

ACB Fixed Assets Management & Revaluation

Introduction:

Afghanistan Cricket Board (ACB) is the sole independent governing body for managing, organizing and development of Cricket (Men and Women) in Afghanistan. The game of cricket was officially established in 1995. It was granted affiliate membership by the International Cricket Council (ICC) in 2001, associate membership of the Asian Cricket Council (ACC) in 2003 and full membership of International Cricket Council in June 2017. Afghanistan has its National Cricket Teams playing among top 10 cricketing countries of the world.

Scope of Work:

ACB receives funds and in-kind contribution from International Organizations & Government of Afghanistan in forms of fixed assets (Land, Construction works, buildings, Equipment) and etc. ACB has also purchased fixed assets from its own generated revenue or budget. The list of ACB Fixed Assets can be categorized as follows;

- Land
- Building
- Furniture, fixtures and fittings
- Computers and accessories
- Office equipment
- Vehicles
- Ground Equipment machinery
- Cricket academy
- GYM equipment's

With the passage of time and depreciation of cost from overall value of the fixed assets, the written down value (WDV) of some fixed assets has turned into zero, but they still have fair value and are in use within ACB premises. In addition to that, the proper value of those fixed assets are not reflected in financials of ACB which has been given as In-Kind Contribution to ACB by the GoIRA. ACB wants a service provider to do the following;

- Create a customize database and register all fixed assets in that database.
- Develop SoP or Policy manual for the fixed assets system
- Revalue all ACB assets and record them into the new database with actual value
- Reflect the current accounts into ACB financials
- Visit to the ACB main office, sub offices, Grounds, Academies and Guest houses allocated in different provinces of Afghanistan or as per mentioned below table.

- Train the Fixed Asset Registrar or Officer in order to use the customize database along with all created formats and will provide support to the Fixed Asset Registrar for one year.

Objective:

The aim of this project is to reflect the true & fair value of all the fixed assets or non-current assets into the financial statements of ACB. Beside the Main Office of ACB the following “Active” areas are included in the revaluation of fixed assets.

Serial No.	Zones	Grounds	Ground Status	Academies	Academies Status	Guest houses
1	Band-e-Ameer	Kabul	Active	Kabul	Active	Kabul
		Maidan Wardak	In-Active	Kapisa	Active	
				Parwan	In-Active	
				Sarobi	Active	
2	Boost	Kandahar	Active	Kandahar	Active	
		Helmand	Active	Helmand	Active	
		Zabul	Active	Herat	Active	
3	Speenghar	Ghazi Amnaullah Khan	Active	Nangarhar	Active	Nangarhar
		Laghman	In-Active			
		Kunar	Active			
4	Mis-e-Ainak	Paktika	In-Active	Khost	Active	Paktia
		Logar	In-Active	Paktia	In-Active	
		Khost	Active	Logar	Active	Khost
		Paktia	Active	Ghazni	In-Active	
5	Amo	Kunduz	In-Active	Kunduz	Active	
		Balkh	Active	Baghlan	Active	
				Takhar	In-Active	
				Badakhshan	In-Active	

Note: “In-Active” indicates that the Ground/Academy is either under construction or not completely ready for game play.

Tasks:

Designing Fixed Asset Register (Customize Database):

1. Establish and maintain fixed assets register by covering all asset groups.
2. Recording all ACB assets into Fixed Asset Register in a way equivalent to the current value or condition of the fixed asset.
3. Fixed assets Register shall have all important functionality and facility of today's Inventory systems.
4. At least the following information shall be maintained for each asset:
 - Identification number (if available)
 - A description
 - Location
 - Date of acquisition / date placed into operation
 - Original cost
 - Accumulated depreciation
 - Custodian
 - Depreciation method to be applied
 - Depreciation rate
 - Estimated surrender value.
 - Other required information

Revaluation Methods:

- Appropriate method shall be used for the revaluation of all ACB fixed assets which will reflect the true and fair value of each & every fixed asset.
- The method used in revaluation of the fixed assets shall be based on international recognized standards and not questionable by ACB external auditors.
- Service Provider shall be available at the time of ACB external audit in order to respond to /clarify any query regarding the revaluation of ACB fixed assets.

Evidence for Documentation:

The complete set of evidences shall be provided to ACB regarding collection of the market price or identification of the current value of the fixed assets from the market.

Tools & Templates:

Tools, Templates or standard forms shall be developed for;

- ✓ Requisition of fixed asset
- ✓ Recoding the fixed assets
- ✓ Hand-over the fixed assets
- ✓ Fixed Asset Movement Form (moving from one place to another)
- ✓ Returning the fixed assets
- ✓ Selling the fixed assets
- ✓ Disposal of fixed assets.

Physical Verification of All Fixed Assets:

- ✓ Service provider shall visit all the ACB offices, grounds, Academies, Guest houses & sub offices in order to check physical condition of all fixed assets.
- ✓ Service provider shall do the physical verification of all assets and to find the condition of each asset
- ✓ Adjusting any discarded/disposed assets.
- ✓ Upon completion of the physical verification of all fixed assets the reconciliation of the fixed asset shall be performed.

