

# Transparency report 2019

Pursuant to article R 823-21 of the  
Commercial Code

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Financial year ending on August, 31<sup>st</sup> 2019



# Transparency report 2019

## Summary

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*Pursuant art R823-21 of the French commercial Code, Statutory auditors of Public Interest Entities publish a transparency report on their Internet site within the 4 months of the closing of the fiscal year.*



## Our firm

Aca Nexia

ATH

Nexia International



# Our firm

## Aca Nexia

Aca Nexia is an audit, public accounting and consulting firm that, to 31 August 2019, generated a turnover of €29M with a total staff of 227 full-time equivalent (FTE) people, including 20 partners (*ACA Nexia Outremer not included*). Staff as at August 31<sup>st</sup> 2019 amounts to 222 people.

### The group

Auditeurs & Conseils Associés SAS exclusively controls several entities with which it forms an operational group with shared management and organisation. These companies are: Pimpaneau & Associés, IDF Expertise & Conseil, CERA, Thémis, Fleury, SFPB A&C and Aca Ile de France.

Entities	Office	Main activities
Auditeurs & Conseils Associés SA, Pimpaneau & Associés SAS, IDF Expertise et Conseil SAS, CERA SAS, SFPB A&C SAS	Paris (75)	Auditing Accounting and tax Outsourcing Transactions Services
Themis SAS Fleury SAS	Argenteuil (91)	Accounting and tax Auditing
Aca Ile de France SARL	Montesson (78)	Accounting and tax Outsourcing Social management

Aca Nexia has a majority holding in the chartered accountancy firm ACA Nexia Outremer, based in Saint Martin (French Indies), the main activity of which is public accounting services for local SMEs. This firm's turnover is €0,3 M and has one partner and 3 employees.

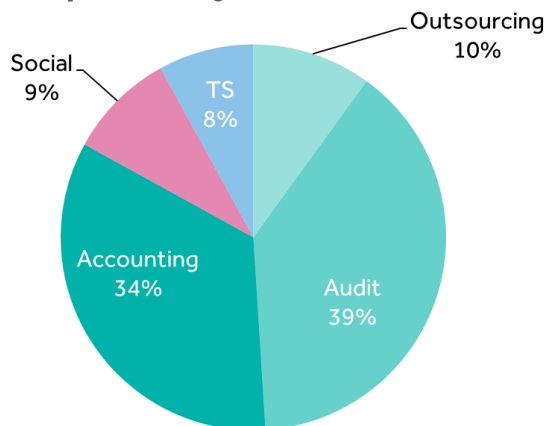
### Activities

The group offers its expertise in audit services, public accounting and consulting, with 5 main offers:

- Legal audit, consisting primarily of statutory auditors assignments and consular missions consisting of contribution and/or merger audit engagements.
- Public accounting expertise that covers a range of services including the review and preparation of annual financial statements, the Foreign desk, that offers public accounting services for foreign investor establishments and structures in France, consolidation, and consulting.
- The Social Management for payroll outsourcing services, declarations for social charges and social management consulting.
- Transaction Services (TS) and Financial consulting, that look after due diligence and VDD missions for financial and industrial investors, as well as consulting and support missions in the financial domain.
- Outsourcing of accounting and cash management and related services (BPO).

# Our firm

## Fees 2018-2019 per activity



## Organization

- The firm is organized in offices, each office forming a profit center with its clients, its teams, its own management. The office is the HR management entity. The office is organized in department which constitute areas of competence.

Départements	Offices		
	Paris	Montesson	Argenteuil
Auditing	x		x
Accounting and tax	x	x	x
Social	x	x	x
TS et Advisory	x		
Outsourcing	x	x	

- Departments are the business units of the areas of expertise to serve clients.
- The business departments have the task of following the exercise of the business at Group level, steering technical deployments and providing support to those involved in the business. The business departments are under the responsibility of a partner.

Business lines	Partner in charge
Accounting	Philippe Mendes
TS et Advisory	Olivier Lelong
Auditing	Sandrine Gimat
Legal	Olivier Lelong
Social	Géraldine Claux
BPO	Nady Bendaoud

- The support functions are under the responsibility of a partner whose mission is to manage a support area at group level

Functions	Partner in charge
Finance	Olivier Lelong
HR	Olivier Juramie
IT	François Mahé
Marketing	François Mahé
Quality	Laurent Cazebonne
Nexia	François Mahé

# Our firm

- Operationally the partners are attached to an office. In Paris, even if they intervene in several fields of competence, they are attached to a department.

