

A Review on Approaches for Valuing Government-Owned Heritage Assets

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Abstract

Purpose: The valuation and measurement of tangible heritage assets, such as historical buildings, demand distinct approaches compared to conventional assets. The Malaysian Public Sector Accounting Standards (MPSAS) provide broad guidelines on how these assets should be recognised and reported in public sector financial statements. This paper aimed to identify the valuation and measurement approaches applicable to tangible heritage assets in the public sector. The study particularly focuses on addressing methodological gaps and practical challenges in the national context.

Design/ Methodology/ Approach: A qualitative approach was adopted in this paper. By using a comparative literature review methodology, relevant academic articles, policy documents, and international standards were critically analysed to synthesise the most pertinent valuation approaches adopted globally. This review highlights gaps in current valuation practices in Malaysia and its surrounding regions. The review offers insights into how

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international experiences may improve the protection and recognition of these invaluable national assets.

Findings: Determining appropriate valuation methods remains challenging due to the unique characteristics of heritage assets, which complicate efforts to ensure valuation accuracy, reliability, and comparability. Inaccurate valuations risk misrepresenting the true value of the asset, leading to inappropriate impairment or depreciation.

Keywords: Valuation approach, heritage asset, tangible asset, comparison of valuation technique