

PROFESSIONAL VALUATION SERVICES + FEES (3 pages)

Seva Frangos provides valuation services for contemporary Australian and Indigenous artworks and is an approved valuer for the Commonwealth Government Cultural Gifts Program - speciality Contemporary Aboriginal and Torres Strait Island Art.

Seva Frangos has over 30 years experience in Australian contemporary and Indigenous art and is a member of the:

National Association of Visual Arts
Art Consulting Association of Australia

Specific credentials are:

Accredited Valuer, Australian Government, Cultural Gifts Program
Expert Examiner, Australian Government, Moveable Cultural Heritage

This summary outlines valuations that may be required in three categories and relevant information for enquiries regarding the resale (secondary market) for artworks.

1. Insurance
2. Superannuation Fund requirements, particularly for auditing or sold from the fund (generally a 'transfer' from the fund to an individual)
3. Commonwealth Government Tax Incentives for the Arts, Cultural Gifts Program and the ATO
4. Resale of artwork

No initial guesstimate or 'likely' value will be provided by Seva Frangos in any of these categories.

1. INSURANCE VALUATIONS

Seva Frangos provides valuations for insurance purposes. The valuation is based upon insurance value at full retail/current market cost GST Inclusive. This relates to those instances where an owner might wish to replace any lost or stolen or damaged beyond repair artwork by purchasing an artwork comparable from the artist or dealer.

Standard Fee per artwork = \$220.00 GST Inclusive.

A quote for more than one artwork by the same artist and from artists from the same community or a collection of artworks can be provided and any of these may offer a discounted rate. Like-wise, should an artwork require extensive research a quote will be provided which may increase the standard fee.

To undertake the valuation the client should provide:

- Undisputed ownership
- Digital image front and back of artwork, and base if 3D artwork
- Artwork to be sighted by Seva Frangos if convenient for all parties and at the cost to the owner. Should this not be possible a desktop valuation can suffice by providing digital images alone.
- All relevant documentation accompanying an artwork at time of purchase or subsequently to be made available by the client

2. VALUATION SUPERANNUATION FUND

Seva Frangos provides valuations for superannuation fund collection requirements. The valuation is based upon full retail/current market prices, GST Inclusive.

The value stated therefore reflects a fair market price and is provided to assess current value for auditing requirements.

Standard Fee per artwork = \$220.00 GST Inclusive.

A quote for more than one artwork by the same artist and from artists from the same community or a collection of artworks can be provided and any of these may offer a discounted rate. Like-wise, should an artwork require extensive research a quote will be provided which may increase the standard fee.

To undertake the valuation:

- Undisputed ownership
- Digital image front and back of artwork, and base if 3D artwork
- Artwork to be sighted by Seva Frangos if convenient for all parties and at the cost to the owner. Should this not be possible a desktop valuation can suffice by providing digital images alone.
- All relevant documentation accompanying an artwork at time of purchase or subsequently to be made available by the client

3. DONATIONS TO PUBLIC COLLECTIONS MADE THROUGH THE TAX INCENTIVE TO THE ARTS - COMMONWEALTH GOVERNMENT CULTURAL GIFTS PROGRAM

In summary, the Cultural Gifts Program encourages Australians to donate items of cultural significance from private collections to appropriate and registered public art galleries, museums, libraries and archives. The Program offers tax incentives, in the form of deductions and capital gains tax exemptions, to private donors to enhance the nation's public collections. The value of the donation, based upon today's market, is fully tax deductible should all requirements be fulfilled and entirely at the discretion of the relevant tax authorities. Independent financial advice must be sought by the client before proceeding with any valuation. Generally, the item must be accepted by an appropriate registered public institution and then independently valued by two approved valuers. The value is GST Inclusive and is based upon the current market value either on the date of donation or on the date of valuation (which is within 90 days before or after the donation date).

Seva Frangos is an approved valuer for the Program in the category of Contemporary Aboriginal and Torres Strait Island Art. All accredited valuers, in various categories of expertise, are listed on the website. Also listed is the full Register of Cultural Organisations accredited to accept donations under the Program.

Standard Fee per artwork is \$440.00 GST Inclusive.

A quote for more than one artwork by the same artist and from artists from the same community or a collection of artworks can be provided and any of these may offer a discounted rate. Like-wise should an artwork require extensive research a quote will be provided which may increase the standard fee.

Donor requirements, obligations and accountabilities together with the payment of fees for the valuations should initially be discussed with the public institution accepting the artwork donation under this Program.

Full details of the Program are accessible on the website
Australian Government Attorney-General's Department Ministry for the Arts
www.arts.gov.au/cgp

4. RESALE OF ARTWORK

Seva Frangos Art does not, as standard practice, provide a service for the resale of artwork on the secondary market.

Should your focus be resale, locate a reputable dealer/agent that specializes in comparable artworks and secondary market sales. Information can be sourced from the Australian Commercial Galleries Association (www.acga.com.au) or can be independently researched online.

It is industry practice for a dealer/agent to levy a fee when reselling artwork on behalf of an owner. This is negotiable and at the complete discretion of the agent, but the art industry norm may be 20% of the final sale price and before any applicable resale royalty. (Australian Government Resale Royalty guidelines; www.arts.gov.au/visual-arts/resale-royalty-scheme)

An alternative for reselling artwork through a dealer/agent is to contact a local or national auction house. They may provide an estimate and will discuss expectations and terms. Reputable auction houses can be easily assessed online and offer excellent services.

Seva Frangos does not provide information regarding possible secondary sales contacts, and nor does Seva Frangos provide 'guestimates' on the value of any artwork.

I hope the summary standard information provided here is useful in responding to your initial enquiry. If the need for a valuation service and its circumstances require an exceptional response, then of course specific quotes can be provided as appropriate.

Specific and detailed quotes for public and corporate collections are provided on request.

Should you wish to discuss a valuation service please do not hesitate to contact Seva Frangos.

Seva Frangos
Art Advisor

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