



Transparency Report 2025

Baker Tilly Nigeria

Now, for tomorrow



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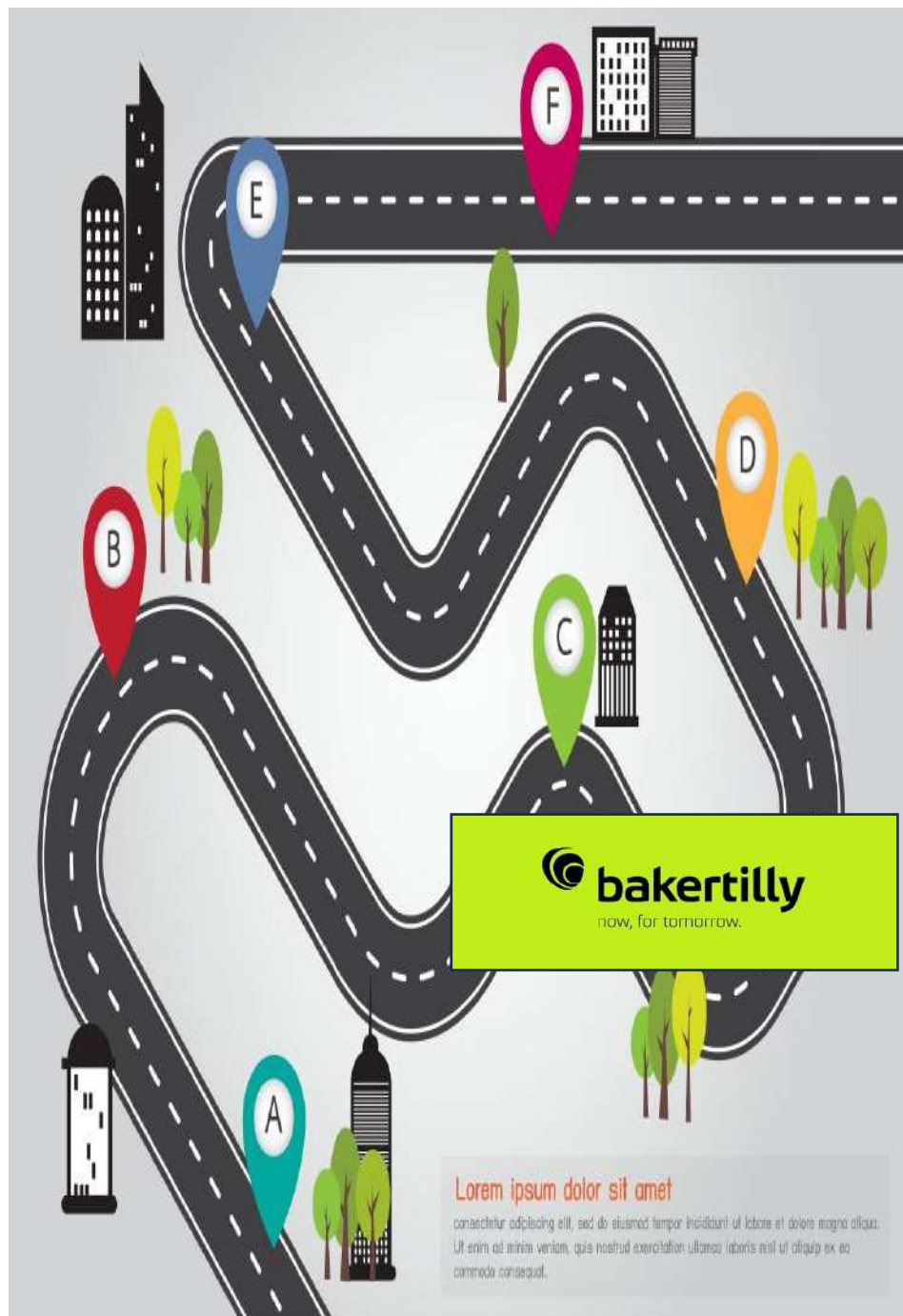
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Leadership Message



This Transparency Report contains a comprehensive overview of our performance amidst the global challenges of 2024/2025. It includes detailed insights into financial results, governance, and risk management, underscoring our commitment to responsible business practices.

