



**CONTRACT FOR CONSULTANCY SERVICES TO PROVIDE TAX  
ADVISORY SERVICES.**

**BETWEEN**

**SOS CHILDREN'S VILLAGES UGANDA.**

**AND**

**M/S. MAZARS BRJ CERTIFIED PUBLIC ACCOUNTANTS.**

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# **Agreement.**

THIS AGREEMENT made this 5<sup>th</sup>day of March, 2018, between SOS Children's Villages Uganda of P.O. Box 27510 Kampala (hereinafter called "the Organization"), and Mazars BRJ Certified Public Accountants of P.O. Box 35263 Kampala (hereinafter called "the Consultant").

## **WHEREAS**

- (a) The Organisation has requested the Consultant to provide certain consultancy services (hereinafter called the "Services") as defined herein and attached to this Contract;
- (b) the Consultant having represented to the Organisation that it has the required professional skills, personnel and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract.

**NOW THEREFORE** the parties hereto agree as follows:

1. The documents forming the Contract shall be as stated as;
  - a) Agreement,
  - b) Conditions of Contract,
  - c) Schedule IA,
  - d) Schedule IB,
  - e) Schedule II.
2. The mutual rights and obligations of the Organisation and the Consultant shall be as set forth in the Contract, in particular:
  - (a) The Consultant shall carry out the Services in accordance with the provisions of the Contract; and
  - (b) The Organisation shall pay the Consultant the Contract Price of;
    - I. USD 6,500 (Six Thousand Five Hundred United States Dollars) annually exclusive of Value Added Tax charged at 18% for services under Conditions of Contract clause 2.1
    - II. USD 800 (Eight Hundred United States Dollars) annually exclusive of Value Added Tax charged at 18% for services under Conditions of Contract clause 2.2

or such other sum as may become payable under the provisions of the Contract, at the times and in the manner prescribed by the Contract.



**IN WITNESS WHEREOF**, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

Signed by:

Name: OLIVE BIRUNGI LUMONYA.

Position: NATIONAL DIRECTOR.

(Authorized Representative of the Organization).

In the presence of:

Name:

Position: Ag. Head of Finance

Signature:

Signed by:

Name: ROBERT BUSUULWA.

Position: MANAGING PARTNER.

(Authorized Representative of the Consultant).

In the presence of:

Name: Major James Matabazi

Position: Tax Manager

Signature:

## **CONDITIONS OF CONTRACT.**

### **1. DEFINITIONS.**

In this Agreement, the following terms shall be interpreted as indicated:

- 1.1 "**The Agreement**" means the agreement entered into between the Organization and the Consultant, as recorded in the agreement form signed by the parties, including all the sections and annexes thereto and all documents incorporated by the reference therein;
- 1.2 "**The CONTRACT PRICE**" means the price payable to the Consultant under the Agreement for the full and proper performance of its contractual obligations;
- 1.3 "**The Services**" means all consultancy services which the Consultant is required to provide to the Organization under the Agreement;
- 1.4 "**The Organization**" mean's **SOS Children's Villages Uganda.**"
- 1.5 "**The Consultant**" means **Mazars BRJ Certified Public Accountants** and/or any of its subsidiaries or business units that may be operating under the same or a different trademark.

### **2. SERVICES.**

The Consultant shall provide the following services outlined below;

- 2.1 The Consultant will be responsible for the Organisation's application for an income tax exemption for the years 2017 and 2018 to the Uganda Revenue Authority. The Consultant will not deal with earlier periods unless specifically asked by the Organisation and it is agreed upon by the Consultant.
- 2.2 The Consultant will be responsible for the Organisation's income tax compliance for the year ending December 31, 2017 and the year ending December 31 , 2018. The Consultant will not deal with earlier periods unless specifically asked by the Organisation and it is agreed upon by the Consultant.

### **3 PERSONNEL.**

3.1 Robert Busuulwa will be responsible for the conduct of this service on behalf of the Consultant.

3.2 The Consultants contact details are as follows;

Contact Person: Mr Robert Busuulwa  
Direct telephone: +256 782 604 832  
Email address: robert.busuulwa@brj.co.ug



#### **4 CONTRACT PRICE.**

4.1 The contract price stated hereunder shall apply to services stated in clause 2.1.

4.1.1 The Organization shall pay the Consultant the Contract Price of **USD 6,500 (Six Thousand Five Hundred United States Dollars)** exclusive of Value Added Tax currently charged at 18%.

