



Transparency Report 2023

Baker Tilly Nigeria
31 December 2023

Now, for tomorrow



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Leadership message

In this Transparency Report, you will find a comprehensive overview of our performance amidst global challenges of 2023.

We have provided detailed insights into our financial results, governance practices and risk management strategies demonstrating our unwavering commitment to responsible business practices.



Dear Regulators, Clients, and Stakeholders,



We are proud to present the 2023 Transparency Report for Baker Tilly Nigeria.

In an era where transparency is not just anticipated but demanded, this report proudly presents our journey over the past year, highlighting both successes and challenges. As participants in the financial and advisory services industry, we recognize that trust is of utmost importance. This report goes beyond merely disclosing our financial figures; it serves as a reflection of our values, practices, and the collaborative endeavors of our team within our sector and towards our clients throughout 2023.

The year 2023 presented a range of intricate challenges for businesses globally. Geopolitical tensions, inflationary pressures, and supply chain disruptions contributed to the complexity of the economic environment. These factors have had significant effects on businesses at both local and international levels, leading to a tense and uncertain business environment.

For Baker Tilly Nigeria, 2023 has been a year of significant transformation. In September 2023, The erstwhile senior partner of the firm, Mr. Mark Edesiri Ariemuduigho, who had been the senior partner since 2020 retired from the firm when he attained the mandatory retirement age of 65 and the baton of leadership falls to the present senior partner, Mr. Oluwole Olatunde Ogundeji. Wole was admitted in 2004 into the Partnership of Oyelami Soetan Adeleke & Co. which merged with Aneni Dairo & Co. in 2008 to become Baker Tilly Nigeria. He has been serving clients for over 3 decades before attaining the position of the Senior Partner.

Despite the challenges of 2023, our commitment to conducive working environment for our staff, necessitated our office building in Ibadan to be renovated in July 2023.

At Baker Tilly Nigeria, we recognize that our people are our greatest asset. In the face of evolving challenges, we continued to invest in the development of our team. Through comprehensive training programs, mentorship initiatives, and opportunities for professional growth, we empower our employees to thrive in a dynamic business environment. Our commitment to fostering a culture of continued learning and development ensures that we remain at the forefront of industry trends and best practices, enabling us to deliver exceptional service to our clients.

Thank you for your continued trust and partnership. Together, we will navigate the complexities and build a brighter tomorrow.

Oluwole O. Ogundeji
Senior Partner.
Baker Tilly Nigeria

**Baker Tilly
Nigeria**



Legal Structure and Ownership



The firm Baker Tilly Nigeria, for short “BTN” was founded on 1st October, 2008 following the merger of Oyelami Soetan Adeleke & Co. and Aneni Dairo & Co. Baker Tilly Nigeria is a firm of Chartered Accountants that offers Accounting, audit, assurance, tax and advisory services across all sectors of the Economy. Baker Tilly Nigeria is an independent member of Baker Tilly International and holds practice rights to provide professional services using the “Baker Tilly” trade name in Nigeria.

Who we are

Baker Tilly Nigeria is registered as a partnership firm operating a unified central management team of eight partners through four offices in Nigeria. All voting rights in Baker Tilly Nigeria are held by the partnership, registered in Nigeria. The firm has over one hundred and sixty employees inclusive of 36 professionals.

The operational office address are:

Lagos

Kresta Laurel Complex (4th Floor), 376, Ikorodu Road, Maryland, Lagos, Nigeria.
T: +234 (0) 8023378194; (0) 8028192921; E: btnlag@bakertillynigeria.com

Ibadan

Zion House, No. 46, Alaafin Avenue, Oluyole Industrial Estate, Ibadan, Oyo State, Nigeria.
T: +234(0) 8033482586; E: btnib@bakertillynigeria.com

Abuja

No. 7, Gwandu Close, Off Jibia Street, Off Badagry Street, Area 2, Garki, Abuja, Nigeria.
T: (+234) (0) 8030746349; E: btnabj@bakertillynigeria.com

Port-Harcourt

2nd Floor, Niger Insurance Building, Opposite Air-Force Secondary School, 9, Aba Road, Port Harcourt, Rivers State, Nigeria. T: (+234) (0) 8059589954; E: btnib@bakertillynigeria.com

Subsidiary undertakings

The firm has an associate company – Alpha-Genasec Nominees Limited – which undertakes statutory secretarial duties including company formation or incorporation, maintenance of secretarial records, organising and attendance of meetings and registrar work. The company was incorporated on 27th August, 2008.

Corporate Governance

The Governance structure of Baker Tilly Nigeria is made up of two main bodies: the Partnership and Partnership Committees.

Partnership

The Partnership is the upper governance body for the Firm. It has the right to decide for every matter concerning the partnership and the Firm. It is responsible for the governance and oversight of the Audit and Assurance practice of the Firm which include the protection of the interests and reputation of the Firm and its partners. Moreover, it is responsible for overseeing management and operations at strategic level to ensure that the Firm has an appropriate structure for corporate governance and specific oversight of quality and risk. Membership of the body consist of all the partners of the firm as at the reporting date.

The Senior Partner

The Senior Partner of the firm is the executive head. He chairs the partners' meetings and is responsible for ensuring that partnership decisions are implemented.

