution of Surveyors Malaysia
- RSM Botswana
- Russian Society of Appraisers
- Samfundet för fastighetsekonomi i Sverige AB
- Saudi Authority for Accredited Valuers (Taqeem)
- Savills (UK) Ltd
- Sea Ltd/Garena Online Pte Ltd
- Self-Regulated Inter-regional Appraisers Association Russia (SIAA)
- Shanghai Orient Appraisal Company
- SIDREA (Italian Association of Professors in Accounting & Business Administration)
- Singapore Accountancy Commission (SAC)
- Singapore Institute of Surveyors and Valuers
- Slovenian Institute of Auditors
- Society of Chartered Surveyors Ireland
- South African Council for Property Valuers Profession (SACPVP)
- South African Institute of Chartered Accountants (SAICA)
- South African Institute of Valuers
- SPARTA FİNANSAL DANIŞMANLIK ANONİM ŞİRKETİ ( SPARTA & CO)
- Stout Rossius
- Surveyors Institute of Sri Lanka
- Swiss Institute of Real Estate Appraisal (SIREA)
- Taqeeem Advisory
- Technical Appraisers Corps of Peru (Cuerpo Tecnico de Tasaciones del Peru)
- Techno India University, West Bengal
- Technology University Dublin, School of Surveying and Construction Management
- Thai Valuers Association
- The Authority of Audit, Accounting, Property Valuation and Insolvency Management Lithuania
- The Chamber of Professional Independent Appraisers Kazakhstan
- Tokyo Financial Advisors Co Ltd
- Turkish Appraisers Association



- Ukrainian Federation of Appraisers of Business and Intellectual Property (FOBIS) and Association of Bank Appraisers of Ukraine (ASBOU)
- Ukrainian Society of Appraisers
- Union of Accountants, Auditors & Financial Workers of Federation of Bosnia & Herzegovina
- Union of Economists of Turkmenistan
- United Overseas Bank Ltd
- University of Economics, Prague
- University of Malawi - The Polytechnic
- Valuación Operativa y Referencias de Mercado S.A. de C.V.
- Valuation Research Corporation
- Valuers & Experts Professional Development Centre
- Valuing IP Pte Ltd
- WU (Vienna University of Economics & Business) Financial Accounting and Auditing Group



INTERNATIONAL VALUATION STANDARDS COUNCIL

# REPORTS: STANDARDS BOARDS

*Photo: Rengganis Kartomo of the IVSC's Tangible Assets Board*



## STANDARDS REVIEW BOARD



MAURO BINI  
**ITALY**



SUSAN DUROSS  
(CHAIR)  
**USA**



BEN ELDER\*  
**UK**



ROY FARTHING  
**AUSTRALIA**



RICHARD HAYLER  
**UK**



KIM HILDEBRANDT\*\*  
**AUSTRALIA**



IAN JEDLIN  
**AUSTRALIA**



DAVID LARSEN  
**USA**



THOMAS LEE  
**CANADA**



COLIN MARTIN  
**UK**



ANDREAS OHL\*  
**USA**



OLIVIER PERONNET  
**FRANCE**



AHMED SABRY\*  
**SAUDI ARABIA**



RICHARD STEWART\*\*  
**AUSTRALIA**



MARK ZYLA\*  
**USA**



ALEXANDER ARONSOHN  
**TECHNICAL DIRECTOR**

\*TERM ENDED 2022-23

\*\*APPOINTED 2023-24

## BUSINESS VALUATION BOARD



WOLFGANG  
BALLWIESER  
**GERMANY**



ROBERT  
BOULTON\*  
**CANADA**



TAKAKO  
IWATA  
**JAPAN**



JAN  
MAREK  
**CZECH REPUBLIC**



DIANA  
NIKOLAEVA\*  
**BULGARIA**



ANDREAS OHL\*  
**USA**



HENK  
OOSTERHOUT  
**NETHERLANDS**



KEVIN PRALL\*\*  
**USA**



JAY SHAW  
**NEW ZEALAND**



RICHARD  
STEWART  
(CHAIR)  
**AUSTRALIA**



NICOLAS KONIALIDIS  
**TECHNICAL DIRECTOR**

\*TERM ENDED MARCH 2023

\*\*APPOINTED MARCH 2023

## FINANCIAL INSTRUMENTS BOARD



RAGVEER BRAR  
**UK**



TOSHIYUKI KITANO  
**JAPAN**



THOMAS LEE  
(CHAIR)  
**CANADA**



LARRY LEVINE  
**USA**



CINDY MA  
**USA**



MARCUS  
MORTON  
**UK**



FERNANDA  
DIAZ RODRIGUEZ  
**MEXICO**



BEN RYAN  
**USA**



MANISH  
SAXENA  
**INDIA**



STEPHANIE  
SPARVERO  
**USA**



DOUG SUMMA  
**USA**



KUMAR DASGUPTA  
**TECHNICAL DIRECTOR**

\*TERM ENDED FEB 2021

\*\*TERM ENDED MARCH 2021

## TANGIBLE ASSETS BOARD



BEN ELDER\*  
**UK**



BRENDAN  
GALLAGHER  
**CANADA**



JAMES GAVIN  
**USA**



DIRK HENNIG\*  
**GERMANY**



KIM  
HILDEBRANDT  
(CHAIR)  
**AUSTRALIA**



RENGGANIS  
KARTOMO\*  
**INDONESIA**



MOLEFI KUBUZIE  
**SOUTH AFRICA**



SANDIP  
KUMAR DEB  
**INDIA**



CK LAU  
**HONG KONG**



EDUARDO ROTTMAN  
**BRAZIL**



LUDMILA  
SIMONOVA  
**UKRAINE**



ALEXANDER  
ARONSOHN  
**TECHNICAL DIRECTOR**

\*TERM ENDED MARCH 2023

\*\*APPOINTED MARCH 2023





# STANDARDS REVIEW BOARD

*Photo: Professor Mauro Bini of the IVSC's Standards Review Board*



**Susan DuRoss, Chair**

As the Chair of the Standards Review Board (SRB), it is my pleasure to provide an update on our activities for the period of 2022-2023. This year, we maintained the schedule of our monthly virtual meetings, and, as pandemic restrictions lessened, had the opportunity to meet in person on three separate occasions in London, Singapore, and Fort Lauderdale. These in-person meetings facilitated comprehensive and focused discussions on standard setting.

Our primary focus over the year was the completion of the IVS Exposure Draft. This was achieved through a stringent process, which involved incorporating feedback from Asset Boards on the IVS General Standards and assessing proposed amendments to the Asset Standards.

Our objective is to improve the coherence and applicability of the IVS for all stakeholders involved in the valuation process, including financial institutions, investors, and regulators.

The task also involved aligning proposed revisions with current market needs. This included accommodating ongoing changes in global markets, the increased use of technology and data sources, the expanding role of specialists and service providers in valuations, meeting demands for transparency in valuation processes, managing valuation risks, and addressing emerging assets or liabilities such as environmental, social, and governance (ESG) factors.

In conjunction with our work on the IVS Exposure Draft, we published several perspective papers to provoke discussion on critical issues, and in some instances, to lay the groundwork for standard setting. We covered a variety of topics, from intangible assets such as human labour and brand value, to the definition and estimation of social value, along with results from our ESG survey.

ESG considerations continued to be a central theme this year. While the integration of ESG into the valuation process has been a subtle requirement in IVS, we made concerted efforts to introduce more explicit requirements related to ESG in the IVS Exposure Draft. These spanned multiple domains, including Scope of Work, Valuation Approaches, and Documentation and Reporting.

Parallel to our standard-setting work, we carried out an ESG survey and published ESG-related perspective papers, which have been well received. We also engaged in dialogues and presentations on ESG, contributing to sustainability-related consultations and publishing articles on ESG-related topics.

The year witnessed several significant changes to the Board's composition. Mark Zyla, the previous Chair, and members Ben Elder and Ahmad Sabry concluded their terms. I assumed the role of Chair in March, and Ian Jedlin was appointed as Vice Chair. From April 2023, we look forward to welcoming a number of new members to the Board. Following these changes, we will conduct a complete review of our Working Groups to ensure they adequately mirror current market needs and reflect the skills and interests of the board members.