Dear Regulators, Clients, and Stakeholders,



We are pleased to present the 2025 Transparency Report for Baker Tilly Nigeria. In today's business environment, transparency is not just expected—it is essential. This report reflects our journey over the past year, capturing both our achievements and the challenges we have navigated. As a trusted player in the financial and advisory services industry, we know that trust is built on more than numbers. This report goes beyond financial disclosures to highlight our values, practices, and the collaborative efforts of our team in serving our clients throughout the 2024/2025 period.

The 2024/2025 year marked a phase of recovery in Nigeria following the economic downturn of 2023/24, which was shaped by geopolitical tensions, inflationary pressures, and supply chain disruptions. These factors created a complex and uncertain business climate, affecting organisations at both local and global levels.

For Baker Tilly Nigeria, this period was not only one of consolidation but also one of strategic gains in an increasingly digital financial economy. Under the leadership of our Senior Partner, Mr. Oluwole Ogundeji, who assumed the role in September 2023, the Firm exceeded expectations. We implemented a staff salary review and introduced improvements in working conditions across all our offices nationwide—initiatives that contributed to a notable reduction in staff turnover.

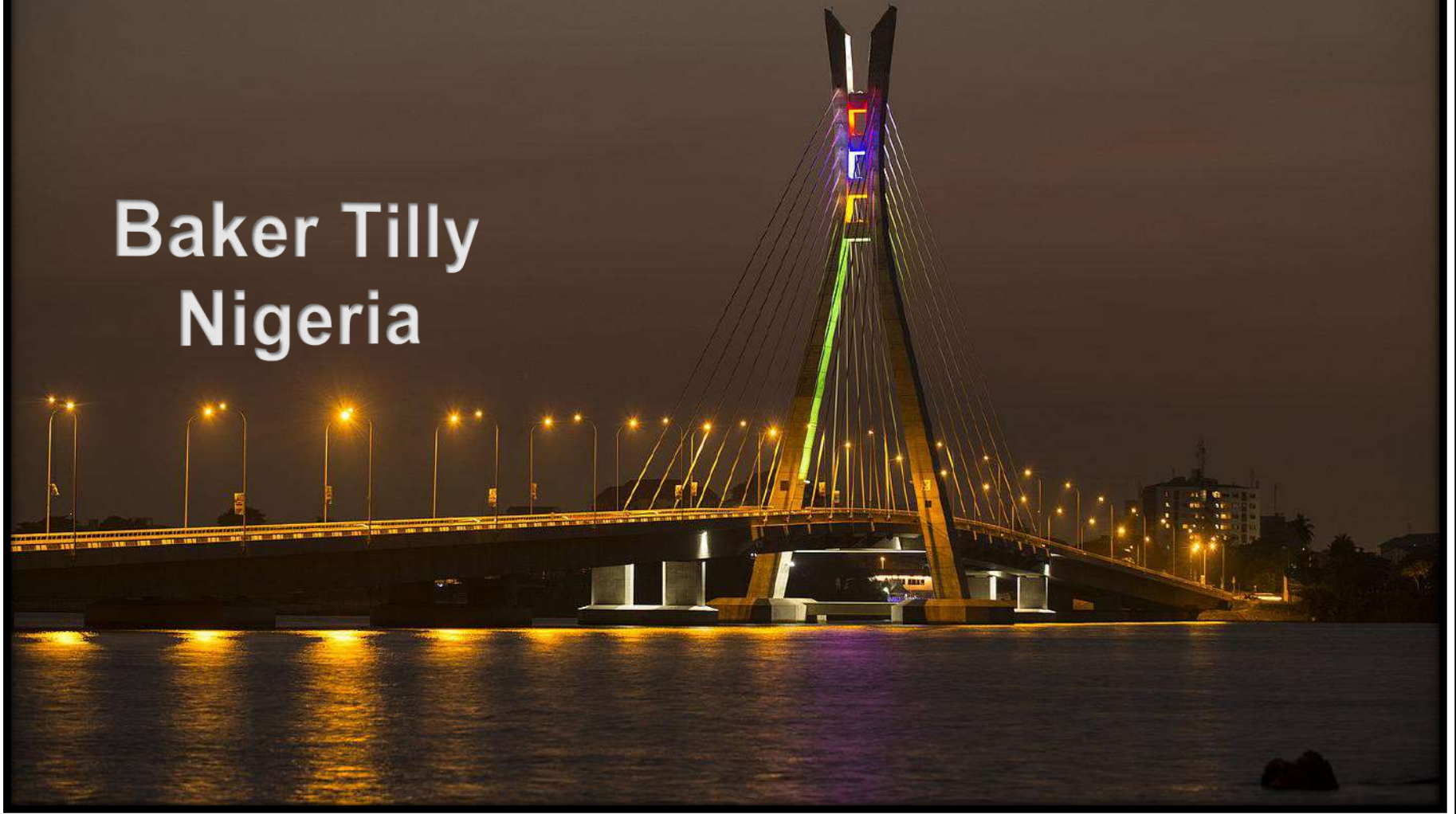
Our people remain our greatest asset. In a rapidly evolving market, we are committed to continuous investment in their growth. In 2024/2025, we launched an enhanced training programme aimed at elevating audit quality, complemented by mentorship initiatives and expanded opportunities for professional development. By fostering a culture of continuous learning and strengthening integration with our global network, Baker Tilly International, we have positioned ourselves to anticipate industry trends and apply best practices—ensuring our clients receive exceptional service in a digitally driven world.