Partners' responsibilities

The individual responsibilities of the partners are decided and reviewed from time to time at partners' meetings. Each partner has specific responsibilities in terms of locations, clients, departments, administration, practice development, training and personnel. All policy decisions affecting the entire spectrum of the firm's activities are taken at partners' meetings. Individual partners have responsibilities to ensure that every work assigned to him is carried out promptly and such jobs must be of the standard required by the firm. In this case, partners are expected to consult both formally and informally with other partners on contentious issues. Issues that cannot be reasonably resolved should be brought to the attention of the Senior Partner for final directive.

Partnership Committees

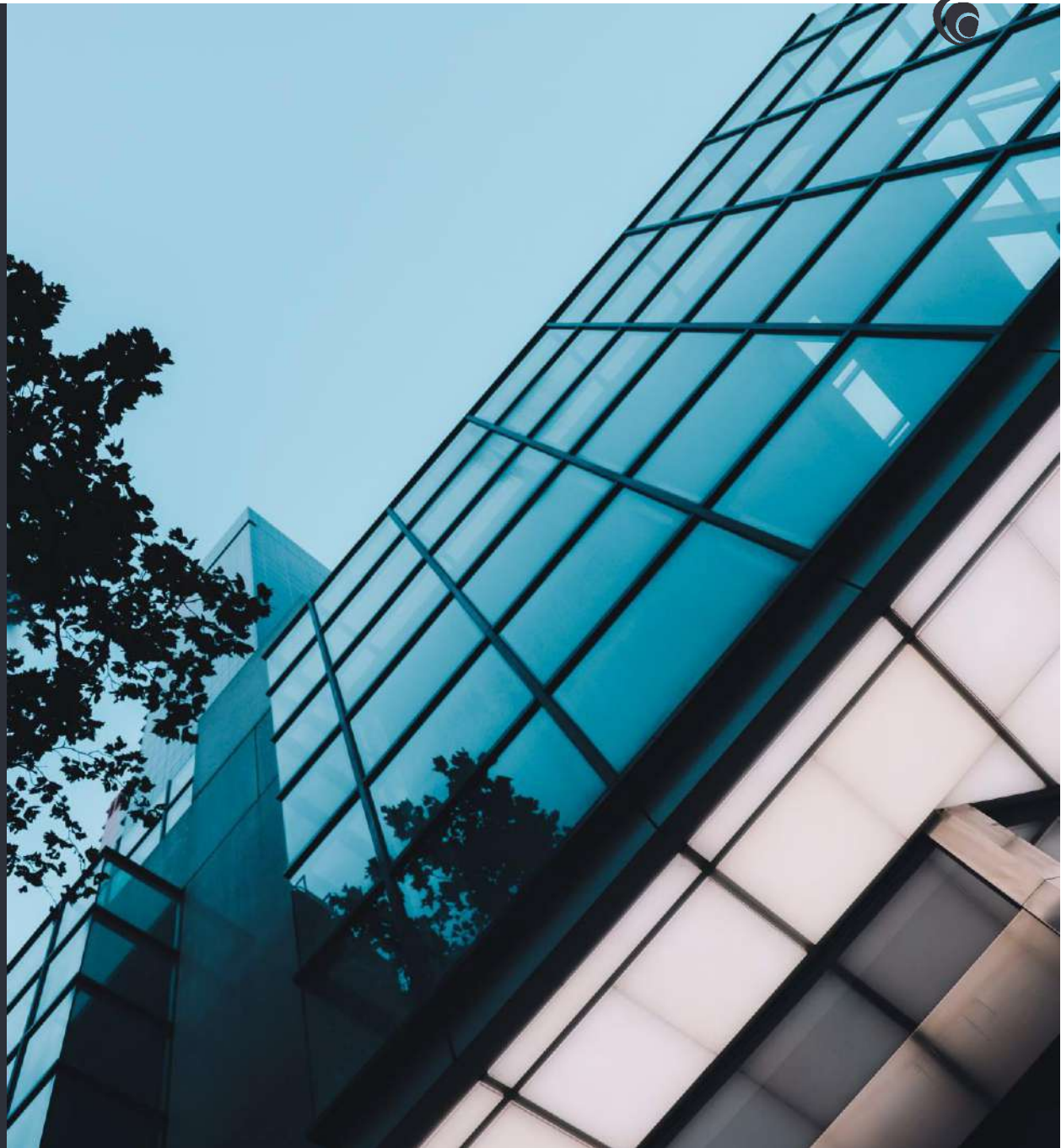
The firm has the following standing committees, each headed by a partner:

- (i) Staff and personnel
- (ii) Technical
- (iii) Training and practice development
- (iv) Marketing

Other committees are set up by the partnership as the need arises.

**Baker
International**

Tilly





Baker Tilly International

Description & Legal structure

Baker Tilly International is one of the world's leading networks of independently owned and managed accountancy and business advisory firms united by a commitment to provide exceptional client service.

Baker Tilly International Limited is a company limited by guarantee registered in England and Wales. It is owned by its members, all of which hold an equal interest in the legal entity. The members, in the Annual General Meeting, are responsible for appointing the board of directors, approving the company's strategy and other matters such as making changes to the company's constitution. Baker Tilly International does not itself provide professional services, advice or opinions to clients but acts as a member services organisation operating from its Global Office in London. Client services are delivered regionally and nationally by a network of over 140 independent members worldwide. Each member is a separate and independent legal entity. Each member is locally owned, operated, and managed and is responsible for its own actions. No single member is responsible for the services or actions of another.

