

16 January 2025

APESB issues revised APES GN 20 *Scope and Extent of Work for Valuation Services*

Accounting Professional & Ethical Standards Board Limited (APESB) today announced the issue of the revised APES GN 20 *Scope and Extent of Work for Valuation Services* (APES GN 20) to replace the existing APES GN 20 (Issued January 2020).

The key changes in the revised APES GN 20 consist of updating cross-references to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* and APES 225 *Valuation Services*.

Please refer to Appendix 1 of this technical update for details of all the revisions. The revised APES GN 20 will be effective as at the date of issue.

The revised standard is available from APESB's website: www.apesb.org.au

– ENDS –

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Appendix 1

Revision to APES GN 20 (Issued January 2025)

Accounting Professional & Ethical Standards Board Limited (APESB) has approved the following revisions to APES GN 20 *Scope and Extent of Work for Valuation Services* which was originally issued in December 2013 and revised in January 2020 (extant APES GN 20).

Paragraph/Section Reference	Revisions												
1.2	Accounting Professional & Ethical Standards Board Limited (APESB) has revised professional guidance note APES GN 20 <i>Scope and Extent of Work for Valuation Services</i> (the Guidance Note), which is effective from the date of issue and supersedes APES GN 20 issued in December 2013 <u>January 2020</u> .												
3.1	<p>When performing a Valuation Service, a Member is required by paragraph 4.65 of APES 225 to gather sufficient and appropriate evidence by such means as inspection, inquiry, computation and analysis to provide reasonable grounds that a Valuation Report and the conclusions therein are properly supported. In determining the extent and quality of evidence, the Member is required to exercise professional judgement considering the nature of the Valuation, the type of Valuation Service, and the use to which the Valuation Report will be put. The following general guidance is to assist the Member in exercising professional judgement in determining the extent and quality of evidence to be obtained in respect of the type of Valuation Service to be performed.</p> <table border="1"> <thead> <tr> <th>Type of Valuation Service</th> <th>Extent of work</th> <th>Extent of evidence obtained</th> </tr> </thead> <tbody> <tr> <td>Valuation Engagement</td> <td>Limited to extensive use of Valuation Approaches, Valuation Methods and Valuation Procedures.</td> <td>Evidence obtained for significant matters.</td> </tr> <tr> <td>Limited Scope Valuation Engagement</td> <td>Minimal to limited use of Valuation Approaches, Valuation Methods and Valuation Procedures.</td> <td>Limited evidence obtained for significant matters.</td> </tr> <tr> <td>Calculation Engagement</td> <td>No to minimal use of Valuation Approaches, Valuation Methods and Valuation Procedures.</td> <td>Little or no evidence obtained for significant matters.</td> </tr> </tbody> </table>	Type of Valuation Service	Extent of work	Extent of evidence obtained	Valuation Engagement	Limited to extensive use of Valuation Approaches, Valuation Methods and Valuation Procedures.	Evidence obtained for significant matters.	Limited Scope Valuation Engagement	Minimal to limited use of Valuation Approaches, Valuation Methods and Valuation Procedures.	Limited evidence obtained for significant matters.	Calculation Engagement	No to minimal use of Valuation Approaches, Valuation Methods and Valuation Procedures.	Little or no evidence obtained for significant matters.
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Appendix 1 – Example 1 - Footnote 2	The term 'reasonable and informed third party' is explained in paragraph 120.5 A94 of the Code.												
Appendix 1 – Example 4 - Footnote 3	The term 'reasonable and informed third party' is explained in paragraph 120.5 A94 of the Code.												
Appendix 2	Summary of revisions to the previous APES GN 20 (Issued in January 2020) - amended												