

Fixed Asset Management

Offering the client industry expertise through fixed asset specialization



Client challenge

A KPMG client and operator of a global aerospace & defense business required accounting and valuation assistance for financial reporting compliance purposes related to accounting policy requirements.

Although the client had robust finance and accounting procedures, they required fixed asset and valuation professionals with industry specialization to ensure best in class implementation.

The project

The client's accounting policy and procedures manual requires that an inventory of fixed assets be conducted every five years. This required an inventory of thousands of assets across eight major manufacturing facilities with the largest plant exceeding five million square feet.

We worked with the company's finance and accounting functions as well as plant management and site engineers to perform a detailed inventory and reconciliation. This process included KPMG team members independently walking each site to inventory the PP&E assets through use of hand held tablets to document asset ID numbers.

This data was imported into a master list with exceptions identified to be remediated with management.

Client results

The thorough asset level inventory and documentation aided management through detailed and summary reporting with constant feedback and dialogue.

The process identified various asset types and produced a final list of asset and tag numbers in the following categories; assets found and in service, confirmed retirements, and not found assets.

As a result of our work, the finance and accounting teams were able to meet all internal planning and compliance requirements along with reducing the go-forward depreciation expense through the identification and company's retirements of assets no longer in existence.