

# Professional Standard 15

---

## Valuation Instructions & Reliance

Version 0.6 – May 2026

Auctioneers & Valuers Association of Australia  
Reference: 4.27.2

## Introduction

The Auctioneers and Valuers Association of Australia (AVAA) is committed to strengthening professionalism, integrity, and public confidence across the valuation and auction sectors. This *AVAA Professional Standard* forms part of a broader framework designed to support consistent practice, ethical conduct, and accountability across the diverse services provided by members.

Professional standards play an important role in defining expectations for those who hold themselves out as skilled practitioners. They establish clear principles for conduct, competence, and responsibility, helping practitioners, clients, and regulators understand the level of professionalism that should reasonably be expected in the marketplace.

Valuation engagements frequently involve complex relationships between valuers, clients, advisers, financiers, insurers, lawyers, trustees, beneficiaries, regulators, and other parties who may seek to rely upon valuation conclusions. Clear valuation instructions and appropriate management of reliance expectations are therefore important components of professional valuation practice.

This Professional Standard establishes principles governing valuation instructions, the valuer's independence, and reliance on valuation reports. It complements *AVAA Professional Standard 6 – Minimum Valuation Report Requirements* by addressing the broader professional obligations arising between the valuer, the client, and persons who may rely upon valuation advice.

This standard has been developed through consultation with practitioners and informed by regulatory frameworks, industry experience, and evolving client and government expectations. It is intended to provide practical guidance while reinforcing the importance of transparency, diligence, and professional judgement in everyday practice.

Those holding the AVAA Certified Valuer (CV<sub>AV</sub>) credential, plus AVAA Corporate Members, apply this *AVAA Professional Standard* to demonstrate a commitment to continuous business improvement and professional accountability. In doing so, they contribute to a stronger and trusted sector where valuers are recognised not only for their expertise but also for the integrity and reliability of their work.

Troy R Williams FAIM MAICD  
AVAA Chief Executive

May 2026



# Professional Standard 15

## Title —

AVAA Professional Standard 15 – Valuation Instructions & Reliance

## Purpose —

The purpose of this Professional Standard is to establish principles governing valuation instructions, professional independence, reliance upon valuation reports, and the relationship between valuers, clients, and intended users of valuation advice.

This Standard promotes transparency, informed engagement, professional accountability, and confidence in the independence and integrity of valuation services.

## Scope —

This Standard applies to valuation engagements undertaken for commercial, insurance, legal, taxation, family law, insolvency, financial reporting, advisory, estate administration, litigation, regulatory, and related purposes.

The Standard addresses valuation instructions, intended use, reliance arrangements, assumptions, limitations, client-provided information, third-party reliance, and professional independence.

## Application —

This Professional Standard applies to all individuals holding the AVAA Certified Valuer (CVAA) credential and AVAA Corporate Members providing valuation services.

## Standard —

### 1. Principle Of Independence

- 1.1 A valuer must exercise independent professional judgement throughout the valuation engagement.
- 1.2 The valuer's conclusions, opinions, analysis, and commentary must reflect the valuer's independent assessment of the available evidence.
- 1.3 A valuer must not allow client expectations, commercial objectives, referral relationships, litigation strategies, financial interests, or third-party pressures to improperly influence the valuation process or conclusions.
- 1.4 The role of the valuer is to provide an objective and professionally supportable opinion within the scope of the engagement.

### 2. Valuation Instructions

- 2.1 Valuation instructions should be sufficiently clear to allow the valuer to reasonably understand:
  - a. the instructing party.
  - b. the purpose of the valuation.
  - c. the asset or assets to be valued.
  - d. the intended use of the valuation.
  - e. the intended user or users of the valuation where known.
  - f. any material assumptions, limitations, or constraints relevant to the engagement.



- 2.2 A valuer should take reasonable steps to clarify ambiguous, incomplete, inconsistent, or potentially misleading instructions.
- 2.3 A valuer may decline or withdraw from an engagement where instructions are inconsistent with professional obligations, independence, or proper valuation practice.
- 2.4 The acceptance of valuation instructions does not require the valuer to adopt assumptions, methodologies, or conclusions preferred by the client or any third party.

### **3. Client Information And Assumptions**

- 3.1 A valuer may consider information, records, representations, or assumptions provided by clients or third parties during the valuation process.
- 3.2 A valuer should exercise professional judgement in determining whether information provided appears credible, relevant, and appropriate to the engagement.
- 3.3 Information supplied by others should not be accepted uncritically where there is reason to question its reliability, completeness, or accuracy.
- 3.4 Where material assumptions or externally supplied information materially influence the valuation process or conclusions, appropriate disclosure should be made within the valuation report where relevant.

