

# NZIF Forest Valuation Working Party

## TERMS OF REFERENCE

1. To develop guidelines for forest valuation which include:
  - The purposes for forest valuation
  - Alternative approaches to forest valuation for each purpose
  - Guidelines on the appropriate method for each purpose
  - Standards of forest description
  - A checklist of valuation inputs
  - Guidelines on reporting format including:
    - disclosure of valuation inputs
    - the methodology employed
    - disclaimers
    - reconciliation of change in value over time.
2. To liaise, as appropriate, with other interested parties both in New Zealand and overseas, and if necessary, co-opt other persons with specialist knowledge to assist in deliberations.
3. To recommend to Council means of implementing the guidelines including mechanisms for professional education.
4. To recommend to Council the desirability of, frequency and format for collection and publication of commonly applied valuation inputs including log price information, discount rates and costs.
5. To recommend to Council the desirability of, and mechanics for the collection, analysis and publication of market values for forest sale transactions.

## NOTES

1. Forest valuation guidelines should be developed for at least the following purposes:
  - Statutory reporting for companies (Public, Private, SOE, Local Bodies)
  - Prospectus promotion

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## PREFACE

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- Client reporting for
  - sale and purchase
  - partnership accounts
  - insurance cover
  - compensation
  - disputes/expert advice
  - collateral
  - taxation.

Forest valuation carried out by company or organisation staff for in-house use (e.g. management reporting or decision making) are beyond the scope of these terms of reference.

2. Current company accounting policy on the treatment of forest values in company accounts should be reviewed by the Working Party particularly in terms of any interaction and linkage with forest valuation methods. However it is not the role of this Working Party to develop guidelines on accounting policy.
3. Forest valuation guidelines should, at least in the first instance, be restricted to the valuation of plantations in terms of monetary values.

**MEMBERS OF NZIF  
FOREST  
VALUATION  
WORKING PARTY**

- Dr Bruce Manley (Convenor)
- Mr Alan Barnes
- Mr Peter Berg
- Mr Peter Clark
- Mr Steve Croskery
- Mr Jeremy Fleming
- Mr Peter Gorman
- Mr Bill Liley
- Mr Peter Casey (since 1994)
- Ms Tanya Lieven (since 1995)
- Mr Kevin Cooney (since 1996)
- Mr Brian Rawley (since 1996)

PREFACE

