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**PROFESSIONAL VALUATION ORGANIZATIONS URGE BROAD SUPPORT OF
UNIVERSAL STANDARDS FOR MARKET VALUE FINANCIAL REPORTING**

CHICAGO – An international coalition of valuation organizations is urging government entities and other official standards-setting bodies to adopt market value financial reporting standards designed to protect the public, government programs and business decision makers. The International Summit on Financial Reporting, held in Toronto, Canada, on October 21-23, 2003, featured discussions among such organizations as the International Accounting Standards Board, Canadian Accounting Standards Board, and Financial Accounting Standards Board (US), preparers and users of financial reports and representatives of the valuation profession. At a meeting held immediately following the Summit, leading valuation organizations unanimously urged broad support for the accelerated adoption of standards for market value reporting of fixed and intangible assets through the signing of the Toronto Valuation Accord (Accord).

According to the organizations, recent world events have clearly highlighted a need for increased disclosure in financial reporting. Market value is critical to a best practices approach to financial reporting. For this reason, the Accord participants called for an accelerated adoption of standards for market value reporting of fixed and intangible assets.

“The need to adopt ‘fair value’ financial reporting worldwide is more urgent than ever,” said senior officials of leading North American professional valuation organizations. The officials went on to say, “Corporate worth lies not only in operations and financial instruments like stocks and bonds, but also in the value of the entity’s fixed and intangible assets. Market value provides the best reflection of the integrated financial health of a corporation in relation to the current market and therefore sets the stage for better disclosure to and decisions by all stakeholders.”

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International Summit on Financial Reporting

The rationale behind the Accord was to emphasize the benefits of independent, reliable, consistent and well-supported disclosures of market value in financial reporting. Also, the recent movement toward convergence and harmonization via international standards, and the related emphasis on market (fair) value, increases the responsibilities of valuers in North America and worldwide to participate in the establishment of reporting standards for the benefit of the users of financial reports and the public at large.

“The move toward market value in financial reporting is in the best interest of the public, investors, government, and business decision makers,” stated representatives of the associations. “In an environment of increasing investor and regulator demand for relevant, timely, and objective reporting, the development of an independent market value opinion of assets is part of the solution to transparent financial reporting.”

The Accord calls for the professional valuation organizations to take immediate steps to coordinate their efforts to work jointly with legislative and regulatory bodies, standards-setting groups, and other professions to aid in expediting the simplification and convergence of financial reporting standards. Furthermore, the organizations agreed to continue actively supporting the efforts of the International Valuation Standards Committee and emphasizing the efforts of financial reporting standards boards.

“Valuation professionals are highly qualified, independent professionals with long-established and accepted practices, standards and methodologies and therefore should be recognized as the preeminent providers of valuation for financial reporting services,” the organizations concluded.

For more information regarding the International Summit on Financial Reporting, contact Alison Gerlach, Manager of Special Projects, Appraisal Institute, at 312-335-4116 or agerlach@appraisalinstitute.org. For additional information on the other professional valuation organizations involved, contact the following:

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International Summit on Financial Reporting

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