

Terms of Reference (TOR) for Tax Advisory and Financial Audit Services

I. Introduction

Right To Play (RTP) is a global non-governmental organization that empowers children to overcome adversity through play-based programs. RTP operates in 16 countries, including Lebanon, and is registered under registration number **1587731**. To ensure compliance with local taxation, financial regulations, and donor requirements, RTP is seeking a qualified tax advisor to provide comprehensive tax advisory services. The tax advisor will also be responsible for coordinating the financial audit of RTP's operations for the fiscal year 2024 subject to renewal based on mutual agreement.

II. Objective

The objective of this TOR is to secure the services of a professional tax advisor who will be responsible for:

- Tax advisory services, including payroll, VAT, withholding taxes, and social security compliance.
- Conducting or facilitating the financial audit of RTP's financial statements, ensuring full compliance with statutory obligations and donor requirements.

III. Scope of Services

A. Tax Advisory Services

1. Payroll and Income Tax

- Register new employees with the Ministry of Finance.
- Compute and submit payroll taxes and social security contributions monthly and quarterly.
- Prepare and submit annual payroll tax declarations (R5, R6, R7) within set deadlines.
- Ensure compliance with the latest payroll tax regulations and advise on changes.

2. Social Security Compliance

- Calculate monthly social security contributions for each employee.
- Submit monthly contributions to NSSF and handle annual reconciliation.
- Manage employee registration and deregistration with the NSSF.
- Provide guidance on severance provisions and family allowances.

3. Value Added Tax (VAT)

- Assist with VAT registration, if applicable.
- Prepare and submit quarterly VAT declarations when applicable.



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- Handle VAT refund requests and follow up with authorities until the process is completed when applicable.
- Submit request to the MOF for getting VAT stamps.
- Prepare and submit quarterly VAT stamp declarations.
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- 4. **Withholding Taxes**
 - Prepare and submit quarterly and annual withholding tax declarations (G10 and G5 forms).
 - Ensure compliance with withholding tax obligations for both resident and non-resident employees.
- 5. **Annual Tax Declaration**
 - Prepare and submit the annual tax declaration to the Ministry of Finance.
 - Provide assistance with budgeting and financial position declarations to the Ministry of Interior.
 - Ensure non-resident tax compliance on an annual basis.
- 6. **Consultancy and Advisory**
 - Provide technical advice on tax matters and respond to any ad-hoc tax-related queries.
 - Keep RTP updated on any changes in local tax laws and regulations in addition to NSSF changes.
 - Advise on the implementation of new tax laws or regulations in addition to NSSF new laws or regulations.

B. Financial Audit

1. **Audit of Financial Statements**
 - Facilitate the financial audit of RTP's operations for the fiscal year 2024 and the upcoming years.
 - Assist in preparing the financial statements in accordance with the modified cash basis of accounting.
 - Provide all necessary documentation related to tax compliance, employee benefits, and financial reporting.
 - Express an opinion on RTP's financial statements, covering both funds received from headquarters and external donors. And provide management letter with the financial statements covering all findings and related advises.
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2. **Internal Controls and Compliance**
 - Assess RTP's internal controls related to financial management and tax compliance.
 - Identify and report any material weaknesses or areas requiring improvement.
 - Review prior audit findings and confirm that recommendations have been implemented.

IV. Deliverables

1. **Monthly and Quarterly Declarations**
 - Payroll tax, social security contributions, VAT, and withholding tax declarations submitted within the statutory deadlines.
2. **Annual Tax Declarations**
 - Submission of annual payroll and tax declarations to the Ministry of Finance and the Ministry of Interior.
3. **Audit Report**
 - Provide a complete financial audit report, including an opinion on RTP's financial statements, a management letter, and all required financial reports (balance sheet, income statement, cash flow statement, etc.) by April 15, 2025.
4. **Compliance Reports**
 - Reports on social security and severance appropriations.
 - VAT refund status reports and withholding tax compliance updates.
5. **Technical Advice**
 - Regular updates on tax regulations and prompt responses to tax-related queries.

V. Criteria for Selection

The tax advisor will be selected based on the following criteria:

1. **Technical Expertise**
 - Demonstrated experience in tax advisory and auditing services for NGOs or international organizations.
 - Knowledge of local tax laws and regulations, including VAT, payroll tax, and social security.
2. **Past Experience**
 - Proven track record of managing tax services and financial audits for organizations with complex financial structures.
3. **Timeliness and Availability**
 - Ability to meet strict deadlines for monthly, quarterly, and annual tax declarations and the final audit report.
 - Responsiveness to ad-hoc requests and regulatory changes.
4. **Cost Proposal**
 - Competitive fee structure that provides value for money without compromising service quality.
 - Clear breakdown of fees for both tax advisory and audit services.

VI. Requirements

1. The tax advisor must hold relevant certifications and be registered to provide tax services in Lebanon.



2. Experience working with NGOs and understanding donor requirements is essential.
3. Strong communication skills in both English and Arabic for report preparation and interaction with authorities.
4. Submit a signed and stamped Financial proposal.

VII. Timeline

The engagement will cover the period from January 1, 2025, to December 31, 2025, subject to renewal, with the financial audit deliverables of 2024 due by April 15, 2025. All tax declarations and compliance reports must be submitted within statutory deadlines throughout the year.

VIII. Payment Terms

The total fee for the tax advisory and audit coordination services will be, payable on a quarterly basis. Any additional services requested by RTP outside the agreed scope will be subject to separate negotiation and invoicing.

The payment will be through cash letter or bank transfer and bank chargers and cash letter fees will be paid by the advisor.

IX. How to apply:

Deadline: October 30, 2024

Kindly submit the proposal with requested documents by **October 30th, 2024**, to the following email:

Lbprocurement@righttoplay.com

titled: **“Tax Advisor Services”**.

For more clarification regarding the proposal contact Ms. Mariam Zaytoun:
mzaytoun@righttoplay.com.

Incomplete proposals will not be considered, and early submissions are encouraged. While we thank all applicants for their interest, only those selected for interviews will be contacted.

Competitive budgets would be considered.