

**TERMS OF REFERENCE FOR ASSET VERIFICATION AND VALUATION SERVICES FOR
THE NATIONAL HERITAGE COUNCIL BY 01 MARCH 2024**

1. INTRODUCTION

The National Heritage Council of South Africa (NHC) hereby requires the services from a suitable, experience and qualified asset verification and valuation service provider to conduct an assessment on movable, immovable and intangible assets before 31 March 2023.

2. BACKGROUND

The NHC consists of not more than 50 officials and occupy $\frac{3}{4}$ of the 1st level of a leased building. Therefore, the asset verification and valuation services should be completed by the timeframe indicated.

3. SCOPE OF WORK

The scope of work includes, but is not limited to, the following:

- 3.1. Verification of all assets, including confirming location, as per the asset register and indicate which items are not an asset.
- 3.2. Condition assessment which will inform the remaining useful live, residual value and impairment assessment of all movable assets.
- 3.3. Condition assessment which will inform the remaining useful live, residual value and impairment assessment of all immovable assets.
- 3.4. Condition assessment which will inform the remaining useful live, residual value and impairment assessment of all intangible assets.
- 3.5. Valuation of assets with no value and previously not included in the current asset register.
- 3.6. Support to 3.5 above should be provided with the final Asset register(s) for audit purposes.
- 3.7. Service provider to provide NHC with a verification system for all its assets. The tool to be used should be at minimum be GIS enabled.

- 3.8. Status or progress of verification should be available at real time for the verification supervisor to resolve issues timeously.
- 3.9. Provide verification tools (hardware).
- 3.10. Provide updated room lists (inventory list) signed by all custodians.
- 3.11. Service provider to provide aluminum asset tags for all assets with no tags. Specification on tags to be approved by NHC prior production.
- 3.12. Provide a list of assets to be disposed of, for approval by management.
- 3.13. Assets that can not be verified from the current Asset register(s) are to be investigated and best possible solutions recommended.
- 3.14. Propose journals for any prior period changes. These should be supported by valid sources of information.
- 3.15. Propose current year journals to align with the final NHC approved Asset register(s)
- 3.16. Professional advice on whether revaluation of assets is required or to keep assets at cost price.
- 3.17. Provide training to NHC staff throughout the project (Skills Transfer)

4. COMPULSORY REQUIREMENTS

The service providers that submit proposals in terms of this RFQ will be required to comply with the following compulsory requirements: The documentation must be included with the quotation:

- 4.1. Valid current Tax compliance pin code as issued by the South African Revenue Services (SARS).
- 4.2. Valid current registration on the Central Supplier Database (CSD) showing a tax compliance status for the duration of the RFQ process. Proof of registration to be supplied with the quotation.
- 4.3. Completed and signed Standard Bidding Documents (SBD) as included in the document.
- 4.4. Company profile with Organogram must be submitted with the quotation.
- 4.5. Knowledge and expertise of the team to be assigned to the project needs to be indicated. Company Directors must be registered with the relevant accounting professional bodies such as SAICA, SAIGA, SAIPA, ACCA, CIMA, SAIBA, etc. proof of membership must be included with the quotation.

- 4.6. Registered Professional and Certified Accountants as part of the team (SAICA, SAIGA, SAIPA, ACCA, CIMA, SAIBA, etc). Proof of registration to be included with the quotation.
- 4.7. Registered professional valuer as part of the team. Proof of registration must be included with the quotation.
- 4.8. Extensive knowledge of GRAP
- 6.1. At least three (3) years' experience with asset verification and valuation services for public entities. At least three (3) reference letters, on the client letterhead, are required for each service provider for asset verification and valuation services for a period of at least 3 years. The letters must contain the following information:
 - a) Name of the business (Client's company)
 - b) Type of service provided.
 - c) Contactable reference person.
 - d) Audit results achieved for period of service (include audit reports).
 - e) Period of service
- 4.9. Proven track record on experience shall be supported by evidence of a track record for asset verification and valuation services. Minimum of three (3) years' experience is required for the company.
- 4.10. The General Conditions of Contract (GCC) issued by the National Treasury is applicable and forms part of the Request for Quotation (RFQ). A copy of the GCC can be obtained from [Microsoft Word - GCC inclusion of par 34 CIBD 24-5 .doc \(treasury.gov.za\)](#).

5. DELIVERABLES

- 5.1. Asset verification report highlighting the asset description, location, and other relevant information.
- 5.2. Asset location report per office
- 5.3. Report on damaged, redundant and missing assets
- 5.4. Asset disposal report
- 5.5. Asset valuation report
- 5.6. Draft Asset register(s)
- 5.7. Proposed journals and posing

5.8. Final Asset register and all supporting documentation

6. REPORTING FORMAT

6.1. Information to be submitted to the NHC Financial Management team in a report format and include notes where applicable.