4.1.2 The Consultant's business terms require that they receive 50% of the contract price for the application of the income tax exemption for the years 2017 and 2018 at the commencement or signing of this Contract. The Consultant will present invoices, which will be due for payment on submission.

4.1.3 The Organisation will be charged Incidental and out-of-pocket expenses such as travelling, subsistence, any special telecommunications or computing charges and any other expenses properly incurred while engaged during the performance of the contract, whether at the Organisations premises or elsewhere.

4.2 The contract price stated hereunder shall apply to services stated in clause 2.2.

4.2.1 The Organisation shall pay the Consultant the Contract Price of **USD 800 (Eight Hundred United States Dollars) annually** exclusive of Value Added Tax currently charged at 18% ant the price shall be revised and communicated to you annually in writing.

4.2.2 The Consultant's business terms require that the contract price for the year ended December 31, 2017 and the year ending December 31, 2018 are paid in full. You will be presented with the Consultant's invoices, which will be due for payment on submission.

4.2.3 The timely completion of the tax work requires the full co-operation of the Organisation's staff in the provision of records, documentation, other information and explanations relevant to the tax work. Estimates of time for completion of the tax work are given on the assumption that we receive this co-operation. The Consultant may charge additional fees and expenses which result from delays in providing this co-operation.

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4.2. 4 The Organisation will be charged Incidental and out-of-pocket expenses such as travelling, subsistence, any special telecommunications or computing charges and any other expenses properly incurred while engaged during the performance of the contract, whether at the Organisations premises or elsewhere.

## 5 CLIENT SERVICE.

5.1 The Consultant undertakes to look into any complaint carefully and promptly and to do all they can to explain and resolve the position to the Organisation's satisfaction. If in any case the Organisation doesnot answer any complaint to the Organisations satisfaction, the Organisation may take up the matter with the Institute of Certified Public Accountants of Uganda.

5.2 The aggregate liability of the Consultant, its partners, agents and employees or any of them (together referred to as the "Consultant") for damage shall in all circumstances, be limited to three times the annual fees paid to the Consultant for provision of the services to the Organization.

## 6 TERMS OF BUSINESS.

6.1 A copy of the Consultants Terms of Business is attached. Please see Schedule II).

6.2 The Organization should ensure that they have read and understood the Consultant's Terms of Business which contain important terms including those in connection with the scope of the service to be provided, the Organizations responsibilities, fees, use of the Consultants advice, and the Consultants liability. The Terms of Business, together with the other schedules referred to, form part of the agreement.

## 7 NOTICES.

7.1 all notices, demands, requests or other communications which may be or are required to be given, served, or sent by any party pursuant to this agreement shall be in writing and shall be hand delivered, or sent by courier, or facsimile with confirmed answer back address as follows;

### a. Organization's Address:

Attn: National Director,  
SOS Children's Villages Uganda,  
25 Km along Entebbe Road,  
P.O. Box 27510 Kampala,  
[olive.lumonya@sosuganda.org](mailto:olive.lumonya@sosuganda.org)



**b. Consultants Address:**

Attn: Managing Partner,  
Mazars BRJ Certified Public Accountants,  
24 Henlon Close | Luthuli Avenue, Bugolobi  
P.O. Box 35263, Kampala  
Tel: +256 (0) 414 660 071  
Email: robert.busuulwa@mazars.ug

by. *[Signature]*

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1.7 The Consultant will attend to meetings of the URA on the Organisation's behalf. In each meeting, we will present the technical arguments and argue the Organisation's position clearly and persuasively. The Consultant will prepare minutes following those meetings, and send the Organisation copies thereof and explain to the Organisation their implications.

1.8 The Consultant will follow up on the application until the URA issues its tax decision.

1.9 After the URA issues its tax decision, the Consultant will advise the Organisation on the appropriate next course of action under the laws of Uganda, which may include seeking legal redress through the courts of law.

## 2. Changes in the Law

2.1 The Consultant will not accept responsibility if the Organisation act on advice given by the Consultant on an earlier occasion without first confirming with the Consultant that the advice is still valid in the light of any change in the law or your circumstances.