Although many members operate under the Baker Tilly name, there is no common ownership amongst the members.

Management and governance Baker Tilly International operates with a board of directors consisting of the Chief Executive Officer (CEO), and directors drawn from independent members around the world. The board of directors appoints the CEO. It also formulates the strategy for Baker Tilly International and approves the policies and procedures to govern and manage the network. On the recommendation of the CEO and regional advisory councils, the board is responsible for admitting new members and, on occasion, terminating membership.

The network operates geographically through four regions - North America; Latin America; Europe, Middle East and Africa; and Asia Pacific. Each region has a chairperson who chairs an advisory council made up of partners from members in that region. The chairperson's role includes the co-ordination and development of business between members, the recruitment of new members as necessary and the implementation of the regional strategy. At a management level, the network is co-ordinated by the CEO. The CEO is responsible to the board and ultimately to the members for all matters relating to the management and leadership of the network. The CEO is supported by a team at Global Office which supports members worldwide. Support includes international marketing and business development initiatives, technical development of the global audit tool and the co-ordination of a global secondment programme.

Quality assurance

Baker Tilly International's members are expected to conduct all aspects of their business to the highest professional standards, to maintain integrity and to keep in good standing in their local business community. They are required to comply with all national standards applicable to all aspects of their work. These include auditing, independence and any other standards issued in a member's country which impact on their work. They are also expected to comply with the International Code of Ethics for Professional Accountants (including International Independence

Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and to carry out audits to standards that are at least compliant with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB). Members are also required to comply with IAASB's ISQM 1 International Standard of Quality Management. Regular quality assurance reviews of all members are carried out by Baker Tilly International, with members typically subject to a review at least once every three years.

Independence

Although Baker Tilly International is a network, it is for each member to determine its position under the ethical codes which govern its work. Each member identifies those other members of the Baker Tilly International network that must be considered in respect of independence. Each member complies with their local code of ethics. Where no local code exists or where the local code is significantly less comprehensive than the International Code of Ethics for Professional Accountants (Code) members are expected to comply with the Code. All members are required to include in their audit process a procedure that requires consideration of whether there are threats to independence resulting from work done for the client and any of its related companies by themselves or any other members of Baker Tilly International. This includes discussion with the client of circumstances where any such threats may arise. Baker Tilly International provides conflict check messaging system and an Independence Database to assist members in complying with this requirement. The Independence Database includes details of all clients which are members of a listed group for which any member provides any service to any company within the listed group. Details are recorded for all instances where members provide audit services to listed entities. This information is then used to create the Restricted Entity List which shows all the listed audit clients for whom members act as auditors. Member firms should not hold a financial interest (for example, an investment) in any entity on the Restricted Entity List and should not provide non-audit services to those entities without first consulting the audit team.

Baker Tilly International global results 2023



\$5.2bn

2023 worldwide
revenue (US\$)



43,000

People



658

Offices



141

Territories



Double digit, like-for-like revenue growth, with only a modest increase in headcount and in such a volatile market, is an incredible achievement and I am grateful for the hard work of all our 43,000 people who made it possible”

Francesca Lagerberg
Chief Executive Officer

Regional growth in 2023

3%

Asia Pacific

16%

EMEA

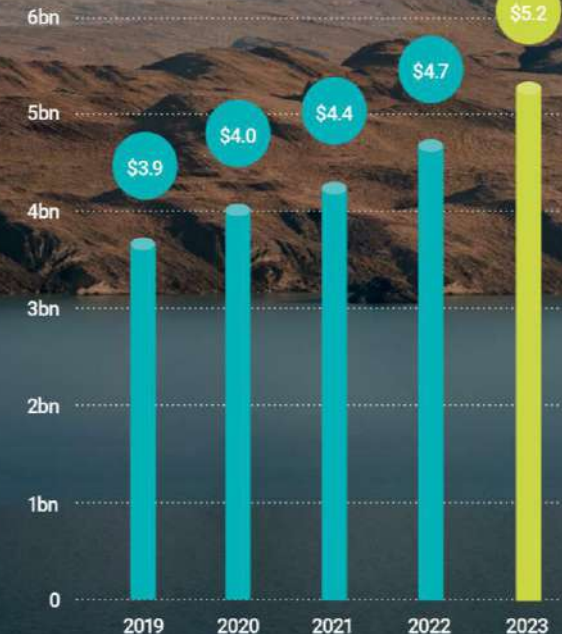
16%

Latin America

11%

North America

Global revenues in US\$



Our Approach to Quality



Client and Engagement Acceptance & Continuance

Baker Tilly International allows each member firm to implement its own internal client engagement acceptance and continuance policies and procedures within a global framework of principles set by the network. Baker Tilly Nigeria's Client Engagement Acceptance and Continuance Manual incorporated in the ISQM 1 sets out the policies and procedures which shape the decision whether to accept a new client engagement or a new engagement for an existing client, or to continue an existing client engagement. These comprehensive policies and procedures are an extension of the Risk Manual and comply with applicable Anti-Money Laundering Nigerian Directives transposed into local legislation as well as local and international guidelines issued by Regulators (the Money laundering (Prevention and Prohibition) Act, 2022). International Standards on Auditing and the IFAC Code of Ethics for Professional Accountants issued by IESBA. The Client and Engagement Acceptance and Continuance procedures are completed prior to signing off the terms of an engagement and prior to performing any other significant activities that would have been performed if the client or engagement was formally accepted or continued.