We see market engagement as a critical part of our function. This year allowed us to interact in person with stakeholders and standard setters after a period of solely virtual interactions. Our engagements included presenting to IOSCO Committee 1 and connections with various global organisations.



# OICU-IOSCO

*"Valuations are an important component of sound capital markets, but valuers are regularly not overseen by securities regulators. As a first step, IOSCO intends to deepen its understanding of current issues and standards within this area by engaging closely with the IVSC to understand their standards and standard-setting process."*

Ashley Alder, IOSCO Board Chair



Find out more





In the coming year, we aim to publish the revised IVS and provide a summary of consultation responses. The IVS Agenda Consultation for 2024 will explore potential future topics such as Artificial Intelligence and ESG, with an objective to address stakeholder concerns and priorities.

I would like to express my sincere appreciation to all members of the Board and the members of the three technical boards and working groups for their dedication, expertise, and commitment to the development of new standards and perspectives papers. I extend special thanks to our outgoing Chair, Mark Zyla, and board members Ben Elder and Ahmad Sabry for their significant contributions to the development of the IVS, perspective papers, and market engagement over the past six years.







# BUSINESS VALUATION BOARD

*Photo: Takako Iwata of the IVSC's Business Valuation Board*

**Richard Stewart OAM, Chair**

In my role as Chair of the Business Valuation Board (BVB), it is my privilege to share with you the significant milestones and changes that have taken place in the period of April 2022 to March 2023.

This year, our Board underwent a significant change. We bid farewell to Robert Boulton, Diana Nikolaeva, and former Chair, Andreas Ohl, as they concluded their terms on the Board. I took over as Chair of the BVB in July 2022, and in October we welcomed Nicolas Konialidis, the IVSC Asia Director, as Technical Director to the BVB based in Singapore. Nicolas takes over from Kevin Prall, who will join as a full member of the BVB from April 2023, at which point we look forward to welcoming seven new board members. Following these changes, the Board will have a full complement of fourteen members.

The Business Valuation Board adopted a gradualist approach in its contribution to the evolution of the IVS. The Board already made significant changes and additions in the technical standards under its purview, IVS 200 to IVS 230, in earlier revisions. However, in the run-up to the exposure draft consultation, we assessed the existing IVS 2022 to reflect current best practices in business valuation, intangible assets, non-financial liabilities, and inventories. Based on feedback from stakeholders in key jurisdictions suggesting a temporary stability in the standards for better adoption, the Board refrained from proposing any significant changes to IVS 200 to IVS 230 for the 2024 revisions.

Recognising the rapidly changing technological landscape and evolving sustainability standards, the Board continued its series of Perspective Papers on intangible assets. This year, we published two papers. The first one on Human Capital, examined its value generation for organisations and how investors and valuers measure such value. The second paper, "Rethinking Brand Value," analysed the role of brands and reputation in value creation. Both papers saw several thousand downloads, signifying their relevance and utility.

We are also preparing a Perspective Paper on the Valuation of Technology scheduled for release after the end of the fiscal year and anticipate further exploration into the valuation of intangible assets.





We held an in-person meeting in Australia in March 2023, alongside the IVSC's Tangible Asset Board. The discussions from this meeting are expected to culminate in a Perspective Paper in fiscal year 2024. This meeting also provided an opportunity for us to engage with local stakeholders, including the Australian Tax Office and the Australian Securities and Investment Commission (ASIC), a member of IOSCO.

Members of the BVB participated in several roundtables and events centred on sustainability and Environmental, Social, and Governance (ESG) themes. For instance, the IVSC-IVAS (Institute of Valuers and Appraisers, Singapore) conference in October 2022 themed "Navigating New Frontiers to Create Sustainable Value" was a significant highlight.

With our full complement of motivated board members, the Business Valuation Board is ready and able to participate in ongoing evolutions in valuation practices. We are determined to maintain the highest standards in business valuation, adapt to emerging trends, and contribute significantly to the IVSC's global mission.

In conclusion, I want to express my sincere appreciation to all the BVB Members, both past and present, for their exceptional contribution to the work of the Board, the IVSC, and the global valuation profession.

*"Within EY, ensuring that we follow IVS consistently across our network, as well as continuing to be cognisant of any other local guidance, is a great way to establish a common framework for approaching valuations."*

Find out more



**ADRIAN NICHOLLS**  
GLOBAL VALUATION, MODELING  
& ECONOMICS LEADER



*Photo: CK Lau of the IVSC's Tangible Assets Board*

# FINANCIAL INSTRUMENTS BOARD





**Thomas Lee, Chair**

With effect from 31st March 2022 Gavin Francis stepped down as chair of the Financial Instruments Board (FI Board) whilst remaining as an active member. I assumed the role of chair of the FI Board from 1st April 2022. During the year, the FI Board focussed on addressing comments received on the first Exposure Draft on IVS 500 that contained the proposals on Governance and Data and finalising the new sections on Methods and Models and Controls.

The deliberations on each section of the Exposure Draft were taken up, by separate working groups.

The respective working groups addressed comments received on the sections on Governance and Data, whilst the working groups on Methods and Models and Controls focussed on developing the material to be included in the forthcoming Exposure Draft. Each working group was chaired by a Board member with participation from external experts in each area.

One of the focus areas was to ensure that all the proposed sections were consistent with the Valuation Process approach adopted in IVS 500. The Valuation Process approach structures the guidance in the Standard around the valuation process or steps entities need to follow for the valuation of financial instruments. The FI Board decided on a Valuation Process approach to ensure a smooth implementation process and to enable constituents to determine compliance with the standards. Given the Standards Review Board's adoption of the same principle in developing the general standards on valuations, ensuring consistency of IVS 500 with these proposals was a key objective of the FI Board. During the year the FI Board worked with the Standards Review Board to adapt the proposals in IVS 500 to ensure compliance of the same with the proposals on General Standards. As part of this process, the FI Board reviewed the proposals in the General Standards and amended, where necessary, the proposals in the Exposure Draft on IVS 500 to ensure consistency.

The lead board members from each of the Working Groups along with other key members met in person in London on the 5th and 6th of December 2022. At the meeting each section was discussed and reviewed by the group to ensure overall consistency with the objectives of IVS 500 and the requirements between each of the four sections of the Exposure Draft.

The FI Board expects to publish the final and complete Exposure Draft on IVS 500 in April 2023.

The Board has continued to work diligently to address the valuable feedback received from the first Exposure Draft, and to develop materials for the new sections in the forthcoming second Exposure Draft. I would like to take this opportunity to express my gratitude to all Board members, as well as members of our Working Groups, and to IVSC Technical Director, Kumar Dasgupta, for their continued invaluable contributions.







# TANGIBLE ASSETS BOARD

*Photo: Sandip Kumar Deb of the IVSC's Tangible Assets Board*

**Kim Hildebrandt, Chair**

As the Chair of the IVSC Tangible Assets Board (TAB), it's with great pleasure that I present an update as part of our Annual Report for 2022-2023.

This year has been marked by significant transitions within our Board. I moved into the role of Chair in March, and was joined by Sandip Kumar and James Gavin who assumed the positions of vice chairs. In April 2023, we will welcome four new board members to the TAB and we look forward to drawing on their perspectives and vast knowledge.

Our main project this year involved the revision of the General Standard and Tangible Asset Standards (IVS 300 Plant and Equipment, IVS 400 Real Property Interests, and IVS 410 Development Property).

We will launch a public consultation on proposed changes to the standards in April 2023, and have formed three dedicated Working Groups to develop and draft a range of revisions for the consultation.

While the legacy of virtual working continues to facilitate our collaboration across time zones, we've also relished the opportunity to reconnect in person at meetings in Australia and the IVSC AGM in Fort Lauderdale.

Our focus areas this year have ranged from IVS General Standards Revisions, IVS Asset Standards Revisions, IVS Agenda Consultation, ESG, Prudential Value, AVMs and Residential Valuation, Public vs Private Markets, to market engagement intensification.

We've made significant progress in enhancing the IVS General Standards in conjunction with the Standards Review Board, and have also carried out a number of amendments to IVS 300 Plant, Equipment, and Infrastructure, and IVS 400 Real Property Interests. Preparations are underway for the Agenda Consultation set to be published in 2024.

On the ESG front, we published our first Perspective Paper on ESG and Real Estate Valuation, and incorporated ESG references in the IVS Tangible Asset Standards.





