
Our Ref: NAO 30/2018

National Audit Office Tender for the Provision of Audit Services

1. Timetable

	Date	Venue
Deadline for the submission of tenders	26 September 2018	National Audit Office
Tender Opening Session	27 September 2018	National Audit Office
Evaluation Committee Meeting	28 September 2018	National Audit Office

2. Background information

The National Audit Office issued a new tender for the provision of external audit services since the five year term appointment of the present auditors KPMG expired this year, with the last financial statements being audited relating to year-end 31 December 2017. The Office appreciates the very good working relationship prevailing with KPMG throughout this period.

As was customary procedure adopted during past years, the Office on the endorsement of the undersigned, limited the request for tendering to the Big Four Audit Firms – Deloitte & Touche, Ernst & Young, KPMG and PricewaterhouseCoopers. The rationale being that the audit of a Constitutional entity entrusted with the financial scrutiny of Government departments and entities requires delivery of the highest audit quality service possible by a professional audit firm affiliated with an international audit partner.

The requests for tendering were sent to the Big Four audit firms on the 11th of September 2018 with the deadline shown in the timetable above.

The evaluation criteria were defined in the letter as follows:

Financial Criteria – 60%

Annual fee inclusive of VAT to be charged each year for the financial statement during the five year period ending 31 December 2018 up to 31 December 2012.

Technical Criteria – 40%

- Expected date that the audited financial statements will be delivered - 20%
- Proposed Time table for the Conduct of the Audit - 10%
- Public Sector experience of Audit Team – 10%

3. Opening Report

The National Audit Office received three tenders as per following table:

	Date Submitted	Time	By:
PriceWaterhouseCoopers	25 Sep 2018	8:31	Email
Ernst & Young	26 Sep 2018	9:12	Email
KPMG	26 Sep 2018	17:10	Email

Deloitte and Touche did not submit any bid by deadline date.

4. Conclusion

Following its evaluation, the Committee, made up of Messrs Noel Camilleri, Deputy Auditor General, Brian Vella, Assistant Auditor General, and Ian Rizzo, Manager, Finance and Administration, unanimously recommended that the tender of the audit services for financial statements year end 31 December 2018 up to 31 December 2022 be awarded to Ernst & Young , this being the most economically advantageous offer.

Having reviewed the detailed evaluation, I fully concur with the decision of the Evaluation Committee. Thus, it is recommended that the National Audit Office Accounts Committee formally approves the selection of Ernst & Young as this Office's external auditor for financial statements year end 31 December 2018 up to 31 December 2022 at an annual fee of 4,750 euro, including VAT.



Charles Deguara
Auditor General
1st October 2018