The policy is also embedded in our CaseWare Audit Package and are based on a risk-based approach and depend on the firm's risk tolerance as set out by the Partnership of the firm. The devised risk grading questionnaires assess the risk of both the client and the engagement. The overall risk assessment determines whether to accept a client and consequently an engagement or not.

The objectives of the Risk and Client and engagement Acceptance and Continuance Manuals are the following:

- Confirm that Anti-Money Laundering procedures have been applied.
- Confirm that Baker Tilly's independence is safeguarded at local, regional and international



Ethical Requirements



Our Firm has adopted the ICPAC Code of Ethics and the Codes of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA).

The Partnership has appointed the partner next to the Senior Partner as the responsible professional in our Firm with regard to compliance with the Ethical standards (the “Ethics Partner”).

The Firm has implemented policies and procedures to ensure compliance with the above Codes, as well as any other ethical standards set by Baker Tilly International. Reviews are performed whenever a change occurs and at least annually, to ensure the Firm’s policies and procedures remain appropriate.

The Partner responsible for compliance with the Ethics Code is also responsible for ensuring all potential threats have been recorded and are properly resolved. Cases reported or identified, are reviewed and presented where applicable on a monthly basis to the Partnership during their monthly meetings.

The Firm’s Ethics Partner is also responsible for recommending to the Partnership policies and procedures for establishing, promoting and monitoring ethical conduct amongst all personnel.

More specifically, the Ethics Partner is responsible for:

- the adequacy of the Firm’s policies and procedures relating to integrity, objectivity and independence, their compliance, and the effectiveness of their communication to personnel within the Firm; and
- providing related guidance to senior personnel. When assessing the ethical risks to which the Firm is exposed in a client relationship, the following are considered:
 - The nature of client’s business;
 - The client ownership, management and/or directors;
 - The client’s financial conditions;
 - The scope and nature of services of engagement;
 - The attitude of the client towards the Firm;

All potential threats to compliance with the Codes of Ethics that are identified are reported by the relevant Partner in charge of the relevant Engagement, to the Ethics Partner for consultation, and in order to consider appropriate safeguards. Appropriate safeguards are agreed and put in place, or a decision is made to resign or withdraw from an engagement.

Independence

The independence policy of Baker Tilly Nigeria is based on applicable laws and regulations and the network requirements related

to independence. The policy considers, amongst others, family, employment, business & personal relationships, provision of non-audit services, fee arrangements and long association with clients. The Firm supplements the Network Independence Policy as required by relevant local laws when they are more restrictive than the Network's policy.

The Firm obtains, at least annually, documented confirmation of compliance with independence requirements from all personnel. These are supplemented by additional specific confirmations for PIE audit clients, for the engagement team members, engagement quality reviewers and any internal experts used. As part of the monitoring activities, the Firm assesses compliance with its independence policies and procedures, including an annual personal independence compliance testing. The Firm has defined procedures for reporting breaches of all ethical requirements, including independence.

Breaches of independence or failure to adhere:

The Firm has successfully performed all of its annual independence compliance procedures with no exceptions. Breaches of independence or failure to adhere with the independence policies are investigated and actioned based on the disciplinary policy of the Firm.

Withdrawal from an engagement

Our Firm, in line with the Legislation, International Standards of Auditing (as issued by the International Auditing and Assurance Standards Board) and the Code of the Ethics (as issued by the International Ethics Standards Board of Accounts IESBA), has implemented a set of controls to allow us to identify instances where threats to compliance with law/standards exist.

Rotation of Key Audit Partners and Key Audit Professionals

Our Firm believes that rotation of the Key Audit Partner and Key Audit Staff in audit engagements is necessary to ensure that long association with audit clients, has not impaired our quality of service, or has created any familiarity issues. As per Firm policy, subject to specific parameters, Key Audit Partners and Staff rotate every 5 years. With regards to Nigeria Public Interest Entities (PIEs), our Firm follows the relevant FRC requirements as defined by the Audit Regulation 2020 and the IESBA Code of Ethics (Maximum 7 years followed by a cooling off period of 3 years for all Key Audit Partners).

Anti-bribery policy

Our anti-bribery policy is designed to ensure that our operations and activities adhere to the Prevention and Suppression of the Money laundering (Prevention and Prohibition) Act, 2022, the Criminal Code, the Public Procurement Act of 2007, and the Companies and allied Matters Act (CAMA) 2020.

Our policy prohibits any form of improper payment or inducement, and mandates transparent and accountable business practices. All employees are responsible for compliance, with management ensuring policy dissemination and training. Violations are subject to disciplinary action refers to the Disciplinary committee for further actions.

Our Audit Approach

Team selection and supervision

The engagement team member selection is based on the required competence and capabilities, including sufficient time to perform high-quality audits. The Firm follows a partner-led approach for its audit engagements and the engagement leader has overall responsibility of managing and achieving quality on the engagement and for being sufficiently and appropriately involved throughout the engagement, including having responsibility for appropriate direction and supervision of the engagement team and review of their work.