2.2 The Consultant will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

## 3. Organisation Responsibilities

3.1 The Organisation is legally responsible for:

- Ensuring that the URA income tax returns are correct and complete;
- Filing the returns by the due date; and making payment of tax on time. Failure to do this may lead to automatic penalties, surcharges and/or interest.

3.2 To enable the Consultant to provide the service ,the Organisation agrees:

- That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;

By *[Signature]*

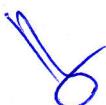


- b) To provide full information necessary for dealing with the Trustees' affairs:

The Consultant will rely on the information and documents being true, correct and complete;

- c) To provide the Consultant with information in sufficient time for the Organisation's return to be completed and submitted by the due date following the end of the accounting year.
- d) To forward to the Consultant URA statements of account, copies of notices of assessment, letters and other communications received from URA in time to enable the Consultant to deal with them as may be necessary within the statutory time limits. Although URA will have the authority to communicate with the Consultant, it is essential to let the Consultant have copies of any correspondence received because URA are not obliged to send the Consultant copies of all communications issued to the directors.

3.3 The work carried out within this contract will be in respect of the Organisation's application for income tax exemption for the period(s) herein specified.



## **Schedule IB.**

### **Schedule of Services.**

This schedule should be read in conjunction with the agreement and applies for services performed under Conditions of Contract clause 2.2

### **Responsibilities of the Consultant.**

#### **4. Income Tax Compliance 2017**

4.1 The Consultant prepared and submitted a first provisional income tax return to the URA on the Organisation's behalf using the management accounts provided to the Consultant by the Organisation before June 30, 2017.

4.2 The Consultant will prepare the Organisation's corporation tax self-assessment return for the year ended December 31, 2017 in accordance with the Income Tax Act Cap. 340. The Consultant will submit it to Uganda Revenue Authority ('URA') online on or by June 30, 2018.

4.3 The Consultant will prepare the corporation tax computation and supporting schedules required for preparation of the Organisation's tax return from accounts, information and explanations provided to the Consultant on the Consultant's behalf.

#### **5. Income Tax Compliance 2018**

5.1 The Consultant will prepare and submit the first provisional income tax return to the URA on the Organisation's behalf using the management accounts provided to the Consultant by the Organisation on or before June 30, 2018.

5.2 The Consultant will prepare the Organisation's corporation tax self-assessment return for the year ending December 31, 2018 in accordance with the Income Tax Act Cap. 340. We will submit it to Uganda Revenue Authority ('URA') online on or by June 30, 2019.

5.3 The Consultant will prepare the corporation tax computation and supporting schedules required for preparation of the Organisation tax return from accounts, information and explanations provided to the Consultant on the Consultant's behalf.

*By [Signature]*

*[Signature]*

## **6. Changes in the Law**

- 6.1 The Consultant will not accept responsibility if the Organisation act on advice given by the Consultant on an earlier occasion without first confirming with the Consultant that the advice is still valid in the light of any change in the law or the Consultant's circumstances.
- 6.2 The Consultant will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

## **7. Organisation's Responsibilities**

### **7.1 The Organisation is legally responsible for:**

- c) Ensuring that the URA tax return is correct and complete;
- d) Filing any returns by the due date; and making payment of tax on time.  
Failure to do this may lead to automatic penalties, surcharges and/or interest.

7.2 The signatory to the return cannot delegate this legal responsibility to others. The signatory agrees to check that returns we have prepared for the Organisation are complete before he/she approves and signs them.

7.3 To enable the Consultant to provide the services the Organisation agrees:

- e) That all returns are to be made on the basis of full disclosure of all the Consultant's, charges, allowances and capital transactions;
- f) To provide full information necessary for dealing with the Organisation's affairs:  
We will rely on the information and documents being true, correct and complete;
- g) To authorize the Consultant to approach such third parties as may be appropriate for information that we consider necessary to deal with the Organisation's affairs;
- h) To provide the Consultant with information in sufficient time for the Organisation's corporation tax return to be completed and submitted by the due date following the end of the accounting year.