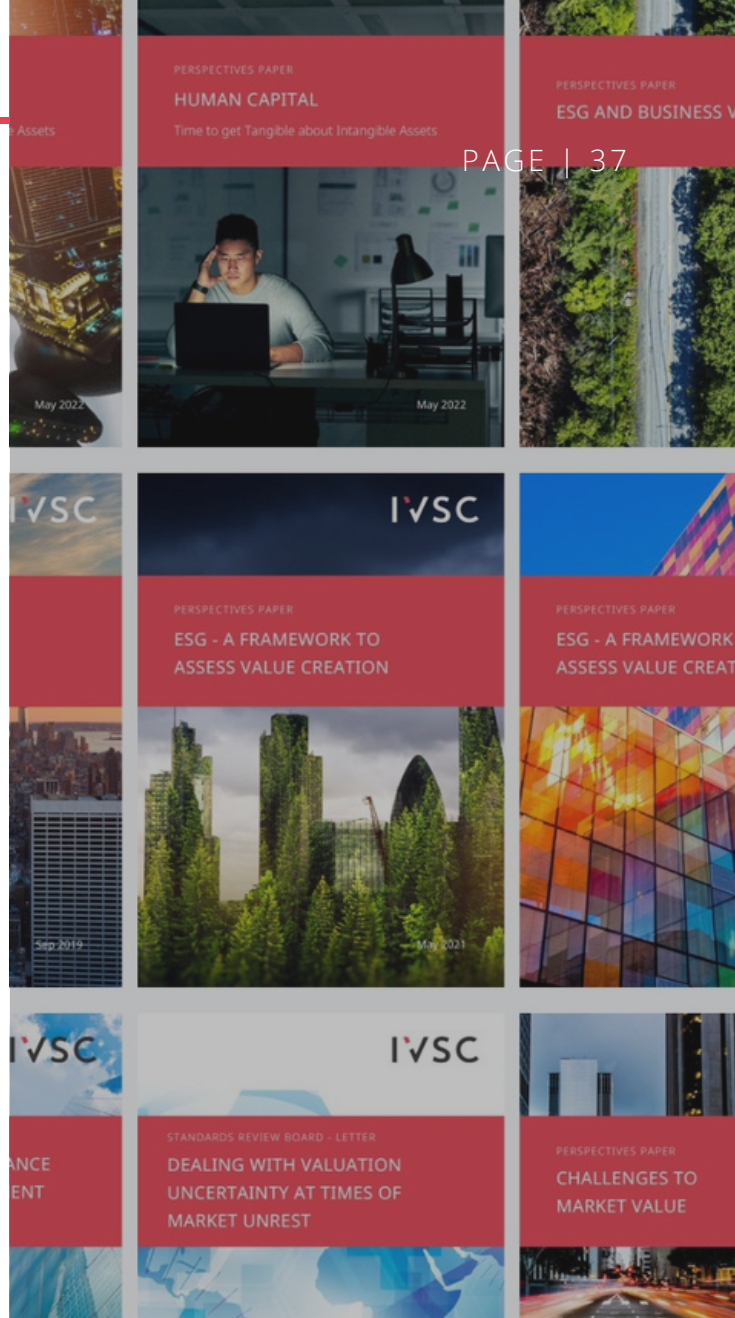
Additionally, we have been actively considering the valuation challenges relating to Prudential Value (PV) implementation, under the Basel III framework. We also published a perspective paper on AVMs and Residential Valuation, and are working with other boards to consider the disparities between listed prices and NAV's across certain markets and asset classes.

Engaging with stakeholders has been a key aspect of our work, and we've been proactive in ensuring their continued involvement in our work.

As we look to the future, I must recognise our departing board members: Dirk Hennig, Rengganis Kartomo, and notably Ben Elder, who served two full terms as the Chair of the Board. Their contributions have been invaluable, and whilst they'll be missed, their impact will continue to be felt.

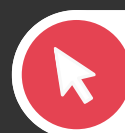
In particular, I wish to express deep gratitude to Ben Elder. His leadership and vision were instrumental in shaping the board's direction, and his efforts have created a strong foundation upon which we can build. As he departs, we honour his immense contributions and thank him for his unwavering commitment to our cause.

As we conclude, I extend my thanks to all TAB members, and to IVSC Technical Director, Alexander Aronsohn, for their dedication and relentless efforts. The accomplishments of this past year stand as a testament to their commitment.



**Perspectives Papers** seek to initiate discussion and debate on some of the most pressing issues shaping valuation. They are authored by representatives of the IVSC's technical boards and published on the website. Perspectives Papers enable us to explore emerging areas of interest and seek early guidance on the relevance of, and potential need for, standards.

In 2022-23 the IVSC issued Perspectives Papers exploring topics including ESG, AVMs and Real Estate Valuation, and Human Capital.



Find out more



INTERNATIONAL VALUATION STANDARDS COUNCIL

# REPORTS:

ADVISORY FORUM WORKING GROUP (AFWG),  
MEMBERSHIP & STANDARDS RECOGNITION  
COMMITTEE (MSRC), AND EUROPE COMMITTEE

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**ADVISORY FORUM WORKING GROUP**

JOHN MARTIN  
(CHAIR)  
**AUSTRALIA**



MUATH ALKHALAF  
**SAUDI ARABIA**



JACK BECKWITH  
**USA**



NEHAMA BOGIN  
**ISRAEL**



DAVID BUNTON  
**USA**



KK CHIU  
**HONG KONG**



GILLES DE  
COURCEL  
**FRANCE**



LEANDRO  
ESCOBAR TORRES\*  
**SPAIN**



VINAY GOEL  
**INDIA**



KARIN LUSNIC  
**SLOVENIA**



REINER LUX  
**GERMANY**



CHEN MING HAI  
**CHINA**



LESLIE SELLERS\*  
**USA**



NEIL SHAH\*  
**USA**



AIDA DEDAJIC  
**TECHNICAL DIRECTOR**



JOHN CLOETE  
**SOUTH AFRICA**



STEVE CHOI  
**USA**



VAL CHIASSON  
**USA**

\*TERM ENDED OCT 2022



**MEMBERSHIP & STANDARDS RECOGNITION BOARD**

ERIC TEO\*  
**SINGAPORE**



DREW DORWEILER  
(CHAIR)  
**CANADA**



DANA ABABEI  
**ROMANIA**



ALLAN BEATTY  
**CANADA**



DR UCHE EGWUATU  
**NIGERIA**



AART HORDIJK\*  
**NETHERLANDS**



DR S GUPTA  
**INDIA**



HAIM MESILATY  
**ISRAEL**



PHIL WESTERN\*  
**AUSTRALIA**



CAO ZHONG  
**CHINA**



PROF VALERY  
YAKUBOVSKY  
**UKRAINE**



BERNADETTE  
GITARI  
**KENYA**



DR FRANK  
HARRINGTON  
**IRELAND**



JAVIER AYALA  
**ECUADOR**



MUGISHA TURYAHIKAYO  
ALLAN  
**UGANDA**



## EUROPE BOARD



YANN MAGNAN  
**FRANCE**



FRANK BOLLMANN  
**GERMANY**



GIAMPIERO  
BAMBAGIONI  
**ITALY**



JESUS VALERO GIL  
**SPAIN**



KARTHIK BALISAGAR\*  
**UK**



MARC BROEKEMA  
**NETHERLANDS**



OLESYA  
PEREPECHKO  
**RUSSIA**



THOMAS  
DIMOPOULOS  
**CYPRUS**



JOSE MANUEL  
GOMEZ DE  
MIGUEL\*  
**SPAIN**



JAVIER ZOIDO  
**IBERIA**



KLAUS RABEL  
**AUSTRIA**



WOLFGANG  
KAELBERER  
**GERMANY**



CHRISTIAN LUFT  
(CHAIR)  
**UK**



PALOMA ARNAIZ  
PÉREZ-VILLAMIL  
**SPAIN**

\*TERM ENDED APRIL 2022

**John Martin, Chair**

Since its inception in 2009, the IVSC Advisory Forum stands as a cornerstone for the global valuation community, now boasting over 170 members.

