

External audit of the financial statements of the Jersey Gambling Commission: Invitation to Tender



10 July 2025

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Section 1: Introduction and Background

The Comptroller and Auditor General

1. The functions of the Comptroller and Auditor General ('C&AG') derive from the Comptroller and Auditor General (Jersey) Law 2014. The C&AG discharges these functions via the Jersey Audit Office.
2. The C&AG is responsible for:
 - appointing auditors to audit the financial statements of the States and certain other entities. In the case of Jersey Gambling Commission, the C&AG has a statutory duty to appoint the auditor; and
 - reporting to the States Assembly on corporate governance, internal control and value for money. The C&AG discharges this responsibility by preparing and issuing a series of public reports each year on a variety of topics.

Jersey Gambling Commission

3. The Jersey Gambling Commission is the gambling regulator for the Island of Jersey and was established in 2010 with the coming into force of the Gambling Commission (Jersey) Law (2010) ('the Law').
4. The Law created the Commission as a body corporate established by statute and as such, it is unusual in that it does not have, or require, any incorporation or registration documents commonly held by typical incorporated entities. It operates with a Board of Commissioners who act in a manner similar to non-executive Directors, together with the Chief Executive and Deputy Chief Executive.
5. The Law makes it clear that the Commission is independent of the Minister for Sustainable Economic Development and the States and may exercise the rights, powers and privileges and incur the liabilities and obligations of a natural person of full age and capacity, so far as is –
 - (a) reasonably necessary or expedient for or incidental to any of its functions
 - (b) possible for a body corporate; and
 - (c) not prohibited by any enactment.

6. Article 18 of the Law notes in respect of Accounts, Audit and reports that:
- (1) The Commission must-
 - (a) keep proper accounts and proper records in relation to the accounts; and
 - (b) prepare accounts in respect of each financial year and a report on its operations during the year.
 - (2) The accounts of the Commission must include separate accounts for the social responsibility fund.
 - (3) The Minister must lay a copy of the accounts, audited in accordance with paragraph (4), and the report prepared by the Commission before the States not later than 7 months after the end of each financial year.
 - (4) The accounts of the Commission must-
 - (a) be audited by auditors appointed in respect of each financial year by the Comptroller and Auditor General and qualified for appointment as auditors of a company by virtue of Article 113 of the Companies (Jersey) Law 1991; and
 - (b) be prepared in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the Commission for the period and of the state of the Commission's affairs at the end of the period.

Background documentation

7. Relevant background documentation is as follows:
- the Gambling Commission (Jersey) Law 2010
 - the Gambling (Jersey) Law 2012
 - the Annual Report and Accounts of the Jersey Gambling Commission; and
 - the Code of Audit Practice, issued by the Comptroller and Auditor General.

Section 2: Specification and scope

Description of services required

8. The services required are annual audits of the financial statements of Jersey Gambling Commission undertaken in accordance with auditing and ethical standards issued by the Financial Reporting Council (FRC) and the Code of Audit Practice issued by the Comptroller and Auditor General.
9. The contract will cover an initial term of five years, with an option by the Comptroller and Auditor General to extend for one further year. Specifically, this contract covers the audit of the annual report and accounts from the year ending 31 December 2025 to the year ending 31 December 2029, with an option to extend to the year ending 31 December 2030.
10. The target date for the completion of the audit is 31 May in the year following the year to which the financial statements relate.
11. There are no changes to the scope of the audit in 2025 from that of the 2024 financial statements. However, proposed legislation may extend the powers of Jersey Gambling Commission. The States of Jersey proposal to transfer responsibility for liquor licensing to the Commission may have an impact on the audit. This cannot yet be quantified, and the impact on the audit assurance required, and associated fee, will require discussion and agreement between the audit firm, the C&AG and the Commission.

Key Performance Indicators

12. The key performance indicators for this contract are:
 - The delivery of an audit plan and reports on the Annual Report and Accounts to Those Charged With Governance by the specified dates
 - To report and notify to the Board any significant control weaknesses, and/or any non-standard audit report, prior to notifying the Comptroller and Auditor General; and
 - Satisfactory public reports (if any) on the audit work of your firm by regulatory bodies.
13. Throughout the course of the contract the above indicators will be monitored and should there be any areas of concern these will be promptly brought to your attention.