We extend our sincere appreciation for your trust and partnership. Together, we will continue to navigate the complexities of doing business and work toward a brighter future in line with our vision: "Now, for tomorrow."

A handwritten signature in black ink, which appears to read 'Oluwole O. Ogundeji'. The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Oluwole O. Ogundeji
Senior Partner.

Baker Tilly Nigeria



Legal Structure and Ownership



The Firm Baker Tilly Nigeria, for short “BTN” was founded on 1 October 2008 following the merger of Oyelami Soetan Adeleke & Co. and Aneni Dairo & Co. We are 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 the Firm are held by the partnership, registered in Nigeria. The Firm has over one hundred and fifty-one employees inclusive of 32 professionals.

The operational office addresses 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

Alpha-Genasec Nominees Limited

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.

Baker Tilly Tax Consulting

Baker Tilly Tax Consulting is fully registered with the Nigerian Corporate Affairs Commission. The company delivers cutting edge tax advisory services, tax compliance & preparation, and tax representation & audit support.

Baker Tilly Consulting

Baker Tilly Consulting serves as the dedicated business consulting arm of the Baker Tilly family, delivering a broad spectrum of support services designed to help organisations enhance performance and achieve their objectives. Our expertise spans strategy, operations, finance, marketing, and human resources, providing clients with practical insights, tailored solutions, and strategic guidance to drive sustainable success.

All our subsidiary undertakings operate from each of our office locations, delivering expert services to clients across all six geopolitical zones of Nigeria and beyond the country's borders.

Corporate Governance

The Firm recognizes that strong governance and effective leadership are critical to quality management—both at the Firm level and at the engagement level. Our culture plays a pivotal role in shaping the behaviour of our people. The Partners accept full responsibility for leading and promoting a culture of quality assurance and continuous improvement, as enshrined in the Firm’s Partnership Deed. This *tone from the top* is central to our audit quality framework, ensuring that the right behaviours are embedded across the entire organisation.

Governance Structure

Baker Tilly Nigeria’s governance structure comprises two main bodies: the **Partnership** and the **Management Committees**.

Partnership

The Partnership is the Firm’s highest governance body and holds authority over all matters concerning the partnership and the Firm. It is responsible for the governance and oversight of the Audit and Assurance practice, safeguarding the Firm’s interests, reputation, and those of its partners. In addition, it provides strategic oversight of management and operations, ensuring robust corporate governance, quality control, and risk management frameworks. Membership includes all partners of the Firm as at any point in time.

Senior Partner

The Senior Partner serves as the Managing Partner and executive head of the Firm. He chairs Partnership meetings and ensures that decisions are effectively implemented. The Senior Partner holds ultimate responsibility for the Firm’s quality management system,

delegating operational responsibilities to other Partners who possess the requisite experience, expertise, influence, and authority. Role assignments are made with careful consideration of each Partner's capacity, knowledge, and ability to fulfil their duties, with clear accountability for performance.

