



July 2023

**Invitation to Tender  
Provision of External Audit Services**

**1. Introduction**

The National Folk Festival (NFF) issues this invitation to tender with the intention of appointing a firm to provide external audit services to the NFF for the financial years commencing 1 July 2023 and for a period of 5 years.

The NFF is a registered charity. The organization is focused on the delivery of the annual National Folk Festival, held at Easter every year. The Festival is run by a small number of staff and a large number of volunteers.

It receives income principally from ticket sales but also sometimes receives government grants, sponsorships and some fundraising from donors.

NFF is seeking an external audit firm with experience working with not for profits and an understanding of the challenges of finance, risk and control in the music and entertainment industry.

The services for which the bidder is invited to tender cover the complete statutory audit requirements of the NFF. NFF wishes to maintain a long term relationship with its auditors and that is why the tender will cover a five year period.

The tender timeline will be as follows.

Open tender and send specific emails	1 September 2023
Opportunity to discuss with NFF MD	15 September 2023
Closing date for submission of tenders	30 September 2023
Internal evaluation of tender documents and shortlisting	November 2023
Presentation to the Finance Committee	November 2023
Final internal evaluation and decision	November 2023
Appointment commences	1 July 2024

One electronic copy of the Tender must be submitted via e-mail to the following two electronic addresses:

[chrisgrange@ozemail.com.au](mailto:chrisgrange@ozemail.com.au)

[heidi.pritchard@folkfestival.org.au](mailto:heidi.pritchard@folkfestival.org.au)

Final tender submissions must be received no later than 5 p.m. on 30 September 2023. Under no circumstances will any submissions be accepted after this time.

Clarification questions regarding the tender documents or process can be made by email or telephone to Heidi Pritchard at [heidi.pritchard@folkfestival.org.au](mailto:heidi.pritchard@folkfestival.org.au) or on \_\_\_\_\_ or by making an appointment.

Tenders should cover the following points:

- Completion of the bidder questionnaire provided in Annexure A.
- Any additional information that is specifically relevant for NFF consideration in evaluation of this tender.

Any tender should be no longer than ten pages.

Shortlisted firms will be invited to attend a meeting of NFF's Finance Committee and provide a 30 minute overview of their tender, as well as providing any clarifications to the NFF as required, before a final decision is made.

NFF does not undertake to accept the lowest priced tender, or part, or all of any tender, even if all the specific user requirements stated in the invitation to tender are met. NFF reserves the right to reject any part, or all, of any tender or tenders at its sole discretion as well as the right to annul the process and not award any contract.

NFF's objectives for this tender process are to secure a high quality provider of external audit services that can demonstrate a clear understanding of NFF, whilst achieving excellent value for money. Your response to our requirements will be evaluated under the following headings based on a split between the quality aspects to your tender and its pricing:

Evaluation area:

1. Quality and consistency of team staff (to be deployed) 25%
2. Technical competency and experience in the not for profit/charity sector 25%
3. Overall audit approach 10%
4. Added value 10%
5. Fees 30%

The bidder questionnaire provided in Annexure A provides more detailed information under these headings.

Following the evaluation, when a decision has been made, the successful bidder will be informed in writing. Unsuccessful bidders will also be subsequently advised.

## **2. NFF Background**

The history of the NFF can be found here::

<https://www.folkfestival.org.au/about>

Our Annual Report for the last financial year can be found here:

<https://static1.squarespace.com/static/60f7687573477170c817af64/t/63620fa0ccb68a7a12e218c8/1667370929877/21-22+Annual+Report+10Oct22+v02-compressed.pdf>

The financial statements for the year ended 30 June 2022 can be found here:

<https://static1.squarespace.com/static/60f7687573477170c817af64/t/63620e419bb4c02abc571282/1667370570088/Financial+Report+2022+%281%29.pdf>

The NFF's "Strategic Plan" which can be found here:

[https://static1.squarespace.com/static/60f7687573477170c817af64/t/6306ce698e4f7770b8c51fab/1661390442566/Strategic+Plan++2022\\_final.pdf](https://static1.squarespace.com/static/60f7687573477170c817af64/t/6306ce698e4f7770b8c51fab/1661390442566/Strategic+Plan++2022_final.pdf)

NFF is a member based association - with a governance structure that is accountable to the membership and the people NFF serves.

- The Board has 10 members, drawn from the members of the Association.
- Board Committees: 2 Standing Committees support the Board: Finance Committee and Governance and Risk Committee.

The financial administration of the NFF is overseen by the Finance Committee and its chair and the Managing Director. Financial transactions and reporting are outsourced to First class Accounting in Canberra.

## **Annex A: Bidder questionnaire**

The following points should be addressed in the tender

### a) Background

Key facts about the accountancy firm, including the nature of its presence in Canberra. Please include information on the number of staff at various levels, structure of proposed audit team, experience and tenure of proposed audit team.

### b) Not for Profit focus

The number of partners and staff in the firm who deal with not for profit clients. Please include your views on the key issues facing charities and not for profits – in general, accounting, taxation, legal and governance

NFF is seeking auditors that have a specialisation in the not for profit sector and have a strong portfolio of relevant clients. We expect our auditors to be aware of and actively leading developments in the sector and advising on best practice.

NFF is seeking an external auditor that understands and supports its purpose, values and vision.

Please provide a list of not for profit audit clients and two references from clients audited by your firm.

### c) Audit approach

An outline of your audit strategy, including how you approach auditing key risks and where you would focus your substantive testing. Please highlight how your experience of dealing with a not for profit organisation will impact on the audit approach. As part of the overall approach, highlight how the firm will ensure that timelines are met.

### d) Areas where you can add value to NFF

NFF expects its professional advisers to be proactive in the relationship, sharing experience, knowledge and ideas so that the audit adds value in addition to meeting statutory requirements.

### e) Fee proposal

Fee proposal, including:

- the basis for future increases
- the cost of specialist advice
- the mechanism for resolving fees in the event of an audit over-run

- the level of advice and advisory services which we can expect without additional charge.

NFF would like to see a focus on reducing the overall cost of external audit services to the NFF while at the same time maintaining /enhancing value.