6.2. If required, answer audit queries regarding valuations and changes undertaken.

6.3. Must be able to assist in aligning the trial balance with assets registers.

6.4. Must be required to provide the stipulated reports under Deliverables not later than 31 March 2024 in line with National Treasury guidelines.

7. TIMEFRAME FOR DELIVERABLES

7.1. The asset verification and valuation services must commence not later than 01 March 2024 and completed, including reports submitted and approved, by not later than 31 March 2024.

7.2. Should the appointed service provider experience unforeseen challenges in completing the project within the indicated timeframes, the service provider must communicate the challenges in writing and request extension of the agreed timeframes.

7.3. Service providers are required to include a detailed estimated project plan, highlighting the methodology and approach to be followed, clearly defined milestones and state the expected date of the deliverables as required.

8. COST ESTIMATES

8.1. All prices are fixed and in South African Rand (ZAR). No amendments to the price will be allowed after closure of the Request for Quotation (RFQ).

8.2. Cost estimates must be in line with the required deliverables and the project plan.

8.3. Service providers shall submit a detailed quotation. Failure to submit a detailed quotation will result in the proposal to be considered as a non-responsive quotation.

9. EVALUATION CRITERIA

All service providers and proposals will be evaluated according to the compulsory requirements, compliance with specifications, Price and their B-BBEE level of contribution. The 80/20 principle in terms of the Preferential Procurement Regulations will be applied.

B-BBEE points in terms of the Preferential Procurement Policy Framework Act Regulations will be allocated as follows:

No	The specific goals allocated points in terms of this RFQ	Number of points allocated as per the 80/20 principle																				
1.	The promotion of entities that are B-BBEE compliant	9																				
	<table border="1"> <thead> <tr> <th>B-BBEE Level of Contribution</th> <th>Points allocated</th> </tr> </thead> <tbody> <tr> <td>B-BBEE level 1</td> <td></td> </tr> <tr> <td>B-BBEE level 2</td> <td></td> </tr> <tr> <td>B-BBEE level 3</td> <td></td> </tr> <tr> <td>B-BBEE level 4</td> <td></td> </tr> <tr> <td>B-BBEE level 5</td> <td></td> </tr> <tr> <td>B-BBEE level 6</td> <td></td> </tr> <tr> <td>B-BBEE level 7</td> <td></td> </tr> <tr> <td>B-BBEE level 8</td> <td></td> </tr> <tr> <td>B-BBEE level 9</td> <td></td> </tr> </tbody> </table>		B-BBEE Level of Contribution	Points allocated	B-BBEE level 1		B-BBEE level 2		B-BBEE level 3		B-BBEE level 4		B-BBEE level 5		B-BBEE level 6		B-BBEE level 7		B-BBEE level 8		B-BBEE level 9	
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2.	The promotion of SMME's	5																				
3.	The promotion of woman owned enterprises based on the percentage owned																					
4.	The promotion of youth owned enterprises based on the percentage owned	6																				
5.	The promotion of people with disabilities based on the percentage owned																					
6.	The promotion of enterprises located in rural areas based on the percentage owned																					
7.	The promotion of enterprises located in the township based on the percentage owned																					
8.	The promotion of co-operatives based on the percentage																					
Total achievable points		20																				

NB: Where the B-BBEE level of contribution was included as the preference points, the original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a verification agency accredited by the South African National Accreditation System ("SANAS"). In the case of Exempt Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs), an affidavit is to be submitted.

9.1. In the event of a Joint Venture or Consortium(s) / primary bidder with a sub-contractor, the following requirements will apply:

9.1.1. Bidders who wish to respond to this bid as a Joint Venture (JV) or consortium with B-BBEE entities / primary bidder with a subcontractor must state their intention to

do so in their tender submission. Such bidders must also submit a signed JV / consortium / subcontracting agreement between the parties clearly stating the percentage (5) split of business (Internal audit fee and work) and the associated responsibilities of each party.

9.1.2. If such a JV or consortium / subcontracting agreement is unavailable, the directors must submit confirmation in writing of their intention to enter into a JV / consortium / subcontracting agreement should they be awarded business by NHC through this tender process. This written confirmation must clearly indicate the percentage (%) split of business (internal audit fee and work) and the responsibilities of each party. In such cases, before contracting, a signed copy of a JV / consortium / subcontracting agreement must be submitted to NHC.

9.1.3. A consortium or joint venture must submit a valid consolidated B-BBEE status level verification certificate.

10. NHC LIABILITY

The NHC does not bind itself to accept the lowest or any RFQ proposal, not to assign any reason for the rejection of a RFQ proposal, not shall it be responsible for or pay any expenses or losses that may be incurred by the prospective service provider in the preparation of this quotation

11. VALUE ADDED

11.1 Service providers are required to include a skills transfer plan for the NHC Finance and Supply Chain Management team and provide an explanation, with the quotation, how this will be done.

11.2 Service providers are encouraged to indicate any value added services that may be offered to the NHC in line with the requirements as stated above.