Creating a Standard Tagging and Controlling System:

- ✓ A Bar Coded system/device for tagging and inventory of ACB fixed assets shall be proposed by service provider and procured by ACB
- ✓ The machine shall be linked with the Fixed Asset Register database
- ✓ All tags shall be printed and applied on the fixed assets with automatic tag number generated by the system.
- ✓ The tags shall have high quality and not easily removable from assets.
- ✓ A proper numbering/Addressing shall be created for ACB premises and offices. Complete address of an equipment shall be recorded in the system.

Developing Fixed Asset Manual:

Service provider shall develop a new policy manual for Fixed Asset or further develop/revise the current Inventory manual of ACB. The policy manual shall cover at least the following issues plus other issues required to be covered in this policy manual;

- Fixed Asset Register shall be verified periodically by physical inspection of the assets recorded. The policy shall state that four times verification is required during a year.
- The Policy manual shall cover the disposal of assets, fully depreciated assets or assets scraped/destroyed. (How they can be disposed/sold according to the

- policy? Hierarchy of approval authority shall be defined and the process for removal from fixed assets register shall be stated)
- The Policy manual shall define some procedures about setting useful life for all assets in all categories rationally or evidently. There shall be also a mechanism for automatically or manually calculation of depreciation costs for each asset annually.
 - There shall be a solution to the assets undervalued before completion of useful life. This is for the purpose of avoiding misstatement in financial accounts of ACB.
 - The fixed assets accounting regulations and practices shall be based on the international standards.
 - The policy Manual will define the capitalization for:
 - ✓ Capitalization of a new asset
 - ✓ Capitalization of addition and enhancements to a registered fixed asset
 - ✓ Capitalization of repair and replacement of parts of a registered asset
 - ✓ Capitalization of fixed asset (construction work in progress)

Training:

Providing training to the staff assigned for fixed asset register (Inventory staff) or train ACB staff regarding the use of fixed assets, periodic verification of fixed assets, and compliance with policy manual related to fixed assets register. The service provider shall provide support to the ACB Stock staff for a period of one year after completion of service.

Customized Excel Database:

All tools and forms shall be linked to the fixed asset register database; that by uploading data into the database the data shall be reflected in the fixed asset register database. In another word, there shall be the functionality to generate the reports in excel and PDF and upload data from excel into the database automatically.

Reconciliation of Fixed Assets into ACB Finance System:

Upon completion of the revaluation of fixed assets based on international standards the actual/current value of each and every fixed asset shall be reflected in the Fixed Asset register and then reflected to the financial database (QuickBooks) of ACB that all the records regarding fixed assets should be reconciled.

Report:

A complete report shall be submitted to the ACB upon completion of the revaluation of fixed assets along with supporting documents, new created system, forms, revaluation methodology and report from ACB Grounds, Academies, Guest houses or sub offices visited.

The Responsibilities of Service Provider:

- Conducting ACB fixed assets revaluation in accordance with International Standards of Accounting.
- Complying with ethical requirements and plan
- Perform the fixed assets revaluation to make sure if the value assigned to each asset is fair and based on evidence.
- Taking the sole responsibility for the own security of service provider staff, vehicle and any other property while visiting ACB premises all over the country.
- Developing a new or revising the current Inventory policy manual of ACB for Fixed Assets.
- In the designing and planning phase for revaluation of fixed assets, the service provider shall visit ACB premises all over the country and check the condition of each fixed asset.
- ACB documents are the sole property of ACB; service provider shall never disclose or share any document or information to the third party (e.g. individual/business entity/govt. or non govt. agencies) for any purpose without written consent of ACB.
- ACB will not pay any extra charges under the name of travelling, boarding and lodging to the service provider. All charges shall be included in the gross amount of the quotation or financials. ACB will not bear any other cost except the gross amount allocated for this project.

ACB Responsibilities:

- ACB will provide access to information and documents required for this revaluation of fixed asset.
- ACB will provide access to its staff, from whom service provider identify to obtain the required information about the project.
- ACB will pay the amount based on the contract installment schedule to the services provided.
- ACB will not bear any responsibility about security of the service provider.

Project Timeline:

- The expected start date for the project is Sep 01, 2020 and end date is Oct 30, 2020.
- The report shall be submitted to the ACB management by 13th Nov 2020.
- A proposed timeline or implementation plan shall be submitted by the service provider along with proposal.

QUALIFICATIONS AND EXPERIENCE

- Should have a valid business license and Tax Certificate.
- Should have a strong experience in the field
- Proven track record in developing similar systems.
- Firm or service provider registered as globally recognized accounting firm will be given preference.

DOCUMENTS FOR SUBMISSION

The following documents shall be submitted along with a proposal:

- Past experience evidence
- List and CVs of office bearers and key management personnel
- Similar contracts (If any)

CRITERIA FOR SELECTION OF THE BEST OFFER

- Technical proposal (50%)
 - Bidders qualification, experience and capacity (30/50 Points)
 - Valid Business license, official bank account and Tax certificate (10/50)
 - Globally recognized accounting certificate firm (10/50)
- Financial proposal (50%)
 - To be computed as ratio of the proposal's offer to the lowest price among the proposals received by ACB (50/50)

Notes:

- If bidders do not meet the above listed criteria, their proposal will not be considered for further evaluation
- Bidders meeting above criteria are required to submit the evidences in support, otherwise proposal may be disqualified

Disclaimer: ACB reserves the right to cancel the entire process and/or modify, add or alter the terms of this TOR or the conditions without prior notice or reason.