Payment schedule

14. Invoices for audit work should be submitted to Jersey Gambling Commission as follows:

Milestone	Payable
Issuing finalised audit plan	20% of total annual fee
Issuing Independent Auditor's Report	80% of total annual fee

Section 3: Pricing schedule

15. Prices for the work to be undertaken in the capacity of auditors of the financial statements of the Commission should include a breakdown of costs for each year of the contract. Please also include daily rates for price variations by:
 - Partner / Director – that is the person serving as ‘Engagement Partner’ or Quality Control Reviewer of equivalent seniority
 - Senior Manager / Manager – next in line of command for the engagement or equivalent
 - Other qualified staff – other staff holding full professional membership of a CCAB body or equivalent
 - Other professional staff – Trainees, accounting technicians and other professional staff.
16. All prices should be quoted inclusive of expenses in pounds sterling.
17. These prices should be based on assumptions relating to auditing standards, accounting standards, audit risks and the quality of financial statements, accounting records, information and explanations specified in this tender document.
18. Either party may propose a variation if the assumptions do not remain valid and such variation, if agreed, shall be priced in accordance with Appendix 5. The relevant assumptions are that:
 - the basis of financial reporting for the Jersey Gambling Commission remains as stated in this Invitation to Tender
 - there is no significant change to the applicable financial reporting regime
 - there are no significant changes to International Standards on Auditing (United Kingdom) or the Ethical Standard issued by the Financial Reporting Council
 - there is no significant change to the timing of preparation of the draft financial statements and/or completion of the audit from that specified in this ITT
 - there are no significant changes to the scale or nature of the activities of the Jersey Gambling Commission other than that noted in paragraph 11

- there are no significant changes to the financial systems used by the Jersey Gambling Commission
 - the Jersey Gambling Commission presents for audit timely and complete financial statements, supported by adequate working papers; and
 - there is no qualification of the auditor's opinion.
19. However, there shall be no variation in the fee specified above if the cumulative effect of variations agreed would be to increase or reduce the price included in the Tender by 10% or less.
20. The prices specified for each year shall be uplifted by the annual increase (if any) of the Jersey RPI(Y) reported on 30 September in each ensuing year. The rates noted above for each type of staff member involved in the audit shall be uplifted by the increase (if any) in Jersey RPI(Y) from 30 September in the year to which the audit relates.
21. Please note that agreement of any additional fees arising from failure of the Jersey Gambling Commission in the preparation of financial statements and provision of accurate and timely information and explanations are matters for agreement between the Successful Tenderer and the Jersey Gambling Commission.

Acceptance period

22. Your Tender shall remain open for acceptance for ninety (90) days from the Tender return date.

Section 4: Tender timetable

23. The C&AG proposes to run the tender, on behalf of the Jersey Gambling Commission, to the following timetable:

Activity	Date
Issue Advert and ITT	10 July 2025
Tender close	19 September 2025
Tender evaluation and clarification	Between 22 and 26 September 2025
Tenderer presentations / interviews (if required)	30 September 2025
Tender negotiations (if any)	Between 30 September and 10 October 2025
Evaluation process complete	10 October 2025
Preferred supplier notified	10 October 2025
Contract documentation finalised and Contract signed	17 October 2025
Contract start date	Commencement of the audit of the financial statements for the year ending 31 December 2025
Contract end date	Completion of work in connection with the audit of financial statements for the year ending 31 December 2029 (or 31 December 2030 if the C&AG exercises the options to extend the Contract)

24. If interested parties would like to have an informal discussion between 14 July 2025 and 15 August 2025, please contact Jason Lane (j.lane@jgc.je) to set up a meeting/appointment.

Section 5: Evaluation criteria and submission process

Selection basis

25. All Tenders submitted will be reviewed in accordance with pre-determined Contract award criteria. The C&AG will not be bound to accept the lowest bid submitted but will award the Contract on the basis of the industry standard 'Most Economically Advantageous Tender' (MEAT). The C&AG does not bind herself to accept any Tender.