This year, the Advisory Forum Working Group (AFWG) convened monthly through virtual platforms. Our primary goals centred around amplifying the profession's recognition and setting the stage for the forthcoming consultation on IVS in Summer 2023. This focus was further reflected in our webinars, which delved into 'ESG' and 'Market Value'. These were not just topics of discussion; they were urgent areas of interest flagged by the broader Advisory Forum.

Our February meeting in London was a significant moment, with Val Chiasson from the Appraisal Institute joining us.

As the year progressed, we also welcomed the expertise of Jose Basanez from ATASA. Yet, with new additions came notable departures. Catalina Miranda and Leandro Escobar transitioned to new roles within the IVSC's standard-setting boards, and we bid farewell to Leslie Sellers, whose commitment to the AFWG and IVSC has left an indelible mark over the many years he has been a part of the group.

Webinars continued to be a mainstay of our communication, with attendees spanning six continents. This international participation offers a unique platform for collaboration, fostering deeper discussions on pressing subjects. Through these sessions and our ongoing dialogue, the AFWG has maintained its commitment to VPOs and stakeholders. We've championed open dialogue and strongly advocated for the wider adoption of IVS.

Our profession, much like established fields such as law and medicine, deserves cohesive global recognition. Recognising this, the AFWG is at the forefront, striving to bridge existing divides and bolster our profession's reputation. While the resumption of face-to-face meetings marks a return to normalcy, the utility of virtual interactions cannot be ignored. Now more than ever, the essence of collaboration and open dialogue is paramount.

The diversity within our group, both in expertise and geography, enriches our deliberations, steering us towards innovative solutions.



Through our collective dedication, we're shaping a brighter future for global valuation. I want to express my deep gratitude to all AFWG members and give a special mention to The Appraisal Foundation's Aida Dedajic for her unwavering support.

To conclude, my deepest appreciation goes out to VPOs across the globe. Together with the IVSC, we're solidifying the crucial role our profession plays in the wider world.





**Drew Dorweiler, Chair**

It is my privilege to present the Chairman's report for the Membership and Standards Recognition Committee (MSRC). We're entrusted with the important tasks of enhancing global awareness and promoting the adoption of International Valuation Standards (IVS), whilst also providing supportive guidance to organisations worldwide aiming to implement these standards.

To start with, I express my gratitude to our former Chair, Eric Teo, and members Aart Hordijk and Phil Western, who stepped down from the Committee earlier this year having served their full terms. Their substantial contributions to the MSRC have been instrumental to our work.

We're delighted to welcome our new members, Ahmed Sabry of TAQEEM and Leandro Escobar of ATASA, who have already begun making a significant impact.

Our Committee members have diligently engaged with Associate VPOs, professional organisations, universities, financial institutions, government authorities, and regulatory agencies throughout this year. Their efforts are assisting thirteen Associate VPOs in their journey towards full IVSC membership status and adoption of IVS.

Our reach within sub-Saharan Africa, through the dedicated work of Bernadette Gitari, Allan Mugisha, and Dr. Uche Egwuatu, is helping numerous institutions and authorities appreciate the benefits of adopting IVS. Allan Mugisha, for instance, has been actively discussing with the Uganda Minister of Lands, Housing, and Urban Development, which is in the process of formulating national valuation standards, following its statutory adoption of IVS in 2022.

Meanwhile, Dr. Uche Egwuatu has been maintaining regular contact with the Securities and Exchange Commission of Nigeria regarding its collaboration with IVSC at a local level. Further, our Committee members have extended their support to local stakeholders in newer African markets such as Rwanda and Mauritius, aiming to establish VPOs.





Our outreach isn't limited to Africa; Dr. Sunil Gupta and Javier Ayala have made substantial contributions in their respective regions. Dr. Gupta has been fostering relationships with academic institutions in India to incorporate IVS into their curricula and has collaborated with the Insolvency and Bankruptcy Board of India to develop a valuation certification course.

Javier Ayala's work in Latin America, his participation in UN-organised programs and liaison with the Inter-American Development Bank, highlights the critical role of valuation in supporting ESG concepts.

In the Caribbean, I have had the honour of presenting to the Prime Minister of Antigua, advocating for the adoption of IVS and exploring the potential for establishing a VPO encompassing the Organisation of Eastern Caribbean States.

In March 2023, Dr. Frank Harrington graciously hosted an in-person meeting at Technological University Dublin. One of the highlights of this meeting was a presentation by a guest speaker from Burkina Faso and Canada discussing how IVSC might support the valuation profession in Francophone West Africa, sparking an ongoing dialogue on promoting VPOs, education programs, and qualifying examinations in that region.

Our strategic plans for the upcoming year include the ambitious Targeting Universities project, led by Bernadette, Uche, and Dr. Frank Harrington, aiming to greatly expand our academic network.

In conclusion, I offer my heartfelt thanks to all our Committee members for their steadfast dedication to the MSRC and The IVSC. I'm deeply grateful to Nick Talbot, Richard Stokes, and their team, whose unwavering support greatly amplifies our impact.

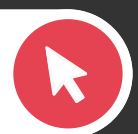


The IVSC issues an **Agenda Consultation** every three years. The feedback to this consultation helps to define the work programmes of the IVSC's technical boards and, ultimately, the evolution of the International Valuation Standards.

The IVSC Agenda Consultation is an integral part of the open and transparent standards-setting process. Feedback is welcomed from organisations and individuals throughout the world.

The IVSC will issue an Agenda Consultation in early 2024.

Find out more



**Christian Luft, Chair**

I am pleased to share an update on the recent activities and upcoming plans of the IVSC Europe Committee, which I have had the honour of chairing since April this year.

In February, we were delighted to welcome Paloma Arnaiz to our group, enhancing our collective knowledge and expertise. Furthermore, Marc Broekema has graciously accepted an invitation to serve as Vice-Chair, providing invaluable support for our collective endeavours. I want to take a moment to appreciate Yann Magnan's leadership since the group's inception in 2020. Yann may have stepped back from the chair role, but his active involvement and experience continues to enrich our committee.

This year, we held a productive in-person meeting in Brussels in August. This meeting provided an excellent platform to discuss future projects, foster collaborations, and reaffirm the Board's aims. We will further refine these aims and objectives over the summer months, ahead of the IVSC's Annual General Meeting in Paris this October.

In an encouraging stride towards greater collaboration, we invited representatives from the European Central Bank (ECB) and the International Sustainability Standards Board (ISSB) to our Frankfurt meeting. We aim to build upon the excellent groundwork laid by Wolfgang Kalbaerer regarding Prudential Value as part of the Basel III framework. Our direct dialogue with the ECB will be essential in addressing any concerns from both a theoretical and practical implementation perspective.

The Board remains committed to fostering deeper engagement with the IVSC's technical standards boards on subjects where we believe we can add value. We plan to liaise more closely with these boards, ensuring our participation is both productive and collaborative. As we prepare for the AGM in Paris, we are eager to develop these connections further. We anticipate becoming more integrated into the development of Perspective Papers and discussing the key valuation topics of the day, from a European perspective.



Our focus remains on promoting the IVSC and IVS through various outreach efforts and channels. This includes increasing our contributions to thought leadership content in journals and various other publications and platforms, as well as through direct engagement with key valuation entities including regulatory authorities and other standard setters.

In this rapidly changing environment where Valuation and Valuation Standards are at the core of business and investment decisions, we approach the future with renewed energy.

I want to express my gratitude to all Committee members for their continued support and engagement.