Partners' Responsibilities

Partners' individual responsibilities are determined and periodically reviewed at Partnership meetings. Each Partner oversees specific areas such as office locations, client relationships, departmental leadership, administration, practice development, training, and personnel. Policy decisions impacting the Firm as a whole are made collectively at Partnership meetings which are normally held on monthly basis except where there is a need for an emergency meeting for any specific purpose that the Senior Partner deems fit to call for such a meeting.

Partners are expected to ensure that every assignment under their responsibility is completed promptly and meets the Firm's required standards. On contentious matters, they are encouraged to consult formally or informally with other Partners. Issues that cannot be reasonably resolved are escalated to the Senior Partner for final determination.

Management Committees

Besides the Partnership structure, the Firm operates under both the Partnership Committees and Management Committees.

Partnership Committees

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

- (i) Staff Management and Welfare Committee
- (ii) Technical and Compliance Committee
- (iii) Training and Practice Development Committee
- (iv) Succession Committee
- (v) Audit Quality Monitoring Committee,
- (vi) Risk & Compliance Committee

Management Committee

Management Committees are constituted to address specific objectives within the Firm's governance and operational framework. Their composition is flexible, drawing from both Partners and management staff to ensure the right blend of expertise, authority, and perspective. Membership is determined based on the purpose of the committee and the skills required, allowing the Firm to respond effectively to strategic, operational, and quality-related matters as they arise.



Baker Tilly International





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. Headquartered in London, United Kingdom, Baker Tilly International operates in over 145 territories, with more than 43,500 professionals across 700+ offices. This extensive presence enables member firms to provide clients with seamless cross-border support and access to global markets while maintaining strong local knowledge and relationships.

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. The current CEO of Baker Tilly International is Francesca Lagerberg. She was appointed to the position on June 1, 2022, according to Baker Tilly International. She is also the first British woman to be the global CEO of a top 10 accounting firm or network. 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 coordinated 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.

Global Revenue

For the fiscal year ending December 31, 2024, Baker Tilly International reported a record global revenue of US\$5.62 billion, marking a 9% increase from the previous year. This growth was driven by strong performances across all regions, with Europe, the Middle East, and Africa (EMEA) leading at 13%, followed by North America at 11%. Notably, the advisory services segment experienced a 16% revenue increase, while tax services grew by 11%, and assurance services saw a 5% rise. The network also expanded its headcount to over 43,500 professionals globally, including 3,480 partners.

This performance underscores Baker Tilly International's position as one of the top 10 global accounting networks, reflecting its sustained growth and resilience in a dynamic market.

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 breaks through the \$5bn barrier



“

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 43,500 people who made it possible”

Francesca Lagerberg
Chief Executive Officer



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 platform 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 levels.
- Ensure that any conflicts of interest have been identified and dealt with.
- Baker Tilly has the professional competence to proceed with the client and that the engagement aligns with the Firm's risk tolerance.

Ethical Requirements

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

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 on 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

In accordance with the Financial Reporting Council of Nigeria (FRCN)'s Audit Regulation, Baker Tilly Nigeria's policies on rotation of key audit Partners and professionals in audit engagements is necessary to ensure that long association with audit clients, does not impair our audit quality, or create any familiarity issues. The Firm aligns with the relevant FRCN requirements as defined by the Audit Regulation 2020 and the IESBA Code of Ethics (for all Public Interest Entities (PIEs: 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 fully comply with 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.

The policy prohibits any form of improper payment or inducement and mandates transparent and accountable business practices. All employees are responsible for adhering to this policy, while management is tasked with its dissemination and the provision of relevant training.

Any violations of the policy will be subject to disciplinary action and referred to the Disciplinary Committee for further review and resolution.



Our Audit Approach

Team selection and supervision

Selecting members for the engagement team is carefully based on their expertise, skills, and availability to ensure the delivery of high-quality audits. Our Firm operates with a partner-led model, where the engagement leader holds ultimate responsibility for managing the audit and ensuring its quality. This leader is actively involved throughout the audit process, providing clear direction, overseeing the team's work, and reviewing their outputs appropriately.

Engagement documentation

Our audit documentation provides a detailed record of procedures performed, evidence obtained, and conclusions reached.