- i) To provide information on matters affecting the Organisation's tax liability for the accounting period in respect of which instalments are due at least the Consultant's weeks before the due date of each instalment.
- j) This information should include details of trading profits and other taxable activities up to the date the information is provided;
- k) To provide the Consultant with information on advances or loans made to Trustees, shareholders or their associates during an accounting period and any repayments made or write offs authorized at least within three months of the end of the relevant accounting period.
- l) To keep the Consultant informed of material changes in circumstances that could affect the tax liabilities of the Organisation. If the Trustees are unsure whether the change is material or not, to let the Consultant know so that we can assess the significance.
- m) To forward to the Consultant URA statements of account, copies of notices of assessment, letters and other communications received from URA in time to enable the Consultant to deal with them as may be necessary within the statutory time limits. Although URA will have the authority to communicate with the Consultant, it is essential that to let the Consultant have copies of any correspondence received because URA are not obliged to send the Consultant copies of all communications issued to the Consultant's Organisation.

By [Signature]



- n) To keep the Consultant informed of material changes in circumstances that could affect the tax liabilities of the Organisation. If the Trustees are unsure whether the change is material or not, to let the Consultant know so that we can assess the significance.
- o) To forward to the Consultant URA statements of account, copies of notices of assessment, letters and other communications received from URA in time to enable the Consultant to deal with them as may be necessary within the statutory time limits. Although URA will have the authority to communicate with the Consultant, it is essential that to let the Consultant have copies of any correspondence received because URA are not obliged to send the Consultant copies of all communications issued to the Consultant's Organisation.

### **Electronically transmitted information**

**3.4** The Consultant may communicate with the Organization electronically. Electronically transmitted information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. The Consultant will use commercially reasonable procedures to check for the most commonly known viruses before sending information electronically, but the Consultant will not be liable in respect of any error, omission or loss of confidentiality arising from or in connection with the electronic communication to the Organisation.

### **General**

**3.5** Nothing in this agreement precludes the Consultant or any member of the Consultant's staff from taking such steps as are necessary in order to comply with the professional or ethical rules of any relevant professional body of which a partner or employee may be a member.

## **4 APPLICABLE LAW**

**4.1** The Terms of Business of this agreement shall be governed by, and construed in accordance with the laws of Uganda. The Courts of Uganda shall have exclusive jurisdiction to any claim, dispute or difference concerning the agreement and the Terms of Business and any matter arising from them. Each party irrevocably waives any right it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have the jurisdiction.

## **5 ARBITRATION**

**5.1** The parties shall attempt, in an amicable manner, to adjust and settle any disagreements which may arise between them under or in connection with this agreement.

**5.2** In the event that any dispute arises between any of the parties to this engagement then at any time after the exhaustion of the procedures of mediation referred to in paragraph 5.1 above such dispute shall be referred to arbitration at the request of a party upon written notice to that effect (a "Notice of Arbitration") and be finally determined in accordance with the Arbitration Rules of a competent Court with jurisdiction in the Republic of Uganda (the "Rules"). The appointing authority under the Rules shall be a Judge of the Court sitting in Chambers (the "Appointing Authority").

*RJ [Signature]*

*[Signature]*

**5.3** The place of arbitration shall be Kampala, Uganda. The language of the arbitration shall be English. The arbitration shall take place before a panel of three (3) arbitrators appointed as follows:

- 5.3.1** one arbitrator shall be appointed by each party (together, the "Appointed Arbitrators") within ten (10) Business Days of receipt of the Notice of Arbitration;
- 5.3.2** the Appointed Arbitrators shall appoint a third arbitrator within twenty (20) Business Days of receipt by the parties of the Notice of Arbitration; and
- 5.3.3** If either party does not appoint an Appointed Arbitrator or the Appointed Arbitrators fail to agree upon a third arbitrator pursuant to this clause, such arbitrator shall be appointed by the Appointing Authority. Each party agrees that any decision or award in any arbitration made pursuant to this sub-clause shall be final and binding and hereby waives any right of appeal or recourse to any court of law.

## **6 DURATION OF THE CONTRACT.**

- 6.1** The Consultant shall perform this contract for a period of 12 months renewable annually upon satisfactory performance.
- 6.2** The Consultant will not offer employment, or procure a third party to offer employment to any employee of who has taken part directly in the assignment, without the Consultant's consent.
- 6.3** The Consultant may provide, if requested, additional services. Any additional services that may be requested by the Organization and that the Consultant agrees to provide will be covered by separate arrangements.
- 6.4** This agreement will remain in force and shall be fully effective until varied or replaced by written agreement between the Consultant. Each party may give notice in writing of termination to the other, which notice shall be delivered by either email, fax and/or a reputable courier service, indicating the reasons for termination such as a breach of the contract terms or non-remedy of written complaints within 30 days.