**"Comparability across jurisdictions around the globe is an overarching principle that policy makers should pursue, as it supports greater transparency and facilitates a better functioning of capital markets."**

**SASKIA SLOMP**

CEO, EUROPEAN FINANCIAL REPORTING  
ADVISORY GROUP (EFRAG)



Find out more

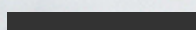






INTERNATIONAL VALUATION STANDARDS COUNCIL

# FINANCIAL STATEMENTS 2023





COMPANY REGISTRATION NUMBER FC030067

INTERNATIONAL VALUATION STANDARDS COUNCIL

FINANCIAL STATEMENTS

31 MARCH 2023



## INTERNATIONAL VALUATION STANDARDS COUNCIL TRUSTEES' REPORT & STATEMENT OF RESPONSIBILITIES YEAR ENDED 31 MARCH 2023

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<b>Company registration number</b>	FC030067
<b>The Board of Trustees</b>	Alistair Darling (Chair) Hwee Hua Lim (Vice Chair) Marcelo Barbosa (from Feb-23) Prof Mary E Barth (from Feb-23) Kathleen Casey (to Sept-22) Anton Colella (to Sept-22) Linda de Beer Ana Maria Elorrieta Jay E Fishman Alan Johnson (to Sept-22) Japheth Katto (from Feb-23) Jacques Potdevin Iseo Pasquali Aiko Sekine Narayan Seshadri (from Feb-23) Ranjit Singh Genghua Zhang
<b>IVSC Audit Committee</b>	Iseo Pasquali (Chair) Ana Maria Elorrieta Lim Hwee Hua
<b>Registered office</b>	200 W. Madison Street, Suite 1500 Chicago, Illinois, 60606 United States of America
<b>Operating office</b>	20 St. Dunstan's Hill London EC3R 8HL United Kingdom
<b>Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW United Kingdom
<b>Bankers</b>	HSBC Bank PLC Sussex Corporate Banking Centre 1 <sup>st</sup> Floor, First Point Buckingham Gate London Gatwick Airport Gatwick West Sussex RH6 0NT United Kingdom





## INTERNATIONAL VALUATION STANDARDS COUNCIL TRUSTEES' REPORT & STATEMENT OF RESPONSIBILITIES YEAR ENDED 31 MARCH 2023

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The Trustees present their report and financial statements for the year ended 31 March 2023.

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The International Valuation Standards Council (IVSC) is the global standard setter for the valuation profession. Its mission is to set and maintain effective, high quality global standards for the performance of valuations by the valuation profession and to contribute to the development of the worldwide valuation profession, thereby serving the public interest.

There have been significant developments in terms of engagement with stakeholders with IVSC now having in the region of 200 members and sponsors, and agreements in place to work with organisations such as IOSCO and WIPO. We are delighted to have been able to initiate a new office in Asia which helps our technical capabilities, and will help in terms of outreach and engagement, our thanks to those involved in making this happen.

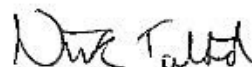
### AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed.

Approved and authorised for issue on 19 June 2023 by the Board of Trustees and signed on its behalf by:



Alistair Darling  
Chairman



Nicholas Talbot  
CEO



## INTERNATIONAL VALUATION STANDARDS COUNCIL TRUSTEES' REPORT & STATEMENT OF RESPONSIBILITIES (CONTINUED) YEAR ENDED 31 MARCH 2023

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The Trustees are responsible for the preparation of the financial statements in accordance with applicable laws and regulations.

The Bylaws of the IVSC require the Trustees to be responsible for the preparation of the financial statements for each financial year. Under the Articles of Incorporation the Trustees have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and applicable law.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the IVSC's financial position, financial performance and cash flows. This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Conceptual Framework for Financial Reporting' issued in March 2018. In virtually all situations, a fair presentation will be achieved by complying with all applicable IFRSs. In preparing these financial statements, the Trustees are also required to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the IVSC's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the IVSC will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the IVSC. They are also responsible for safeguarding the assets of the IVSC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**INTERNATIONAL VALUATION STANDARDS COUNCIL  
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF  
INTERNATIONAL VALUATION STANDARDS COUNCIL  
YEAR ENDED 31 MARCH 2023**

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**Opinion**

We have audited the financial statements of International Valuation Standards Council (the “parent company”) and its subsidiaries (the “group”) for the year ended 31 March 2023 which comprise the consolidated and parent statements of comprehensive income, consolidated and parent statements of changes in equity, consolidated and parent statements of cashflow, and the notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and of the parent group’s affairs as at 31 March 2023 and of the group’s surplus for the year then ended; and
- have been properly prepared in accordance with IFRSs as issued by the IASB.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group’s and parent group’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.





**INTERNATIONAL VALUATION STANDARDS COUNCIL  
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF  
INTERNATIONAL VALUATION STANDARDS COUNCIL (CONTINUED)  
YEAR ENDED 31 MARCH 2023**

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**Other information**

The Trustees are responsible for the other information contained within the Trustees report. The other information comprises the information included in the Trustees report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of the Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 4, the Trustees (who are the directors for Companies Act purposes) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent group or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the IVSC operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.



**INTERNATIONAL VALUATION STANDARDS COUNCIL  
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF  
INTERNATIONAL VALUATION STANDARDS COUNCIL (CONTINUED)  
YEAR ENDED 31 MARCH 2023**

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We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, inappropriate revenue recognition and recoverability of trade receivables. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the trustee's, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustee's those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's trustee's as a body, for our audit work, for this report, or for the opinions we have formed.



Julia Poulter  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
55 Ludgate Hill  
London  
EC4M 7JW

19 June 2023



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**CONSOLIDATED INCOME STATEMENT**  
**YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Income	3	1,654,174	1,533,630
Standard setting and professional development Publications and associated costs	4	(1,605,921) (14,669)	(1,157,714) (37,866)
<b>OPERATING SURPLUS</b>		<b>33,584</b>	<b>338,050</b>
Interest on lease		(3,109)	(1,968)
<b>OPERATING SURPLUS BEFORE TAX</b>	4	<b>30,475</b>	<b>336,082</b>
Tax expense		-	-
<b>SURPLUS FOR THE YEAR</b>		<b>30,475</b>	<b>336,082</b>

There was no other comprehensive income for the year.

**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION INCOME STATEMENT**  
**YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Income	3	1,621,441	1,533,630
Standard setting and professional development Publications and associated costs	4	(1,499,748) (14,670)	(1,157,714) (37,866)
<b>OPERATING SURPLUS</b>		<b>107,023</b>	<b>338,050</b>
Interest on lease		(3,109)	(1,968)
<b>OPERATING SURPLUS BEFORE TAX</b>	4	<b>103,914</b>	<b>336,082</b>
Tax expense		-	-
<b>SURPLUS FOR THE YEAR</b>		<b>103,914</b>	<b>336,082</b>

There was no other comprehensive income for the year.

The notes on pages 14 to 27 form part of these financial statements.





**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED 31 MARCH 2023**

	Retained surplus	Foreign exchange reserve	Total
	£	£	£
Balance at 1 April 2021	1,142,866	70,352	1,213,218
Total recognised surplus for the year	336,082	-	336,082
Balance at 31 March 2022	1,478,948	70,352	1,549,300
Balance at 1 April 2022	1,478,948	70,352	1,549,300
Total recognised surplus for the year	30,475	-	30,475
Balance at 31 March 2023	1,509,423	70,352	1,579,775

**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED 31 MARCH 2023**

	Retained surplus	Foreign exchange reserve	Total
	£	£	£
Balance at 1 April 2021	1,142,866	70,352	1,213,218
Total recognised surplus for the year	336,082	-	336,082
Balance at 31 March 2022	1,478,948	70,352	1,549,300
Balance at 1 April 2022	1,478,948	70,352	1,549,300
Total recognised surplus for the year	103,914	-	103,914
Balance at 31 March 2023	1,582,862	70,352	1,653,214


The notes on pages 14 to 27 form part of these financial statements.



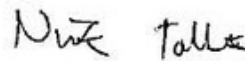
**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	3,236	2,853
Right of use assets	6	8,905	62,337
		<u>12,141</u>	<u>65,190</u>
<b>CURRENT ASSETS</b>			
Inventories		2,072	2,072
Trade and other receivables	11	429,409	307,639
Prepayments and accrued income		26,616	20,761
Cash and cash equivalents	12	2,263,274	1,706,306
		<u>2,721,371</u>	<u>2,036,778</u>
<b>TOTAL ASSETS</b>		<u><u>2,733,512</u></u>	<u><u>2,101,968</u></u>
<b>CAPITAL AND RESERVES</b>			
Retained surplus	17	1,509,423	1,478,948
Foreign exchange reserve	17	70,352	70,352
		<u>1,579,775</u>	<u>1,549,300</u>
<b>CURRENT LIABILITIES</b>			
Deferred income	16	872,690	180,026
Trade and other payables	13	271,661	309,486
Lease liability	15	9,386	53,770
<b>NON-CURRENT LIABILITIES</b>			
Lease liability	15	-	9,386
		<u>1,153,737</u>	<u>552,668</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>2,733,512</u></u>	<u><u>2,101,968</u></u>

The financial statements on pages 8 to 13 were approved by the Board of Trustees and have been authorised for issue on 19 June 2023 and were signed on its behalf by:



Alistair Darling, Chairman



Nicholas Talbot, CEO

Company registration number: FC030067

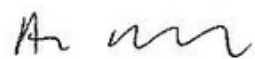
The notes on pages 14 to 27 form part of these financial statements.



