

American Consult, an MG Valuation alliance member, values power plants throughout Latin America for a multinational energy firm

Many of the clients in the MG Valuation network have an amazing story to tell, and we are honored to share the work of another member firm, who is assisting a multinational energy firm with valuation consulting in accordance with International Accounting Standards (IAS)-16, *Accounting for Property, Plant and Equipment*.

American Consult works with a multinational energy client, in applying IAS-16 to their facilities in the Dominican Republic, El Salvador, Mexico, Panama and Puerto Rico. IAS-16 discusses the requirements for identification and valuation of assets, giving consideration to grouping assets in major systems by differing useful lives of components, costs, residual values, and asset retirement cost studies. The industry in Latin America is undergoing changing preferences from coal powered plants, to solar, wind, and geothermal, with new government regulations and tax policies encouraging development in renewable energy projects throughout the region. Climate variability has also become a large issue, where droughts and floods are resulting in greater diversity in power sources.

This expertise with valuations for International Accounting Standards, and offices throughout Latin America, means that we can offer clients cutting edge solutions founded in proven techniques and industry knowledge. We believe that our ability to work with hydroelectric, thermoelectric and alternative energy sources such as wind and solar sets us apart from our peers. We aim to partner with multinational firms and provide them with the business solutions that they need.

American Consult, an MG Valuation alliance member in Latin America with offices in Miami, Panama, Caracas and opening soon in Chile, recently assisted their client by performing a valuation of the firm's energy assets in Latin America for financial reporting purposes, and determining the remaining lives of asset groupings. With complicated power plants in several countries, these valuations require an informed view on power plant operations and valuation techniques.

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