



## **Title: Asset Control Policy**

### **Objective:**

#### **1. Asset Justification**

All asset purchase decisions on behalf of the company are decided by the Board. The procedure for approval is outlined in the Capital Acquisitions policy.

Each decision to acquire an asset must be tabled as a proposal to the board as follows:

1. Annual budget proposal to approve the spending in principle as the preliminary decision. This preliminary decision is NOT the final decision to purchase.
2. Since the CEO establishes the need for an asset prior to submission to the board, the justification for the asset shall have been reviewed before the board decision. After the board decision has been taken to purchase assets due diligence shall be exercised in the acquisition process and the following procedure followed;
3. A detailed schedule of items to be acquired supported where possible by three quotations/proposals from suppliers. Supporting written justification for supplier of choice shall be provided when the formal decision to purchase is being made subsequently. All these arrangements shall be reviewed by the CEO.
4. The recommended supplier & quotation shall be established by the CEO where appropriate and the decision passed to the next board meeting at which the board may elect to accept the decision or review and amend the decision.
5. Where three suppliers are not available, a written justification shall be presented for approval by the board for the selected supplier.
6. Unbudgeted items shall be taken as separate individual board decisions and shall include all of the above requirements.
7. Files of all justifications, proposals, quotations, etc. shall be maintained in the NRC office and shall be available to audit.

#### **2. Acquisition Procedure**

The CEO shall be responsible for:

1. Timely notification to the suppliers who have been unsuccessful.
2. Placement of the order with the chosen supplier after approval by the board.
3. Agreement/Management of the delivery schedule.
4. Acceptance criteria/Snag List resolution and management of conformance to specification issues.



## **Title: Asset Control Policy**

5. Maintenance of Specification such that additions/changes/extras do not affect planned expenditures. Where such additional requirements are involved a further round of justification and board approval as per 1. above shall be required.
6. Regular status updates to the board.

The CEO shall be responsible for ensuring that an appropriate level of review of the purchase is undertaken beforehand and ensuring that conflict of interest situations do not arise. Any conflicts that do arise will result in the conflicted party being excluded from the decision making process.

The CEO is responsible for ensuring that supplier selection is an equitable, fair and optimal process for Rowing Ireland. He is also responsible for ensuring that value for money and technical competence are managed in the supplier selection process to ensure that the best suppliers are included in all competitive quotation situations.

### **3. Asset Register Maintenance**

Each Asset (€1000 or greater) of the company shall be entered on the asset register with the corresponding accounting references as per the accounting system.

As a minimum a unique asset number shall be assigned to each asset where the asset is not fixed. The only exceptions allowed are fixtures and fittings and, Negotiable Instruments which items shall be accounted for in the Asset register.

The unique asset number assigned shall be linked to any unique serial number supplied with the purchased asset or other unique feature of the item. The RI asset number will be affixed to the asset and recorded in the fixed asset register maintained by the Finance Officer.

An individual brief description of the asset shall be recorded, and the date of acquisition clearly defined. The basic details of the supplier shall be recorded on the register.

The permanent location of the asset shall be identified and the asset itself shall be subject to audit to verify its existence and condition.

The asset category shall be recorded as follows:

1. Land & Buildings
2. Equipment (Boats, Oars, Engines, Launches)
3. Motor vehicles (Including trailer)
4. Perpetual Trophies



## **Title: Asset Control Policy**

The Landed Cost of the asset shall be recorded and shall include, transport, excise, VAT, insurance and any other costs associated with the procurement. The appropriate invoices and supporting receipts etc. shall be filed by administration and shall be available for audit.

A projection of depreciation charges shall be maintained according to the depreciation schedule and projected forward for the life of the asset until amortisation to assist financial planning and future provision for this item.

### **4. Care of Assets**

All fixed assets shall be covered by an appropriate Insurance policy and for all public liabilities associated with it.

Appropriate insurance cover for assets in store, in use and in transit shall be provided for.

Perpetual Trophies are assets of the company.

The Care and Maintenance of the assets of the company resides with the CEO of the company.

### **5. Depreciation Schedule**

The depreciation policy shall be determined by the Board, in consultation with the auditors, and shall comply with appropriate accounting policies.

The depreciation treatment of each asset in the accounts shall follow the format prescribed.

### **6. Disposals Procedure (Sales of assets or Write-Offs)**

The company may dispose of assets that are surplus to requirements or of sub-standard nature or as trade-in against additional purchases.

All disposals from the asset register (including trade-ins) shall be authorised by the board. All disposals so approved shall be advertised on the website of Rowing Ireland for a minimum of two weeks prior to the evaluation of any offers for the asset.

The CEO and Treasurer shall jointly manage any competitive bidding for an asset of the company and the winning bid shall be decided on the basis of the best return on investment for the



## **Title: Asset Control Policy**

company. The Treasurer and the CEO must jointly approve a disposal decision. The CEO shall maintain copies of all bids provided in a competitive bidding disposal. The disposal decision shall be reported to the next meeting of the Board. All bids shall be auditable and shall be available for review by the board if representations on a decision arise.

No asset of the company shall transfer until the agreed terms for the sale have been fulfilled and the revenue from the sale recognised, deposited, properly received, and accounted for.

All assets disposed of must be removed from the premises of the company with immediate effect and the company shall cease to be responsible for the care, maintenance, storage, or insurance of such disposals. The asset must be de-listed from the insurance policy and any re-bate due on foot of this recovered from the insurer.

Where value can be recouped from an existing asset regardless of its *book value*\* it shall be offered for sale or removed for use in another asset or held as spares replacement. NB: this requirement also holds true for assets damaged beyond repair. The material cost of retrieval of such value must be considered in deciding to recover. The CEO shall decide all such matters of recovery.

Assets may be disposed of as scrap under the following terms;

1. *Book Value*\* shall be zero
2. Asset must be offered for sale on the Official website for more than two weeks with no offers to purchase forthcoming.
3. Detailed records of scrap disposals shall be maintained to support the removal from asset register and shall include the means of disposal to satisfy the local authority waste disposal Act and associated environmental requirements.



**Title: Asset Control Policy**

**7. Accounting Administration**

The accounting package used by Rowing Ireland shall be the repository of all data appertaining to asset transactions.

The Finance Officer shall be responsible for maintaining the files supporting each transaction as per the above procedure.

The individual responsible for procurement shall be responsible for providing the required documented evidence to support the transaction in a timely manner and in accordance with the regulations and failure to so do shall be reported to the Board.

The board reserves the right to suspend, discipline or dismiss an individual, seek to recover losses and/or report all indiscretions to the appropriate authorities, (accounting, company's office, legal, revenue).

All disposals shall be accounted for by removal from the register of fixed assets.

<i><b>Version</b></i>	<i><b>Date</b></i>	<i><b>Author</b></i>	<i><b>Changes</b></i>
1.0	5 <sup>th</sup> October, 2013	H. Adams	New Draft