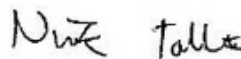
**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED 31 MARCH 2022**

	Notes	2023 £	2022 £
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	1,427	2,853
Right of use assets	6	8,905	62,337
Investments in subsidiaries	7	1	-
		<b>10,333</b>	<b>65,190</b>
<b>CURRENT ASSETS</b>			
Inventories		2,072	2,072
Trade and other receivables	11	429,408	307,639
Prepayments and accrued income		24,294	20,761
Cash and cash equivalents	12	2,263,275	1,706,306
		<b>2,719,049</b>	<b>2,036,778</b>
<b>TOTAL ASSETS</b>		<b>2,729,382</b>	<b>2,101,968</b>
<b>CAPITAL AND RESERVES</b>			
Retained surplus	17	1,582,832	1,478,948
Foreign exchange reserve	17	70,352	70,532
		<b>1,653,214</b>	<b>1,549,300</b>
<b>CURRENT LIABILITIES</b>			
Deferred income	16	182,797	180,026
Trade and other payables	13	246,799	309,486
Amounts owed to group undertakings	14	637,185	-
Lease liability	15	9,387	53,770
<b>NON-CURRENT LIABILITIES</b>			
Lease liability	15	-	9,386
		<b>1,076,168</b>	<b>552,668</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,729,382</b>	<b>2,101,968</b>

The financial statements on pages 8 to 13 were approved by the Board of Trustees and have been authorised for issue on 19 June 2023 and were signed on its behalf by:



Alistair Darling, Chairman



Nicholas Talbot, CEO

Company registration number: FC030067

The notes on pages 14 to 27 form part of these financial statements.





**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total operating surplus	30,475	336,082
Depreciation	55,377	19,263
Interest on leases	3,109	1,968
(Increase)/ Decrease in trade and other receivables	(121,770)	75,195
(Increase) in prepayments	(5,855)	(19,096)
Increase in deferred income	692,664	34,307
(Decrease)/ Increase in trade and other payables	(37,825)	86,876
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>616,175</b>	<b>534,595</b>
Purchase of property, plant and equipment	(2,327)	(1,157)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(2,327)</b>	<b>(1,157)</b>
Payments of lease liabilities	(53,771)	(16,992)
Cash payments for the interest portion of lease liabilities	(3,109)	(1,968)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(56,880)</b>	<b>(18,960)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>556,968</b>	<b>514,478</b>
Opening cash and cash equivalents	<b>1,706,306</b>	<b>1,191,828</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>2,263,274</b>	<b>1,706,306</b>

The notes on pages 14 to 27 form part of these financial statements.



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total operating surplus	103,914	336,082
Depreciation	54,860	19,263
Interest on leases	3,109	1,968
(Increase)Decrease in trade and other receivables	(121,769)	75,195
(Increase) in prepayments	(3,533)	(19,096)
Increase in deferred income	2,771	34,307
(Decrease)/ Increase in trade and other payables	(62,687)	86,876
Increase in amounts due to group undertakings	637,185	-
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>613,850</b>	<b>534,595</b>
Purchase of property, plant and equipment	-	(1,157)
Investment in subsidiary	(1)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(1)</b>	<b>(1,157)</b>
Payments of lease liabilities	(53,771)	(16,992)
Cash payments for the interest portion of lease liabilities	(3,109)	(1,968)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(56,880)</b>	<b>(18,960)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>556,969</b>	<b>514,478</b>
Opening cash and cash equivalents	1,706,306	1,191,828
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>2,263,275</b>	<b>1,706,306</b>

The notes on pages 14 to 27 form part of these financial statements.



## INTERNATIONAL VALUATION STANDARDS COUNCIL ORGANISATION STATEMENT OF CASH FLOWS YEAR ENDED 31 MARCH 2023

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### 1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS

The International Valuation Standards Council (the "Organisation") was incorporated on 1 April 2004 as a not-for-profit corporation in Illinois, USA.

The IVSC was registered on 15 February 2011 under the Companies Act 2006, with company registration number FC030067, as having an establishment in the United Kingdom.

On 21<sup>st</sup> January 2022 the Organisation incorporated a subsidiary, IVSC Asia Ltd as a not-for-profit organisation established in Singapore with registration number 202202713R. The registered office is 55 Newton Road, #03-02, Revenue House, Singapore (307987).

#### Basis of preparation

The Group and Organisation financial statements have been prepared in accordance with International Financial Reporting Standards published by the International Accounting Standards Board (IFRS) and applicable law.

The Group is funded principally through members' subscriptions and additionally through sponsorships and donations. Management produce annual budgets and forecasts and, additionally, regular management information which is reviewed by the trustees during the course of the year.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in the financial statements.

The principal accounting policies adopted by the Group are set out in note 2. The policies have been consistently applied to all years presented, unless otherwise stated.

#### Basis of consolidation

The group financial statements consolidate the accounts of the Group and its subsidiary undertaking made up to 31<sup>st</sup> March 2023. The consolidated statement of comprehensive income includes the results of all subsidiary undertakings for the period from the date on which control passes. Control is achieved where the Organisation obtains the power to govern the financial and operating policies of an investee entity so as to derive benefits from its activities. All significant intra-group transactions, balances, income and expenses are eliminated on consolidation.

#### Subsidiary organisation

Investment in subsidiaries is stated in the financial statements of the Organisation at cost less any provision for impairment losses. The financial statements of subsidiaries acquired are consolidated in the financial statements of the Group from the date that control commences until the date of control ceases, using the acquisition method of accounting.





## INTERNATIONAL VALUATION STANDARDS COUNCIL

### ORGANISATION STATEMENT OF CASH FLOWS

#### YEAR ENDED 31 MARCH 2023

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## 2. ACCOUNTING POLICIES *(continued)*

### Revenue recognition

Revenue is recognised in accordance with IFRS 15 when a performance obligation is satisfied on provision of services to a member and or sponsor. For a performance obligation satisfied over time, IVSC measures performance obligations as the provision of membership benefits, and period in which they are provided. All such revenue is reported net of discounts and value added and other sales taxes. The Group has recognised revenue through various forms as detailed below.

### Donations and sponsorships

Donations and sponsorships are recognised in accordance with the period stated in the donor or sponsor agreement.

Income relating to sponsorship periods which fall beyond the financial year end are recognised as deferred income.

### Membership subscription fees

Membership subscription fees are recognised in accordance with the membership subscription period (1 April to 31 March).

Income relating to membership periods which fall beyond the financial year end are recognised as deferred income.

### Publications

Publications income is recognised when the control of ownership of the goods have passed to the buyer and the amount of income can be measured reliably.

### Royalties

Royalty income arising from the use of the intangible property rights of the Group is accounted for in accordance with the relevant contracts for the use of those rights by third parties.

### Foreign currency exchange

Transactions in currencies other than the functional currency of the Group are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Gains and losses arising on retranslation are included in net surplus or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

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**2. ACCOUNTING POLICIES** *(continued)*

**Tax**

For UK tax purposes, the IVSC has sought and received confirmation from HM Revenue and Customs that all income received from members is not taxable. The IVSC is only subject to corporation tax on its surplus from interest receivable and other income.

For US tax purposes, the IVSC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Contributions to the IVSC are deductible for income tax purposes within limitations of the law.

For Singapore tax purposes, the IVSC has sought and received confirmation from The Inland Revenue Authority of Singapore ("IRAS") that all income received from members is taxable. The IVSC is therefore subject to income tax on any taxable surplus achieved by IVSA Asia Ltd.

**Property, plant and equipment**

Items of fixtures, fittings and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses. All tangible fixed assets are depreciated over their estimated useful lives using the straight-line basis.

Furniture, fittings and equipment are depreciated on a straight-line basis over three years.

**Lease Accounting**

The Group's annual financial statements have continued to apply IFRS 16 Leases. Last year, the Group entered into an 18-month lease period (which was due to expire in May 2023) and therefore adopted IFRS 16. The Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use lease is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before commencement date plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the incremental borrowing rate of the Council. The incremental borrowing rate used for discounting at the date of transition for property is 8%.

