



Financial Reporting, Fixed Asset Management, and Property Tax

Valuation services to the healthcare industry



Valuation can be a critical issue for healthcare transactions. Whether for organizational strategies for both not-for-profit and for-profit entities, financial reporting requirements, fixed asset management, or property tax consulting, KPMG LLP (KPMG) can provide the services needed to help you meet your goals in today's healthcare environment.



Broad-based healthcare industry experience

Our healthcare valuation professionals specialize in business, intangible assets, real estate, and medical equipment valuations. We have a team of healthcare valuation professionals with significant industry and subject matter experience. You also benefit from our immediate access to other KPMG Audit, Tax, and Advisory professionals with extensive healthcare experience should the need arise.



Financial reporting

Having the most accurate and up-to-date financial reporting can play a large role in effective decision making. KPMG can assist your company by:

- Determining the fair value of intangible and tangible assets acquired in a business combination (FASB ASC Topic 805—Business Combinations, ASC 958-805 for not-for-profit entities)
- Determining the fair value of reporting units when performing goodwill impairment tests (FASB ASC Topic 350, Intangibles—Goodwill and Other)
- Performing impairment analyses of long-lived assets (FASB ASC Topic 360, Property, Plant, and Equipment)

- In addition to performing these analyses for our healthcare clients, we also frequently review financial reporting valuations performed on behalf of KPMG audit clients and have a good line-of-sight into emerging best practices as well as a good understanding of the approaches and expectations of the other Big 4 accounting firms.



Fixed asset management services

Accurately tracking and reporting the fixed assets related to any healthcare business is critical. Whether monitoring and tracking these assets for financial or tax reporting purposes, nonprofit conversion, or internal planning, KPMG's Fixed Asset Management (FAM) team can help. The results of FAM activities can improve business performance as well as influence daily financial accounting practices. Additionally, our clients typically require services that affect financial and tax related issues including non-profit conversion, third party cost reporting, insurable values, SOX compliance, property tax reporting, and real property development planning, and regulatory requirements.

Our Healthcare FAM professionals can assist clients with:

- Maintaining the accuracy of the asset ledgers through a rigorous process of identification, validation, and appropriate recording of detailed assets

- Developing and implementing updated fixed asset ledger(s) which are custom tailored for your business requirements
- Developing and implementing fixed asset policies and procedures that are designed to maintain the accuracy of the records on a go-forward basis
- Evaluating development alternatives for obsolete real property assets, considering local market trends and urban growth patterns that may affect these holdings
- Assisting with related valuation services such as fair value, fair market value, and orderly liquidation of component assets for internal management use such as property tax, retirements/disposals, retirement obligations, transfers, and other related business needs



Property tax services

Understanding and complying with property tax requirements is vital to our clients, as is recognizing areas to seek potential tax savings. KPMG's broad experience with property tax compliance and appeals, and our deep industry-based valuation experience, can provide the local knowledge to meet all of your property tax needs.

When to involve an experienced property tax professional

- You are required to file a large number of returns across numerous tax jurisdictions
- A professional firm has never been retained to review existing tax assessed values, or it has been more than two to three years since the last review

- You have experienced changes in your asset base through either acquisitions, impairments, losses or discontinued or idle operations
- You are considering a substantial capital investment, upgrade, or expansion of your existing operations

How we work with you

- Review asset registers with client management to identify subject assets such as buildings, machinery and equipment, inventory, etc. and to assess if any issues exist related to noncompliance
- Review assets for the presence of any intangible or non value-add elements, or alternative sourcing arrangements, that could give rise to potential exemptions or reductions to property tax
- Review existing tax assessed values relative to recent fair market value indications to identify any areas for potential savings on appeal
- Estimate value of identified real and personal property using widely accepted valuation methods



Why KPMG?

KPMG has an established team of healthcare valuation professionals with significant experience providing valuation analyses focused on the services mentioned above. Some of the largest healthcare organizations frequently look to us for objective advice regarding valuations to fulfill their regulatory compliance responsibilities.



Contact Us

For more information, please contact your local KPMG advisor or contact one of the following professionals:

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