

# MARSH RISK CONSULTING

## VALUATION SERVICES



Given the increasing need for organizations to adhere to US and international reporting standards, effectively manage risk, and maximize cash flow, it is critical for business leaders to understand the value of their assets. While the accurate valuation of fixed assets (land, buildings, and equipment) is a critical part of business decision processes, many businesses often do not have the internal resources to perform analyses or a full understanding of the complexities of the valuation process — methodology, scope, or qualification — through which values are derived.

Marsh Risk Consulting's (MRC) Valuation Services Practice (VSP) provides professional, independent, supportable valuations of fixed assets across virtually every industry for corporations, private equity firms, and government entities. Whether involved with a sale, acquisition, financial reporting, litigation, insurance placement, asset life study, or fixed asset management, organizations rely on VSP for guidance and accurate values.

### SERVICE HIGHLIGHTS

VSP's experts include Accredited Senior Appraisers, Members of the Royal Institute of Chartered Surveyors, as well as staff trained by the American Society of Appraisers. This, along with our global capabilities, industry experience, and close working relationship with experts throughout Marsh and MRC, provides a unique solution for organizations seeking to opine values. Our experts are keenly aware of the necessity to provide an independent work product along with the supporting detail for an organization to have confidence in its values.

Our valuation experts can carry out the valuation process from initial data collection to final reporting. Prior to doing so, our professionals work with organizations to establish a scope and methodology that produces a supportable, high quality, valuation work product in a timely and cost-effective manner. This enables organizations to meet their overall financial objectives without compromising the integrity of the analysis.

### Who it's for

Any organization worldwide that:

- Engages in mergers and acquisitions or divestitures.
- Needs valuations for financial, tax, and/or business planning.
- Is seeking to determine that it is not overvalued or undervalued for insurance purposes.
- Is looking for support for asset-based lending.
- Is entering into or emerging from bankruptcy.
- Requires expert valuation and/or testimony for litigation.

### What you get

- Valuation insights and strategies before, during, and after transactions.
- Accurate and supportable valuation of fixed assets.
- Improvement in financial reporting.

## PURCHASE PRICE ALLOCATION

Companies may be required or choose to conform to specific accounting principles and hence need to allocate the purchase price of an acquired business among tangible and intangible assets. Our experts can identify the fixed assets to be valued separately from the intangible assets, determining their fair values, estimating useful lives, creating fixed asset schedules, and performing inventory and tagging.

## FIXED ASSET MANAGEMENT

Fixed asset management (FAM) is a consulting/valuation program that helps to rationalize costs, lower risks, and optimize tax liability and resource allocation related to fixed assets. The FAM process can entail the provision of consulting and guidance related to:

- The selection of hardware, software, and vendors to establish asset bar code systems.
- Asset inventory and tagging.
- Reconciliations to fixed asset schedules to cleanse them - identifying ghost assets, idle assets, and/or spare assets.
- Assignment of property tax designations.

- Reallocation of cost for property tax purposes, while providing a basis for proper fiscal reporting and audit controls.

## INSURABLE REPLACEMENT COST VALUATIONS

Regardless of the size of the organization or the industry, our valuation experts have the knowledge and experience to help qualify accurate replacement costs with the necessary detail to satisfy insurers and support property coverage decisions. Our fixed assets specialists have the flexibility to assist with the development of an accurate Statement of Values (SOV) through a diagnosis of the processes that led to the existing SOV, qualifying the base data, or carrying out the entire valuation process from initial data collection to final reporting for the organization.

With accurate and supportable valuations in hand, organizations can more confidently develop their risk transfer and mitigation plans and ensure the proper allocation of resources for the protection and recovery of their fixed assets.

For more information about valuation services and other solutions from Marsh Risk Consulting, visit [www.marshriskconsulting.com](http://www.marshriskconsulting.com) or contact your local MRC or Marsh representative.

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