

This is information to support valuers through the process only, it is important to read and apply the standard in full.

***1 UK VPS 3 regulated purpose valuations:**

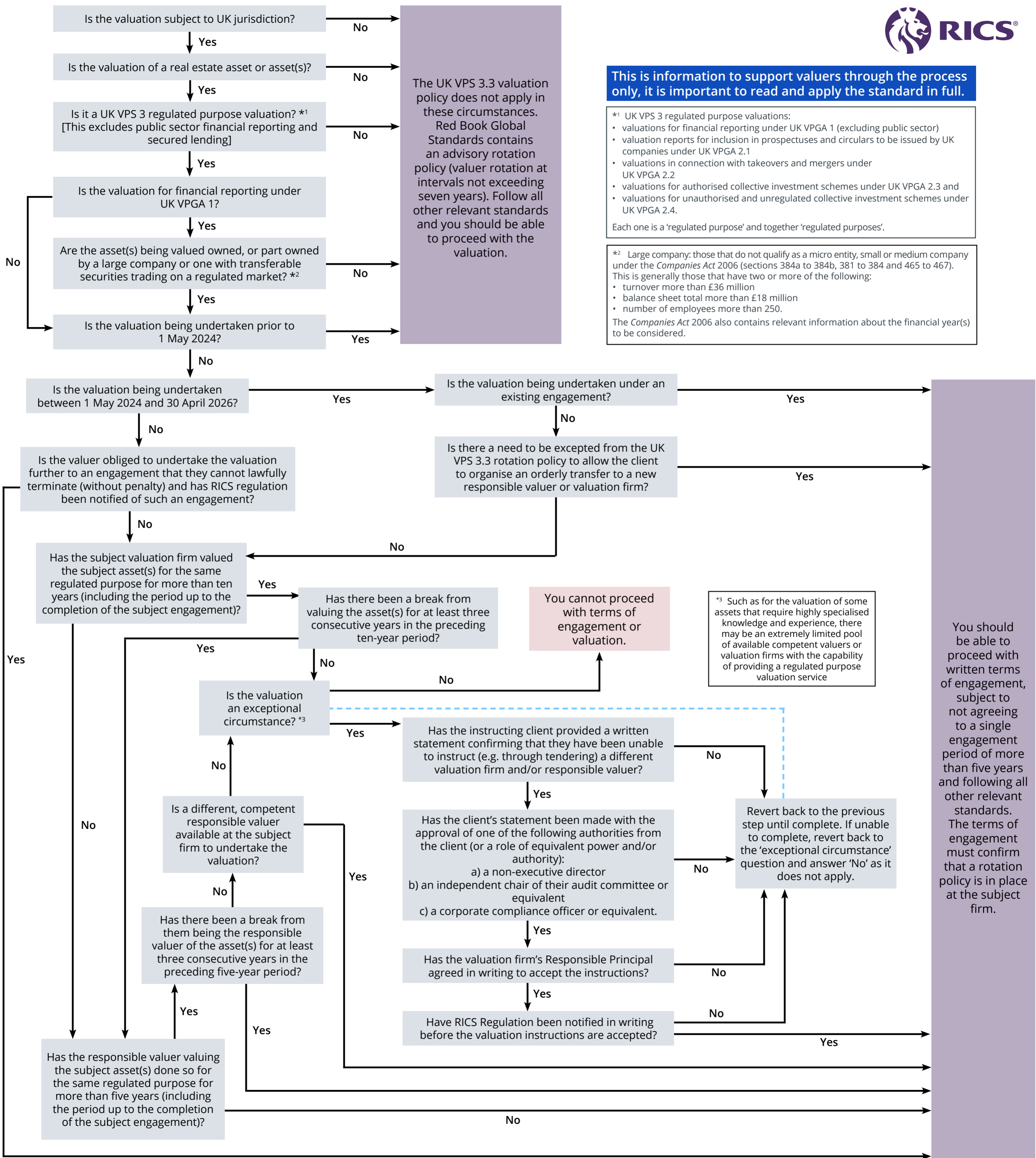
- valuations for financial reporting under UK VPGA 1 (excluding public sector)
- valuation reports for inclusion in prospectuses and circulars to be issued by UK companies under UK VPGA 2.1
- valuations in connection with takeovers and mergers under UK VPGA 2.2
- valuations for authorised collective investment schemes under UK VPGA 2.3 and
- valuations for unauthorised and unregulated collective investment schemes under UK VPGA 2.4.

Each one is a 'regulated purpose' and together 'regulated purposes'.

***2 Large company:** those that do not qualify as a micro entity, small or medium company under the *Companies Act 2006* (sections 384a to 384b, 381 to 384 and 465 to 467). This is generally those that have two or more of the following:

- turnover more than £36 million
- balance sheet total more than £18 million
- number of employees more than 250.

The *Companies Act 2006* also contains relevant information about the financial year(s) to be considered.



***3** Such as for the valuation of some assets that require highly specialised knowledge and experience, there may be an extremely limited pool of available competent valuers or valuation firms with the capability of providing a regulated purpose valuation service

You should be able to proceed with written terms of engagement, subject to not agreeing to a single engagement period of more than five years and following all other relevant standards. The terms of engagement must confirm that a rotation policy is in place at the subject firm.