Differences of professional opinion

Our Firm builds and sustains a culture which encourages our audit professionals to exercise judgement, which consequently may result in a difference of opinion. When such difference of opinion occurs internal resolution policies and procedures are in place to encourage our professionals to express any disagreements and to resolve any issue relating to accounting, auditing, or reporting.

Engagement documentation

Our Firm, in line with our Network's Audit Methodology, requires that our electronic Audit files are archived within a maximum of 60 days from the sign-off date of the audit report. Electronic (and hard copy paper) audit documentation and/or client's documentation provided during our engagement is retained and/or archived following all relevant confidentiality, data retention, and legal/regulatory guidelines.

Consultation

Our Firm has several tools available for our professionals to use in order to ensure that they are able to deliver the best possible service to our clients. To this extent, we have ensured that a comprehensive internal consultation tool is available. Through the procedures implemented, our professionals can request for assistance related to audit methodology, application of accounting and auditing standards, and ethical and independence Issues. Further to the above, Baker Tilly International as a Network, has established an IFRS/ISA consulting committee, which member firms can use to direct specific queries.

Confidentiality, Data Privacy, and IT security

At Baker Tilly Nigeria, we always emphasize the significance of our data confidentiality and information security policies as it is our baseline to deliver our professional services. Our policies ensure that we protect and secure the information of all our people, clients, suppliers, and stakeholders. The Firm maintains a consistent and collaborative approach to the management of all personal data.





Our Audit Approach

Complaints and allegations

Our Firm is committed on providing high-quality service to all its clients. All client complaints and allegations against the Firm in relation to professional matters are acknowledged promptly, and formal procedures are followed with the objective of resolving complaints the earliest.

Engagement Quality Review

All audit engagements of BTN are assessed annually, as well as on a continuous basis, to identify the engagements which are subject to an Engagement Quality Review.

Audit engagement which meet the criteria for an such review are :

- Public Interest Entities;
- Entities for which unusual circumstances are identified;
- The audit engagement is of high risk, due to the sector in which the client operates, accounting practices, the quality of its management, regulatory requirements, or for some other reason;

The Senior Partner or any delegated experienced professionals of BTN with adequate industry and professional experience and knowledge undertake the task of Engagement Quality Reviewers.

The 'EQ Review' must cover the following:

- Review of the significant matters, critical issues and high-risk audit areas;
- Review of the Financial Statements or other subject matter information and the proposed report;
- Review of selected engagement documentation relating to significant judgements which the audit team concluded to, and
- Evaluation of the conclusions reached in formulating the report and consideration of whether the proposed report is appropriate. The implemented procedures and regulations is of fundamental importance in maintaining and improving the high level of quality of the services provided, for both assurance and non-assurance related engagements.



Global Audit Methodology

Our global audit methodology provides a consistent, high-quality approach for all our Audit engagements. The audit methodology, Global Focus, is our ‘audit language’ which ensures a common understanding of the audit approach and procedures. Global Focus is underpinned by advanced technology which uses intelligent software and risk registers to highlight the areas of greatest risk and provides efficient documentation tools for an electronic approach to statutory audit.

Working across borders

Global Focus provides a shared:

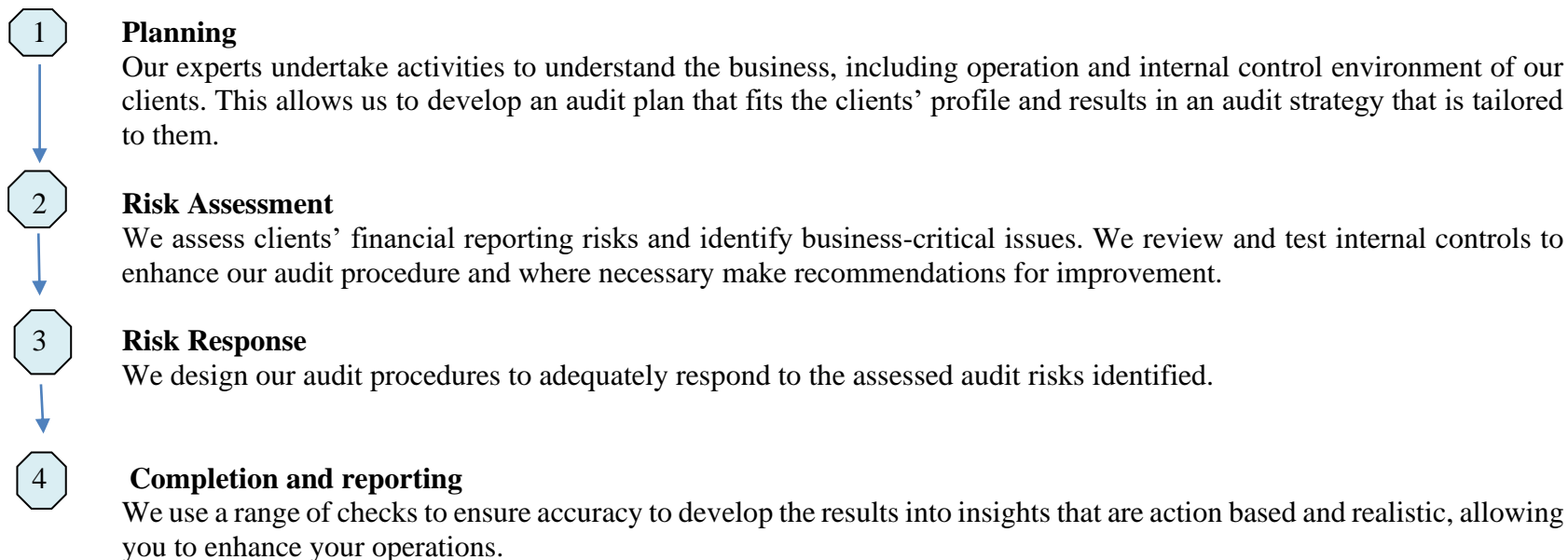
- Audit engagement approach for our network by establishing expectations for audit quality.
- Understanding of the audit procedures performed.