The Group have since renewed the lease (which was due to expire in May 2023 and has been extended to May 2024) for a period of 12 months. The Council therefore expects to elect to take the exemption from IFRS16 for short leases (being less than 12 months) and account for leases as operating leases whereby lease payments associated with these leases were expensed on a straight-line basis over the lease term in 2024.



## INTERNATIONAL VALUATION STANDARDS COUNCIL

### ORGANISATION STATEMENT OF CASH FLOWS

#### YEAR ENDED 31 MARCH 2023

#### 2. ACCOUNTING POLICIES *(continued)*

##### Trade and other receivables

Trade and other receivables denominated in currencies other than the functional currency are recorded at the rates prevailing on the dates of the transactions. At each statement of financial position date, trade and other receivables denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position. Allowances are made for any uncollectable or impaired amounts.

Other receivables are recognised at fair value.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short-term deposits are defined as deposits with an initial maturity of three months or less.

##### Trade and other payables

Trade and other payables are measured at amortised cost.

##### Impairment of financial assets

The Group has two types of financial asset which are subject to IFRS 9's expected credit loss model:

- Trade receivables for sponsorships, donations, memberships, grants and publications.
- Other receivables

The IVSC has applied the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all relevant receivables.

An assessment for doubtful debts is made when collection of the full amount is no longer probable. Debts are written off when they are identified as being non-recoverable.

#### 3. INCOME - GROUP

	2023	2022
	£	£
Donations, Sponsorships and Grants	997,626	1,004,636
Membership subscription fees	582,276	497,972
Publications and related activities	73,634	30,970
Other income	638	52
	<b>1,654,174</b>	<b>1,533,630</b>

#### 3. INCOME - ORGANISATION

	2023	2022
	£	£
Donations, Sponsorships and Grants	997,626	1,004,636
Membership subscription fees	549,543	497,972
Publications and related activities	73,634	30,970
Other income	638	52
	<b>1,621,441</b>	<b>1,533,630</b>





**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**4. OPERATING SURPLUS - GROUP**

Operating surplus is stated after charging the following:

	2023 £	2022 £
Depreciation of property, plant and equipment	55,378	19,263
Net foreign currency (gains)/losses	(71,920)	22,569
Rental expense	-	33,720
Auditor's remuneration – audit services	23,978	13,200
	2023 £	2022 £
Included in standard-setting and professional development:		
Employee benefits expense	1,076,417	881,765
Depreciation	55,378	19,263
Net foreign currency losses	(71,920)	22,569

**4. OPERATING SURPLUS - ORGANISATION**

Operating surplus is stated after charging the following:

	2023 £	2022 £
Depreciation of property, plant and equipment	54,860	19,263
Net foreign currency (gains)/losses	(71,920)	22,569
Rental expense	-	33,720
Auditor's remuneration – audit services	18,000	13,200
	2023 £	2022 £
Included in standard-setting and professional development:		
Employee benefits expense	1,003,301	881,765
Depreciation	54,860	19,263
Net foreign currency losses	(71,920)	22,569



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**5. EMPLOYEE EXPENSES - GROUP**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	898,639	749,566
Post-employment expense for defined contribution plans	66,137	40,713
National insurance costs	111,641	91,486
	<b>1,076,417</b>	<b>881,765</b>

**Key management compensation**

During the period the key management personnel was comprised of the Chairman and Chief Executive Officer. Their aggregate remuneration (including pensions contributions, performance bonus and private healthcare cover) for the year ended 31 March 2023 was £433,926 (2022: £354,208).

The average number of employees during the year was made up as follows:

	<b>2023</b>	<b>2022</b>
Key Management personnel	2	2
Administrative	6	6

**5. EMPLOYEE EXPENSES - ORGANISATION**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	826,676	749,566
Post-employment expense for defined contribution plans	66,137	40,713
National insurance costs	110,488	91,486
	<b>1,003,301</b>	<b>881,765</b>

**Key management compensation**

During the period the key management personnel was comprised of the Chairman and Chief Executive Officer. Their aggregate remuneration (including pensions contributions, performance bonus and private healthcare cover) for the year ended 31 March 2023 was £433,926 (2022: £354,208).

The average number of employees during the year was made up as follows:

	<b>2023</b>	<b>2022</b>
Key Management personnel	2	2
Administrative	5	5



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**6. PROPERTY, PLANT AND EQUIPMENT - GROUP**

	Computer Equipment £	Right-of-use assets £	Total £
<i><b>Cost</b></i>			
At 1 April 2021	9,404	-	9,404
Additions	1,157	80,148	81,305
To 31 March 2022	10,561	80,148	90,709
Additions	2,327	-	2,327
To 31 March 2023	12,888	80,148	93,036
<i><b>Depreciation</b></i>			
At 1 April 2021	6,256	-	6,256
Charge for the year	1,452	17,811	19,263
To 31 March 2022	7,708	17,811	25,519
Charge for the year	1,944	53,432	55,376
Disposals	-	-	-
To 31 March 2023	9,652	71,243	80,895
<i><b>Net Book Value</b></i>			
To 31 March 2021	3,148	-	3,148
To 31 March 2022	2,853	62,337	65,190
To 31 March 2023	3,236	8,905	12,141





**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**6. PROPERTY, PLANT AND EQUIPMENT - ORGANISATION**

	Computer Equipment £	Right-of-use assets £	Total £
<i><b>Cost</b></i>			
At 1 April 2021	9,404	-	9,404
Additions	1,157	80,148	81,305
To 31 March 2022	10,561	80,148	90,709
Additions	-	-	-
To 31 March 2023	10,561	80,148	90,709
<i><b>Depreciation</b></i>			
At 1 April 2021	6,256	-	6,256
Charge for the year	1,452	17,811	19,263
To 31 March 2022	7,708	17,811	25,519
Charge for the year	1,427	53,432	54,859
Disposals	-	-	-
To 31 March 2023	9,135	71,243	80,378
<i><b>Net Book Value</b></i>			
To 31 March 2021	3,148	-	3,148
To 31 March 2022	2,853	62,337	65,190
To 31 March 2023	1,427	8,905	10,332



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**7. INVESTMENTS – ORGANISATION**

	Shares in group undertakings £	Total £
<i>Cost</i>		
At 1 April 2021	-	-
Additions	-	-
To 31 March 2022	-	-
Additions	1	1
To 31 March 2023	1	1
<i>Impairment</i>		
To 31 March 2021	-	-
To 31 March 2022	-	-
To 31 March 2023	-	-
<i>Carrying amount</i>		
To 31 March 2021	-	-
To 31 March 2022	-	-
To 31 March 2023	1	1

The organisation owns 100% of the share capital of the following entities:

IVSC Asia Limited (Incorporated in Singapore).

The group does not hold any investments.

**8. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The operations of the Group expose the Group to a number of financial risks. Management continuously monitors these risks with a view to protecting the Group against the potential adverse effects of these financial risks. There has been no significant change in these financial risks since the prior year.

**Reserves policy**

The Group defines the capital that it manages as the Group's retained surplus. The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can continue to lead as the global standard setter for the valuation profession; and
- to maintain sufficient financial resources to mitigate against risks and unforeseen events.

The IVSC's reserves policy is to hold a minimum of £500,000 as cash or cash equivalents to meet the IVSC's financial risk management objectives. This is the general policy but it is normal that the balance may occasionally go below for short periods of time.



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

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**8. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** *(continued)*

**Credit risk**

The Group generates revenue principally from recognised entities and institutions. The Group's exposure to credit risk arises from payment default. The Group carries out regular checks on outstanding balances to ensure the risk of exposure to bad debts is minimised. When calculating its impairment provision, the Group assesses, on a forward-looking basis, the expected credit losses associated with its financial assets. For trade receivables, the Group applies the simplified approach permitted by IFRS 9 which requires expected lifetime losses to be recognised from the initial recognition of the receivables.

**Liquidity risk**

The Board of Trustees is responsible for liquidity management.

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows.

**Interest rate risk**

The Group maintains surplus funds in liquid bank current accounts. The average interest rate on these bank current accounts is negligible, and none of the bank current accounts have an original maturity of more than three months.