It (i) demonstrates compliance, (ii) supports the auditor's opinion, (iii) enables internal/external reviews, and (iv) serves as a reference for future audits.

Aligned with our Network's Audit Methodology, our Firm mandates that all electronic audit files be securely archived within 60 days following the sign-off of the audit report. Both electronic and physical audit records, including any client-provided documents, are stored and maintained in strict compliance with confidentiality, data retention, and legal requirements.



Our Audit Approach

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.

Complaints and allegations

Our Firm is committed to 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.





Our Audit Approach

Engagement Quality Review

All Baker Tilly Nigeria (BTN) audit engagements are evaluated annually, and on an ongoing basis, to determine which assignments require an Engagement Quality Review (EQR).

An EQR is mandated for engagements that meet any of the following criteria:

- Public Interest Entities;
- Entities where unusual circumstances have been identified;
- Engagements considered high-risk due to factors such as the client's industry, accounting practices, management quality, regulatory environment, or other relevant reasons.

The EQR is performed by the Senior Partner or a delegated, highly experienced professional with the necessary industry knowledge and expertise.

The scope of the EQR includes:

- Reviewing significant matters, critical issues, and high-risk audit areas;
- Examining the financial statements or other subject matter information along with the proposed report;
- Reviewing selected engagement documentation relating to key judgments made by the audit team;
- Assessing the conclusions reached in forming the report and determining whether the proposed report is appropriate.
- These procedures are integral to upholding and enhancing the quality of BTN's services, both for assurance and non-assurance 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.

1

Planning

Our experts undertake activities to understand the business, including operation and internal control environment of our clients. This allows us to develop an audit plan that fits the clients' profile and results in an audit strategy that is tailored to them.

2

Risk Assessment

We assess clients' financial reporting risks and identify business-critical issues. We review and test internal controls to enhance our audit procedure and where necessary make recommendations for improvement.

3

Risk Response

We design our audit procedures to adequately respond to the assessed audit risks identified.

4

Completion and reporting

We use a range of checks to ensure accuracy to develop the results into insights that are action based and realistic, allowing you to enhance your operations.

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 Standards Board (IAASB) of the International Federation of Accountants (IFAC). We, at Baker Tilly Nigeria, 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, and network requirements; and
- Monitoring & remediation process.