This allows for the following:

- Consistent and high-quality audit, tailored to the profile of each engagement.
- Integrated quality assurance procedures, compliant with the International Standards of Auditing.
- Efficient and streamlined process – saving time, helping to meet deadlines and allowing us to focus on providing our clients with insights into their business.
- The risk-based approach means that we can highlight inefficiencies in our client’s processes and make recommendations for improvement.
- Helps assure global consistency and quality with comprehensive standardized training and the capacity for central quality assurance review.

Four steps to confidence and compliance

We apply a four-step process which helps us understand the business and deliver the best results quickly.



Technology

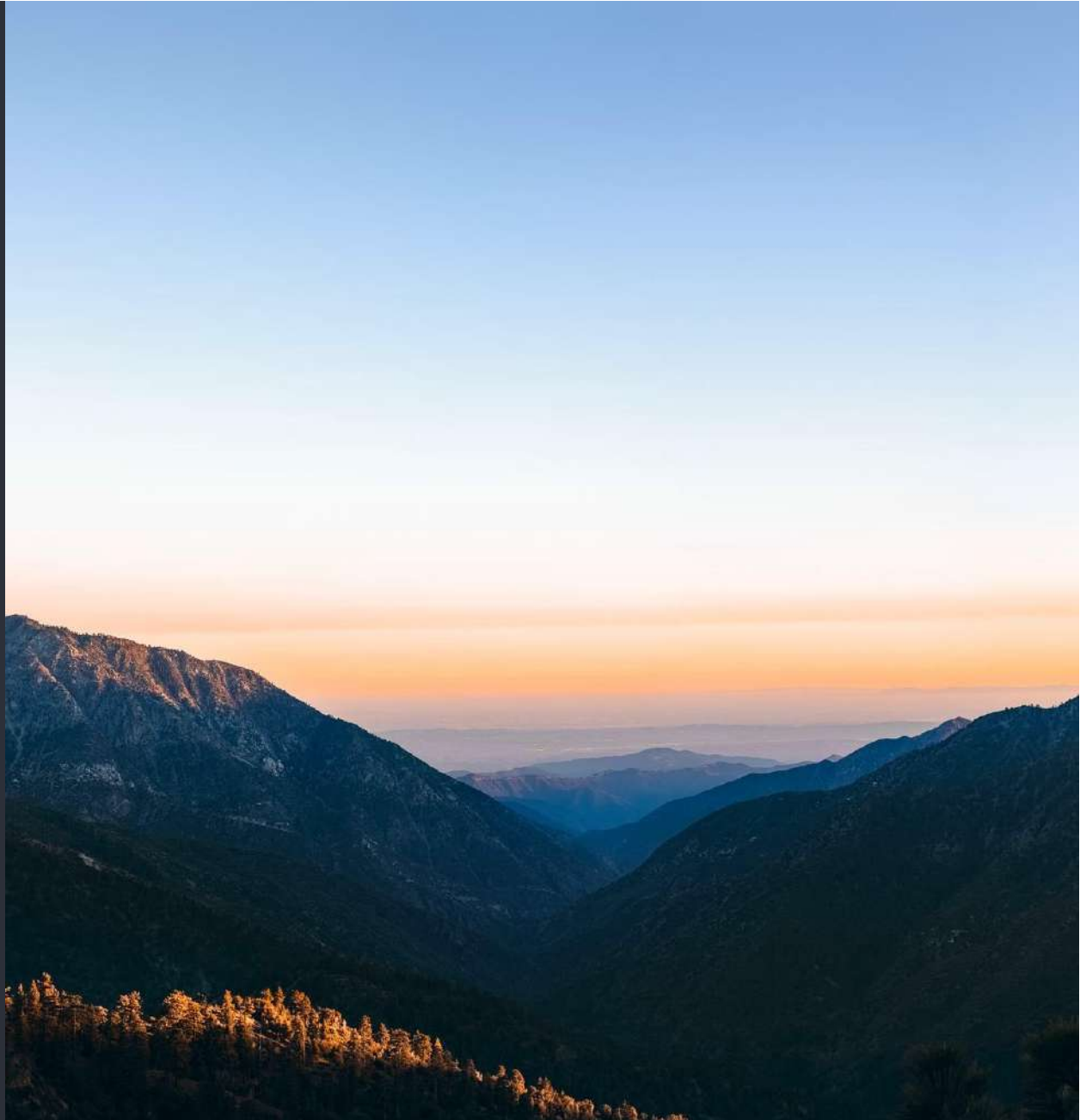
Intelligent software: Using a recognised audit software platform, Global Focus introduces efficient documentation tools. The software assists the auditor to align the documentation of thought processes and risk assessments throughout the audit to automate compliance with audit requirements.