### **4. Independence From Desired Outcomes**

- 4.1 A valuation engagement must not be undertaken on the basis that a predetermined value, range, or outcome will be achieved.
- 4.2 A valuer must not represent that a valuation conclusion will support a particular commercial objective, financing position, insurance outcome, taxation position, litigation strategy, or transaction outcome prior to completing appropriate professional analysis.
- 4.3 A valuer must not alter, suppress, distort, or manipulate professional conclusions to satisfy the interests or expectations of a client or third party.
- 4.4 Disagreement by a client or third party with a valuation conclusion does not of itself invalidate the independent professional opinion reached by the valuer.

### **5. Reliance Upon Valuation Reports**

- 5.1 A valuation report should identify the intended purpose and intended use of the valuation.
- 5.2 A valuer may define or limit the persons entitled to rely upon a valuation report having regard to the nature, scope, and purpose of the engagement.
- 5.3 A valuation report should not be represented as suitable for purposes beyond those reasonably contemplated by the valuation instructions unless expressly stated by the valuer.
- 5.4 A valuer should consider whether foreseeable third-party reliance may arise and whether additional qualifications, disclosures, or limitations are appropriate.
- 5.5 The existence of reliance by third parties does not diminish the obligation of the valuer to exercise independent professional judgement.



## 6. Transparency And Communication

- 6.1 A valuer should communicate material assumptions, limitations, qualifications, uncertainties, and scope restrictions in a clear and understandable manner.
- 6.2 Where limitations affecting investigations, inspections, available information, market evidence, or valuation scope may materially affect the valuation process or conclusions, the nature of those limitations should be disclosed where relevant.
- 6.3 Communications with clients and intended users should support informed understanding of the basis upon which the valuation opinion has been prepared.

## 7. Consumer Protection And Fair Dealing

- 7.1 Clients are entitled to valuation services delivered honestly, competently, independently, and transparently.
- 7.2 A valuer must not exploit information imbalances, technical complexity, or client reliance for improper advantage.
- 7.3 A valuer should avoid conduct that creates a misleading impression regarding the certainty, precision, or guaranteed outcome of a valuation conclusion.

## 8. Documentation

- 8.1 A valuer should maintain appropriate records relating to:
  - a. valuation instructions.
  - b. material assumptions.
  - c. reliance arrangements.
  - d. scope limitations.
  - e. client communications.
  - f. amendments to instructions or intended use.

## 9. Prohibited Conduct

- 9.1 A valuer must not knowingly undertake a valuation engagement on terms that compromise professional independence or objectivity.
- 9.2 A valuer must not knowingly issue a valuation report that is misleading, materially incomplete, improperly influenced, or unsupported by appropriate professional analysis.
- 9.3 A valuer must not permit another person to improperly direct or dictate the professional conclusions expressed within a valuation report.

## 10. Failure To Comply

- 10.1 Failure to comply with this Professional Standard itself constitutes conduct capable of consideration under the *AVAA Code of Ethics for Individual Members*, the *AVAA Code of Practice for Corporate Members*.

---

### Status & Review —

AVAA Board Approval: TBA (Draft)  
Periodic Review Due: 5 Years after approval



The **Auctioneers and Valuers Association of Australia (AVAA)** is the leading national body representing professional auctioneers and valuers across a diverse range of specialties, including fine art, antiques, collectables, goods, vehicles, plant, and equipment.

#### **Our Vision**

As the peak body for auctioneers and valuers in Australia, AVAA upholds the highest professional and ethical standards through education, advocacy, and leadership.

#### **Our Mission**

To support and represent Australia's auctioneers and valuers through rigorous standards, ethical leadership, quality education, and credible advocacy, ensuring trust, professionalism, and future-readiness in a changing world.

#### **AVAA National Office**

e: [national.office@avaa.com.au](mailto:national.office@avaa.com.au)

#### **Nationwide Telephone**

1300 928 165

#### **AVAA Capital Territory**

e: [act@avaa.com.au](mailto:act@avaa.com.au)

#### **AVAA New South Wales**

e: [nsw@avaa.com.au](mailto:nsw@avaa.com.au)

#### **AVAA Northern Territory**

e: [nt@avaa.com.au](mailto:nt@avaa.com.au)

#### **AVAA Queensland**

e: [qld@avaa.com.au](mailto:qld@avaa.com.au)

#### **AVAA South Australia**

e: [sa@avaa.com.au](mailto:sa@avaa.com.au)

#### **AVAA Tasmania**

e: [tas@avaa.com.au](mailto:tas@avaa.com.au)

#### **AVAA Victoria**

e: [vic@avaa.com.au](mailto:vic@avaa.com.au)

#### **AVAA Western Australia**

e: [wa@avaa.com.au](mailto:wa@avaa.com.au)