

The importance of regular valuing of assets in relation to other currencies.

Although there has recently been a short but impressive rally in the value of the rand, over the last six months it has declined by 23.11% against the dollar and it is probable that this trend will continue particularly if the country's political uncertainties continue to diminish confidence.

This regrettable fact, says Gavin Commins, CEO of [The Valuator Group](#), is all too easily ignored or overlooked by those individuals and companies whose financial position is affected by the exchange rates—and this, in turn, has in some cases led to serious disputes on insurance claims or when selling the asset. Some of the people most seriously affected by the decline in the rand's value, said Commins, are those whose businesses require them to import plant and equipment. Quite often a few years down the line they find that the replacement and insurance costs have risen far more than they had anticipated. Similarly, some overseas investors, particularly those who have bought residential and commercial property, are dismayed to find, on putting the asset up for sale, that its value is, in today's dollars, pounds or euro terms, way off what they had imagined it to be or what they originally paid when they first made their investment.

“Our experience has been that even the most wide-awake and shrewdest businessmen often lose sight of the way their asset has performed in relation to the world's stronger currencies even when it has shown good operational returns in rands.”

These difficulties, said Commins, can be countered and allowed for if the buyer follows the recommended course of getting regular monthly or quarterly updates on his/her asset's value in relation to their original investment. This service is provided by the larger and more reputable professional valuers and, says Commins, has assisted many to budget accurately and avoid disappointments. The Valuator Group, he said, targets high net worth individuals and their businesses

and, in addition to offering a comprehensive valuation and advisory service, also prepares fully confidential Asset Registers for clients.

“In today’s fluctuating economic conditions I believe it is very unwise for those likely to be affected by the exchange rates not to keep a close watch on asset values in relation to other currencies through the services of a qualified valuer. Those going the “D-I-Y route” in this field has frequently miscalculated, and badly, because they are unaware of all the factors involved. Peace of mind is ‘valued’ by investors very highly and this is what The Valuator Group offers with a service that covers all assets for both market and insurance valuations. “