Risk registers: The software enables us to compile risk registers tailored to client's business, together with mitigating controls and reportable items.

Remote access to audit files in real time: Software tools enable audit team members to work on one live version of the audit file, allowing teams to work on the audit wherever they are in the world and have access to the same information.

Easily understood visual presentation: Visual diagrams can be generated from the audit planning documentation to show material financial statement areas, the associated risks and the mitigating controls or control deficiencies.

Monitoring





Internal Quality Management

Our reputation for delivering high-quality professional audit services correlates directly with our internal quality management system. We provide our services independently, objectively and ethically, which are the core principles of our Firms and our people.

Baker Tilly Nigeria's internal quality management system is based on the International Standard on Quality Management 1 ('ISQM 1'), issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC).

We, at Baker Tilly Nigeria, we have implemented a System of Quality Management ('SOQM') based on 'ISQM 1' and based on the guidance from the BTI network have created our ISQM manual, the core purpose of which is to ensure that services are delivered to the highest quality and our Firm and people act under the professional standards and legal and regulatory requirements. Also, one of the principal purposes of our 'SOQM' is to ensure that audit and other reports issued are accurate and appropriate in each circumstance. Areas which are covered by the 'SOQM', which are the pillars of BTN internal quality control system are:

- Governance & leadership;
 - The Firm's risk assessment process;
 - Ethical requirements, including independence;
 - Acceptance and continuance of client relationships and specific engagements;
 - Human, technological & intellectual resources;
 - Engagement performance;
 - Compliance with local, EU and network requirements;
- and
- Monitoring & remediation process.

All quality objectives required by ISQM 1 and the responses to those risks have been established and documented by the Firm. Additional quality objectives are identified when the Firm considers it necessary to achieve the objectives of the SOQM. The Firm establishes and implements adequate risk responses to address all quality risks identified. The effectiveness of the procedures in mitigating the quality risks is monitored on an ongoing basis so that any issues are addressed in a timely and proactive manner. The overall responsibility for the Firm's SOQM lies with the Firm's Senior Partner. The SP has assigned day-to-day operational responsibilities of the various elements of the SOQM to the Heads of various functions as appropriate.



Internal Quality Management

Monitoring and Remediation

The Firm has established a monitoring and remediation process to provide relevant, reliable, and timely information about the design, implementation, and operation of the SOQM and takes appropriate actions on a timely basis to respond to such deficiencies. The Firm, all through the year, gathers information about the System of Quality Management from the monitoring activities designed to monitor the SOQM as well as from the monitoring activities related to internal and external inspections of engagements. As required by ISQM 1, Baker Tilly Nigeria also performs an evaluation of the Firm's System of Quality Management, at least annually, on whether it provides the Firm with reasonable assurance that the objectives of the SOQM are being achieved. The Partnership has appointed a Quality Compliance Partner who performs this annual evaluation of the effectiveness of the Firm's System of Quality Management. The effectiveness, efficiency and sufficiency of the quality management system in general, is also evaluated by the Baker Tilly International network. Policies and procedures of the Firm which are included on the ISQM 1 manual are regularly updated to reflect the needs of the Firm and to ensure that those policies and procedures are in line with the requirements of the 'ISQM 1' and the relevant local and International Regulations and Directives.

External Quality Monitoring

External Monitoring

Our Firm is subject to inspection by the Financial Reporting Council of Nigeria (FRC) and by the Institute of Chartered Accountants of Nigeria (ICAN). Both regulators inspect and evaluate the Firm's quality management systems and perform a review of audit engagement files. FRC performs reviews on audit engagements of Public Interest Entities, while ICAN performs reviews on audit engagements of non- Public Interest Entities.

Member firms are also inspected by Baker Tilly International at least once every three years. The last inspection of Baker Tilly Nigeria by Baker Tilly International was carried out in 2021.

As BTN our policy is to always respond vigorously on all findings of external monitoring reviews and to implement all comments and recommendations. We also perform detailed root cause analysis on the findings of the external monitoring reviews and take timely actions to remediate any identified deficiencies.



Our People



Our People

Our workforce is a harmonious blend of youthful graduates and seasoned professionals, fostering a dynamic, innovative, and future-oriented workspace. Aligned with our overarching mission to effect positive change for our clients, employees, communities, and the professional sphere, Baker Tilly Nigeria places paramount importance on the attraction, recruitment, empowerment, and engagement of its personnel. Central to our ethos is a culture steeped in perpetual enhancement, collaboration, and inclusivity, thereby facilitating the advancement of our colleagues within the organization and ensuring the delivery of superlative services to our esteemed clients.