For a change in interest rates of 1%, the gross interest earned would be negligible.

**Currency risk**

The Group monitors currency risk closely and considers that its current policies meet its objectives of managing exposure to currency risk.

While the majority of Group's costs are in Sterling, the majority of the receivables are denominated in US Dollars and are therefore exposed to changes in the underlying exchange rates applicable upon initial recognition, subsequent measurement and/ or settlement. To mitigate this exposure the Group transfers amounts received to the British Sterling account as soon as practically possible. Since April 2019 the Group has begun to issue invoices to non-US based members and sponsors in GBP sterling where feasible. Further to this the Group aims to retain sufficient US Dollar funds to cover any US Dollar denominated expenses.





**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**9. FINANCIAL ASSETS AND LIABILITIES - GROUP**

	Carrying amount		Fair value	
	2023	2022	2023	2022
	£	£	£	£
<b>Financial assets</b>				
UK £ Current Account 1	1,385,355	1,562,352	1,385,355	1,562,352
UK £ Current Account 2	79,416	101,232	79,416	101,232
UK £ Current Account 3	245	4,057	245	4,057
US \$ Current Account	120,269	38,665	120,269	38,665
Singapore \$ Current Account	677,989	-	677,989	-
Trade and other receivables	429,409	307,639	429,409	307,639
<b>Financial liabilities</b>				
Trade and other payables	(271,661)	(309,486)	(271,661)	(309,486)

**9. FINANCIAL ASSETS AND LIABILITIES - ORGANISATION**

	Carrying amount		Fair value	
	2023	2022	2023	2022
	£	£	£	£
<b>Financial assets</b>				
UK £ Current Account 1	1,385,355	1,562,352	1,385,355	1,562,352
UK £ Current Account 2	79,416	101,232	79,416	101,232
UK £ Current Account 3	245	4,057	245	4,057
US \$ Current Account	120,269	38,665	120,269	38,665
Singapore \$ Current Account	677,990	-	677,990	-
Trade and other receivables	429,408	307,639	429,408	307,639
<b>Financial liabilities</b>				
Trade and other payables	(246,799)	(309,486)	(246,799)	(309,486)
Amounts due to group undertakings	(637,185)	-	(637,185)	-

**10. RELATED PARTY TRANSACTIONS**

**Associations with members or sponsors**

The following Trustees have been identified as being associated with members or sponsors during the financial year as indicated below;

Jay E Fishman	<i>(Member Emeritus, Business Valuation Committee, American Society of Appraisers; Fellow, RICS),</i>
Zhang Genghua	<i>(Secretary General, China Appraisal Society)</i>
Iseo Pasquali	<i>(Chief Business and Integration Officer, Deloitte)</i>

No Trustees, other than the Chairman, are remunerated but are reimbursed for out-of-pocket expenses incurred while undertaking work on behalf of the International Valuation Standards Council.



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**11. TRADE AND OTHER RECEIVABLES**

	<b>Group</b>		<b>Organisation</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Receivable from sponsors and members	<b>408,888</b>	<i>285,161</i>	<b>408,888</b>	<i>285,161</i>
Other receivables	<b>10,800</b>	<i>10,800</i>	<b>10,800</b>	<i>10,800</i>
Other receivables – VAT	<b>9,721</b>	<i>11,678</i>	<b>9,720</b>	<i>11,678</i>
	<b>429,409</b>	<i>307,639</i>	<b>429,408</b>	<i>307,639</i>

Amounts receivable from sponsors and members are non-interest bearing. The ageing of the amounts receivable from sponsors and members is as follows:

	<b>Group</b>		<b>Organisation</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
0-30 days	<b>114,719</b>	<i>154,550</i>	<b>114,719</b>	<i>154,550</i>
31-60 days	<b>25,000</b>	<i>(2,282)</i>	<b>25,000</b>	<i>(2,282)</i>
61-90 days	<b>79,457</b>	<i>892</i>	<b>79,457</b>	<i>892</i>
Greater than 90 days	<b>196,093</b>	<i>135,796</i>	<b>196,093</b>	<i>135,796</i>
	<b>415,269</b>	<i>288,956</i>	<b>415,269</b>	<i>288,956</i>

As stated under currency risk the IVSC invoices the majority of its receivables in US Dollar and is therefore exposed to exchange rate volatility as they are not hedged. The IVSC is mitigating this risk by invoicing in GBP Sterling where possible. Of the above debts, 47.9% (2022: 49.1%) was invoiced in US Dollar and the remaining 52.1% (2022: 50.9%) in GBP Sterling.

Trade receivables are shown net of bad debts and lifetime expected loss provision. The total impairment charge for the year amounts to £42,225 (2022: £39,937).

Post year-end receipts totalled £104,421 as at 23 May 2023 (2022: £32,356 as at 23 May 2022).

The movement in the lifetime expected loss provision is as follows;

	<b>Group</b>		<b>Organisation</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision brought forward	<b>3,795</b>	<i>6,267</i>	<b>3,795</b>	<i>6,267</i>
Increase /(Decrease) in provision	<b>2,585</b>	<i>(2,472)</i>	<b>2,585</b>	<i>(2,472)</i>
Provision carried forward	<b>6,380</b>	<i>3,795</i>	<b>6,380</b>	<i>3,795</i>



**INTERNATIONAL VALUATION STANDARDS COUNCIL**  
**ORGANISATION STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

**12. CASH AND CASH EQUIVALENTS**

	Group		Organisation	
	2023	2022	2023	2022
	£	£	£	£
Cash at bank	2,263,274	1,706,306	2,263,275	1,706,306

The US \$ account was revalued at the closing rate of 1.23405 (2022: 1.31385).

The SGD \$ account was revalued at the closing rate of 1.64286.

For the purposes of the statement of cash flows the above constitute cash and cash equivalents.

**13. TRADE AND OTHER PAYABLES**

	Group		Organisation	
	2023	2022	2023	2022
	£	£	£	£
Payable to trade suppliers	54,495	73,906	51,311	73,906
Other payables	14,860	81,654	14,861	81,654
Accrued liabilities	136,561	60,696	114,882	60,696
Tax payable – PAYE & NI	65,745	93,230	65,745	93,230
	271,661	309,486	246,799	309,486

**14. AMOUNTS DUE TO GROUP UNDERTAKINGS**

	Group		Organisation	
	2023	2022	2023	2022
	£	£	£	£
Amounts due to IVSC Asia Ltd.	-	-	637,185	-

Amounts due are unsecured, interest free and payable on demand if required.

**15. LEASE LIABILITIES**

The lease liabilities have arisen on adoption of IFRS 16 and are secured by the underlying assets.

	Group		Organisation	
	2023	2022	2023	2022
	£	£	£	£
Current lease liabilities	9,386	53,770	9,387	53,770
Non-current lease liabilities	-	9,386	-	9,386
	9,386	63,156	9,387	63,156





## INTERNATIONAL VALUATION STANDARDS COUNCIL

### ORGANISATION STATEMENT OF CASH FLOWS

#### YEAR ENDED 31 MARCH 2023

#### 16. DEFERRED INCOME

	Group		Organisation	
	2023	2022	2023	2022
	£	£	£	£
Deferred Sponsorships	159,271	154,793	159,271	154,793
Deferred Memberships	713,420	25,233	23,527	25,233
	<u>872,690</u>	<u>180,026</u>	<u>182,797</u>	<u>180,026</u>

#### 17. RESERVES

The retained surplus reflects the accumulated surplus from the Group's activity to date. The reserve is used to fund the current and future activities of the Group.

The foreign exchange surplus reflects the differences arising upon the retranslation of the net assets and historical retained surplus from US Dollar to UK Sterling effective from 1<sup>st</sup> April 2016.

#### 18. CONTRIBUTION OF SERVICES IN KIND

During the financial period and beyond, the IVSC has and will continue to benefit from a contribution of services in kind from specific sponsors as follows;

Position	Time contributed	Sponsor	Duration
Technical Director	1 ½ days per week	EY	Apr 2022 to Mar 2023
Technical support	1 day per week	Lincoln Int	Apr 2022 to Mar 2023

Additionally volunteers to the IVSC contributed approximately 1004 days of service in kind in the period April 2022 to March 2023. (842 days in the period April 2021 to March 2022.)



# IVSC

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