

# MEETING YOUR ACCOUNTING AND TAXATION OBLIGATIONS

As all company directors and senior finance people are aware, asset valuations for accounting and taxation purposes are a necessary part of astute financial management and corporate governance.

However, Aon Valuation Services looks beyond the reporting obligations of organisations and identifies the benefits that professional tangible asset valuations can bring to our clients.

## Aon – working for you, with you

Through our experienced staff and valuation practices, we bring together a wealth of knowledge and experience in a broad range of fields, all designed to service our clients' requirements. Importantly, we believe that the true value of our services is helping your organisation to maximise its shareholder value.

Aon Valuation Services provides:

- Authoritative, impartial and comprehensive valuation advice to support your fiscal obligations and commercial negotiations,
- Proven valuation methodologies,
- Effective and direct reporting,
- A team of dedicated valuation specialists with a high degree of practical, technical and business expertise,
- Access to Aon's industry specialists who have a sound understanding of your industry, and
- Tailored services to match your individual requirements.

## Our specialist services

At Aon, we provide our clients with all of their taxation and financial compliance needs, including:

### ➤ Valuations to comply with accounting standards

We understand the principles and application of the key accounting standards relating to tangible assets, such as:

- > Property, plant and equipment – where the revaluation model is used, assets must be valued at 'fair value' with sufficient regularity, to ensure that the reported carrying value does not differ materially from the fair value.
- > Impairment of assets – an annual assessment of the potential impairment of all assets is necessary.
- > Intangible assets – tangible asset values need to be determined so that intangible fair values can be derived.
- > Agriculture – self-generating and regenerating asset values need to be determined on an annual basis.
- > Non current assets held for sale/discontinued operations - these assets must be reported at market value.

### ➤ **Asset register construction, reconciliation and audit**

A recent study of 10 large asset registers indicated, that on average, they have a 52 per cent inaccuracy factor. In other words, a typical asset register will only represent 48 per cent of the physical asset base of an organisation.

To maximise ownership value, Aon can undertake an independent audit of an organisation's asset register to guarantee its physical accuracy and maximise its depreciation charges.

Aon also has expertise in compiling new financial and taxation asset registers for start-up businesses, that maximises both compliance and depreciation allowances.

### ➤ **Fringe benefits tax valuations**

The Fringe Benefits Tax legislation stipulates that housing for staff members is to be declared for tax purposes. The amount of any tax liability depends on the market rental of the accommodation.

### ➤ **Depreciable item valuations**

Whenever a building or plant asset is purchased or acquired, the Australian Taxation Office (ATO) allows separate depreciation calculations on each of the asset's component parts, resulting in maximising the available depreciation benefits.

### ➤ **Uniform capital allowance assessments**

The ATO's Uniform Capital Allowance legislation now allows organisations to nominate the effective working lives of assets for depreciation purposes. We have a detailed working knowledge of the ATO's requirements for making these assessments, and can assist an organisation to maximise their annual depreciation claims.

### ➤ **Valuations for tax consolidation**

Many consolidating groups are now realising the benefits of obtaining independent, professional tangible asset reports. We can provide expert advice on consolidation issues, as well as assisting on any ATO audits.

## Maximising the benefits

We understand that every client's needs are different. Before any valuation is undertaken, one of our senior staff will work with you to tailor our expertise to your needs. This ensures that you get what you need, and helps us understand your business and requirements – something that we believe is vital to ensuring your satisfaction with our services.

Through this process, we have identified typical client requirements, including the need to maximise client cashflows. In response we have developed a financing option for our professional fees that is available to our clients. This is just another way that we add value to our core services.

## One valuer – all your taxation and accounting valuation needs

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Aon is a leading provider of risk management services, insurance and reinsurance broking, financial planning and employee benefit and risk solutions. Aon professionals meet the diverse and varied needs of our clients through our industry knowledge, technical expertise and global resources.

For more information on Aon visit [www.aon.com](http://www.aon.com)

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