

1 PART C – PRESENTATION STANDARDS

Chapter C1 – SOURCES AND REFERENCES

Purpose

The purpose of this standard is to ensure that the valuation document adequately discloses the purpose, scope and origins of the document to assist any reader to:

- understand the valuation and report properly;
- independently verify its data, scope, methodology and conclusions;
- make judgments as to the applicability and reliability of the document; and
- request further data from the valuer or the property owner in terms consistent with the document.

Standard C1.1 Commission

With respect to the commissioning of the valuation the document shall:

- state the name and address of the person/company commissioning the valuation;
- state the nature of the instructions received from the client in specific terms to indicate the client's intended final use, for example:
 - Market price valuation
 - Statement of Financial Position (Balance Sheet) valuation for inclusion in the (annual) financial reports of XYZ
 - Valuation for mortgage lending
 - Valuation for the purposes of sale/purchase of the forest
- state the identity of any other intended user by name or type, for example:
 - Auditors
- state a restriction that limits use of the report to the client and named intended users. The distribution to other users can be expanded by agreement.
- state the purposes for which, in the valuer's opinion, the valuation is appropriate.

Standard C1.2 Scope

With respect to the scope of the valuation the document shall:

- state what is being valued by reference to the Forest Description and any additions or deletions;
- state the valuation methodology adopted and the rationale leading to its adoption with reference to the New Zealand Institute of Forestry Forest Valuation Standards;



- report any departures from the New Zealand Institute of Forestry standards of forest description and appropriate valuation, giving reasons for the departures and the likely effect(s) on the valuation;
- refer to any previous valuation of essentially the same forest asset undertaken by the current valuer and state any changes in methodology between the valuations, the reasons for them, and the likely impact of these changes within the subject valuation; and
- state whether an inspection of the forest was undertaken or not and disclose the nature of this inspection, for example
 - physical
 - satellite imagery review.

Standard C1.3

Disclosure of data sources

With respect to any published data or analytical methods (including computer software and data) on which the valuer has placed material reliance, and not personally verified, the valuation document shall state:

- a reference to the data sufficient for its discovery and verification;
- the nature of the major analytical processes used with a reference to the software identity; and
- any copyrights and similar intellectual rights used within the presentation.

Standard C1.4

Disclosure of Practitioner(s)

The valuation document shall state:

- the company or firm or sole practitioner undertaking the valuation;
- in the case of a company or firm the name of the lead valuer and any other employee/partner having a material input into the valuation; and
- the nature of any significant assistance provided and extent of the reliance on this assistance.

Standard C1.5

Date and document reference

The valuation document shall be dated and otherwise referenced in such a way that clearly identifies it uniquely from earlier drafts or any other document.



Revision History

Original Standard

Released in May 1999

Revision in August 2023

Main changes are:

- Standard C1.1 Commission – added the requirement to:
 - State the identity of any other intended user;
 - State a restriction that limits use of the report to the client and named intended users.
 - Standard C1.2 Scope – added the requirement to state whether an inspection of the forest was undertaken or not and disclose the nature of this inspection.
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