Diversity and Inclusion

At Baker Tilly Nigeria, our unwavering dedication lies in cultivating a workplace that cherishes and celebrates diversity, equity, and inclusion. Our commitment extends to ensuring equal employment opportunities for all, including those from marginalized communities, and fostering a welcoming and inclusive atmosphere for every member of our team. Moreover, we are steadfast in our resolve to embed diversity and inclusion principles across all facets of our operations, spanning recruitment, hiring, training, and development initiatives. Our aspiration is to forge an environment where every employee feels bolstered and empowered to realize their utmost potential, where every interaction is imbued with dignity and respect.

Attracting & Recruiting Talent

Ensuring the acquisition of top-tier talent remains a pivotal focus for our network. To this end, we have meticulously aligned our recruitment strategy with contemporary trends and standards, thereby enhancing our appeal and attracting fresh talent. Adopting a proactive stance, we execute a multifaceted approach encompassing strategies to bolster brand recognition, broaden our outreach to local student communities.

At our firm, we recognize the invaluable role that Industrial training and Youth Corps placements play in shaping the future professionals of tomorrow. Through our internship programs, we provide a nurturing environment where trainees are embraced as integral members of our team, valued for their unique perspectives and fresh insights. Our commitment to their growth and development is evident in the range of training opportunities we offer. Special trainees, short-term trainees and youth corps members intake programmes are meticulously designed to align with professional examination study modules, providing students with a comprehensive understanding of professional practice.

- Our Trainee programs immerse students in real-world client projects, fostering rapid skill acquisition and professional networking.

- For exceptional talents, we extend the opportunity for permanent positions, recognizing and rewarding their outstanding contributions with early career advancement and continued mentorship. At our firm, Trainees are not just observers; they are empowered to make meaningful contributions and embark on a journey of growth and achievement.

Professional Development

The Firm diligently formulates an Annual Training & Development Plan, tailored to the evolving needs of our workforce across our offices for the upcoming year. This strategic initiative is aimed at fostering the growth of our employees by honing their knowledge, skills, and behaviors through targeted learning interventions. Each year the training plan includes trainings under the below 4 main categories:

- **Mandatory Trainings:** We emphasize the importance of mandatory trainings at the beginning of every year. All members of the work force are gathered together at a given location for the training. Staff members from all our offices interact and get to know one another. Training topics that we believe that are critical for all employees to be well-versed in, considering their significance in today's professional landscape are emphasized.
- **Service Line Mandatory Trainings:** These are tailored to each service line within our organization. This approach not only fosters a culture of continuous development but also ensures that all employees are equipped with the requisite knowledge and skills pertinent to their respective roles. By standardizing knowledge levels across service lines, we promote cohesion and synergy within the Firm.
- **Additionally, we encourage all professional staff to participate in ICAN Continuing Professional Development (CPD) Requirements.**

Auditors training under the international auditing standards We hold ourselves accountable for providing our employees with high-quality learning opportunities that are relevant, engaging, and impactful. We are committed to continuously evaluating and improving our programs to ensure they meet the evolving needs of our employees and our organization. Our Audit Partners and Statutory Auditors acting as Engagement Leaders are participating in a range of internal and external training, that allows them to enhance their skills and knowledge of international auditing standards and ensure consistently high quality in all statutory audits.

Employee Well-being

We recognize that the well-being of our employees is not only important for their own health and happiness, but also for the success of our organization. We are committed to providing our employees with a supportive work

environment that promotes work-life balance, stress management, and healthy lifestyle choices.

Partners Remuneration

Baker Tilly has developed an effective framework to hold Partners accountable for their actions, to evaluate their performance, review their remuneration and reward performance – always ensuring alignment with the values, risk appetite and objectives of the Firm.

The framework is reviewed on an annual basis, with the aim to evaluate whether it operates as intended, and whether it follows local legislation and professional standards and is consistently applied across the Firm.

Partners are remunerated based on two components:

- 1) Monthly drawings: A monthly drawing is based on Partners' sharing ratio.
- 3) Annual profit sharing: annual profit sharing reflects each Partner's share in the profits of the Firm.



Financial Performance

Financial Performance

In line with table 1 of rule 12: Audit Transparency Report of the Financial Reporting Council on Nigeria, our revenue as at 30th September 2022 is analysed as follows:

S/N	Revenue item	N'000
1	Revenue from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity;	67,844
2	Revenue from the statutory audit of annual and consolidated financial statements of other entities;	551,486
3	Revenue from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm	81,996
4	Revenue from non-audit services to other entities	<u>66,714</u>
		<u>768,040</u>

In accordance with the Financial Reporting Council of Nigeria (FRCN) rule 12: Audit Transparency Report, the list of Public Interest Entities (PIEs) for whom we conducted audits during the financial year ending 30th September 2023 is provided in Appendix 1 below.

APPENDIX 1

Public Interest entities being audited by Baker Tilly Nigeria – 2021/2022 audit circle

Daar Cmmunications plc
Studio Press Plc
Tranex Plc
FTN Cocoa Processors Plc
Supra Capital Limited
STL Trustees Limited
Tyndale Securities Limited
BC Kash Microfinance Bank
Falcon Securities Limited
Fragrance Oils Limited
Haggai Mortgage Bank

Longterm Global Capital Limited
FBS Reinsurance Limited
Union Trustees Mixed fund
Verod Capital Management Limited
Seadrill Mobile Units Nigeria Ltd
Randalpha Microfinance Bank
Conviva Technologies Nigeria limited