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

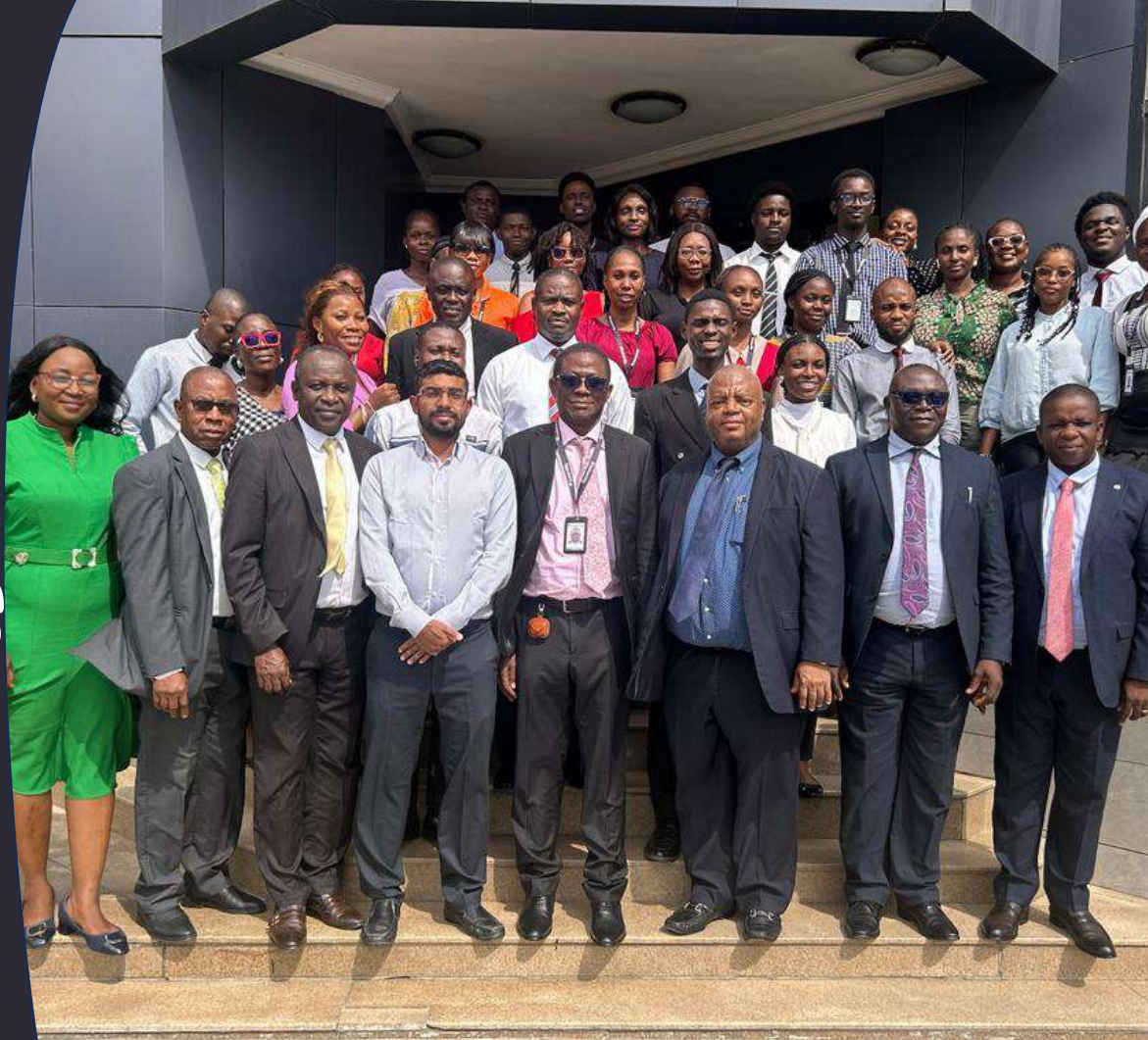
Our Firm is subject to inspection by the Financial Reporting Council of Nigeria (FRCN) and by the Institute of Chartered Accountants of Nigeria (ICAN). Both regulators inspect and evaluate the Firm's quality management systems and perform a review of audit engagement files. FRCN performs reviews on audit 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 2024. The Financial Reporting Council of Nigeria also reviewed the Firm in 2024

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 organisation 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 workforce 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 is emphasized.
- **Service Line Mandatory Trainings:** These are tailored to each service line within our organisation. 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 organisation. 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 organisation. 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.
- 2) Annual profit sharing: annual profit sharing reflects each Partner's share in the profits of the Firm.



Financial Performance

In line with table 1 of rule 12: Audit Transparency Report of the Financial Reporting Council of Nigeria, our revenue as at 30th September 2024 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;	211,207
2	Revenue from the statutory audit of annual and consolidated financial statements of other entities;	740,432
3	Revenue from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm	32,952
4	Revenue from non-audit services to other entities	75,304
		<u>1,059,895</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 2024 is provided in Appendix 1 below.

APPENDIX 1

Public Interest entities being audited by Baker Tilly Nigeria – 2024 audit cycle

Alert Microfinance Bank Limited -
Bc Kash Microfinance Bank Limited
Breedwell Feeds Limited
Cfs Finance Company Limited
Confidence Microfinance Bank Limited
Conviva Technologies Nigeria Limited
Daar Communications Plc
Falcon Securities Limited
Fbs Reinsurance Limited
Fina Trust Microfinance Bank Limited
Frigoglass Industries Nigeria Limited
Ftn Cocoa Processors Plc
Haggai Mortgage Bank Limited
Intercontinental Distilleries Limited
Longterm Global Capital Limited
Maitama Amusement Park Nigeria Plc

Multi-Trex Integrated Foods Plc
Osborne Capital Limited
Prohealth Hmo Limited
Randalpha Microfinance Bank Limited
Ratcon Construction Company Limited
Resolution Finance
Salus Trust Limited
Sayed Farms Limited
Seadrill Mobile Units Nigeria Ltd
Smart Product Plc
STL Trustees Limited
Studio Press Limited
Supra Capital Limited
Tranex Plc
Tyndale Securities Limited
Union Trustees Mixed Fund
Verod Capital Management Limited