The criteria

26. The criteria against which Tenders shall be evaluated are:

- **Operational capacity (25%)**
 - Financial capacity including insurance
 - No threats to independence, or sufficient safeguards to reduce any threats to independence
 - Capacity to deliver the contract in line with the timetable
- **Quality and experience (40%)**
 - Quality of the bidding organisation
 - Quality of the key personnel proposed for the Contract
 - Experience of delivery of similar work
 - Engagement with the Executive and Board of the Jersey Gambling Commission
- **Appropriateness of the Tenderer's standard contractual terms (5%)**
- **Price – fixed price for the audit and hourly rates for pricing any variations (30%)**

27. Following evaluation of Tender submissions, Tenderers will be selected to attend presentations/ interviews. The final evaluation of Tender submissions shall take into account both the Tender submissions and the presentations/ interviews.

Feedback

28. Feedback will be provided for unsuccessful Tenderers once the process has been completed. Tender prices submitted will not be provided as a comparison.

Instructions for submitting a response

29. The closing date for tender submission is 19 September 2025. Electronic submission is preferred and should be sent to Enquiries@jerseyauditoffice.je. The Comptroller and Auditor General is not responsible for the safe deliver of any submission.
30. The form for the submission is a matter for the tenderer. However, this is not expected to be onerous or substantial given the size of this audit, but it should include all areas referred to in this document, clearly and separately identified.
31. Should there be any queries regarding the Invitation to Tender they should be submitted by email to Enquiries@jerseyauditoffice.je no later than 29 August 2025. Queries will be responded to on an ongoing basis.
32. If the Comptroller and Auditor General believes that any such query is of general interest to other Tenderers in respect of the structure, content or meaning of any of the documentation supplied, then Comptroller and Auditor General may make the response available to other Tenderers. The Comptroller and Auditor General maintains her absolute discretion in making such a decision.
33. The Comptroller and Auditor General reserves the right to issue tender bulletins detailing changes to the Invitation to Tender at any time after the issue and up to three (3) working days prior to the date for the close of the tender. These changes must be taken into account by Tenderers when preparing their submissions.
34. Tenderers shall bear all their own costs and expenses incurred in the preparation and submission of the Tender.

Section 6: Tender Declaration

35. Tenderers shall submit a Tender Declaration in the following terms:

We undertake to provide the provision of external audit of the Jersey Gambling Commission.

We accept the provisions of the Invitation to Tender and offer to provide services in accordance with the prices, terms and conditions stated herein.

We undertake, and it shall be a condition of any Contract, that the following is a 'bona-fide' Tender, intended to be competitive and that we have not fixed or adjusted the amount of the Tender by or under or in accordance with any other person. We also certify that we have not done and we undertake that we will not do any of the following:

- communicate to any person other than the person calling for this Tender the rates or approximate rates in the proposed Tender*
- enter into an agreement or arrangement with any other person that the other person shall refrain from tendering or as to the amount of any Tender to be submitted; and*
- offer to pay or give or to receive, or agree to pay or give or receive, any sum of money or consideration directly or indirectly to or from any person for doing or having done or causing or having caused to be done in relation to this or any other Tender or proposed Tender for the said goods or services any act or thing of the sort described above. In this context "person" includes any person and any body or association, corporation or incorporate and "any agreement or arrangement" includes any such transaction formal or informal whether legally binding or not.*

We understand that no variations in, or acceptance of any Invitation to Tender, or Tender shall be binding unless agreed in writing.

This Tender shall remain open for acceptance for a period of ninety (90) days from the final date for the submission of Tenders.

Unless and until a formal agreement is executed this Tender, together with your written acceptance thereof, shall constitute a binding agreement between us.

We undertake that any of our employees, agents or servants providing the services under the Contract, where so required, will enter into and abide by a Confidentiality Agreement to be in a form acceptable to the Jersey Gambling Commission

We understand and it is agreed that the Jersey Gambling Commission and the C&AG shall retain the right to reject any and all Tenders, in whole or in part and it is furthermore agreed that the C&AG shall be under no obligation to select the lowest or any other Tender.

We understand that the C&AG and Jersey Gambling Commission reserve the right to alter or cancel any requirement stated in the Contract at any time during the period of the Contract.

We have taken all necessary steps to inform ourselves regarding this requirement and we understand and agree that the Jersey Gambling Commission and the C&AG shall not be liable for any inaccuracy or insufficiency in the information available to us in connection with this Tender.

Dated:

Signed:

Name (Capitals):

Title:

On behalf of:

Address:



JERSEY AUDIT OFFICE

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