Partners	Auditing	Accounting	Social	TS et Advisory	BPO
Paris					
Nadi Bendaoud					x
Daniel Buchoux	x				
Laurent Cazebonne	x				
Eric Chapus	x				
Géraldine Claux		x			
Pascal Cosse	x				
Stéphane Dankowsky	x				
Sandrine Gimat	x				
Fabrice Huglin				x	
Olivier Juramie	x				
Olivier Lelong		x			
François Mahé	x				
Philippe Mendes		x			
Philippe Sallé		x			
Hervé Téran				x	
Argenteuil					
Jérôme Debroise		x			
Bernard Hommel	x	x			
Montesson					
Jean-Pierre Jung		x			
Frédéric Papillon			x		x
Stéphane Tuvi		x			

- A new partners have been appointed since August 31, 2019 in Paris office: Gwenolé Le Berre (Accounting).
- Marie Dominique Ramphort is responsible for the Saint Martin office, which because of its specificities is not integrated in the general organization of the group and enjoys greater autonomy.

## Governance

The governance bodies of the Auditeurs et Conseils Associés SAS include governance rules of the firm:

- The general management of the group is ensured by a management committee made of 4 partners : the 3 corporate officers of Auditeurs et Conseils Associés SA Boards appointed by the Board of Directors and an other partner.
- The Board of Directors is composed of 7 members and comprises 4 members appointed by the General Assembly and 3 members elected by the Committee of Partners. The Board of Directors is empowered by law with three additional areas: the appointment of new partners, amendments to the shareholders' pact and decisions on external growth. For these 3 areas, it examines the files on presentation of the management committee and presents them to the committee of partners for decision.
- The Partners' Committee brings together all the partners of the firm. The committee has a right of decision in 5 areas: appointment of partners, modification of the partners' pact, external growth, significant investments, annual consolidated budget. For its 5 areas of competence, decisions are made on the principle of one partner one vote, by a majority of  $\frac{3}{4}$  of the partners.

# Our firm

## ATH

Aca Nexia is a member of the Association Technique d'harmonisation, ATH, the leading French technical association with membership of 26 independent firms representing over 4,600 people.

ATH provides pooled technical management and supplies its members with the following services:

- An electronic audit file and constantly updated technical reference texts.
- A documentary database with oversight and consulting services, and information dissemination by email.
- A training catalogue to help employees to progress in their technical, behavioural and managerial skill.
- An annual quality control.
- Permanent access to information and tools for all of the firm's members, by means of an intranet system.

Olivier Lelong represents Aca Nexia on the ATH board of directors. The other partners take part in the technical committees on the basis of their areas of responsibility.

## Nexia International

Nexia International is ranked 9<sup>th</sup> amongst the networks of independent audit and consulting firms. The Nexia International network is present 250 firms over 122 countries. It represents a volume of fees of US \$4.0 billion, with 30,565 people including 2 887 partners and directors (source [www.nexia.com](http://www.nexia.com)).

The network's activity is shared between audit & accountancy, tax services, corporate finance and management consulting.

The strength of Nexia International rests with the willingness of its members to share their expertise. The network has defined a strategy and created an true organisation that is operated and maintained by the members themselves.

### Governance

Governance is defined by the statutes. Nexia is governed by a Council in which all members are represented. The Council shall elect the members of the Board and shall have sole power to amend the Statutes.

The Board is composed of 7 to 14 members chosen from the partners of the member firms, elected by the Council for a renewable 3-year term, including the President elected in his capacity. The Board defines the network strategy and policy.

# Our firm

The Director General and his team, the secretariat, implement the policy defined at Board level and ensure the operational management of the network.

The International Audit Committee comprises 4 to 11 members appointed by the Board and chosen from among the members of the member firms. It carries out the quality control of the members at their admission and then by periodical reviews. The Audit Committee ensures the promotion of best practices, the organization of conferences, and publications available to members on the website [www.nexia.com](http://www.nexia.com)

The International Tax Committee, comprises 4 to 11 members appointed by the Board and chosen from among the associates of member firms. It carries out studies on transnational subjects, organizes an annual conference and prepares periodical publications of its work.

The animation of the life of the network is also ensured by a Regional Director, for each of the 4 regions: Europe-Middle East-Africa, Asia-Pacific, North America, and South America.

In addition to the meetings of these bodies, the life of the network during a year is punctuated by different meeting points to which members are invited to participate: an annual conference of all members, in autumn, an annual Tax Conference, Spring, an "audit Forum" organized concurrently with the annual conference, meetings by region.

## Independence of members

Members are completely independent from each other in legal terms, in their strategy and in their management.

Each member is responsible for managing the quality of the services it offers. This is verified within the framework of the quality control program organized by the Audit Committee

## Resources

- Members pay a contribution according to their annual income, it being specified that there is no contribution based on the work referred between the members.
- Members pay their travel and living expenses to attend conferences. Associates of members who participate in the bodies of the network are not remunerated.

## Brand

The members use the Nexia logo in order to assert their membership in the network.

## Quality control

The articles of association indicate that members who provide services in the audit field must take part in a permanent quality control program that takes into account the audits performed on the members by the national organizations.

Monitored by the Audit Committee, this program applies the principles and standards of the IFAC. The reviews result in written reports that include recommendations and a follow-up. The processes maintain the confidentiality of the conclusions relative to the other members.

Each year, a quality questionnaire is filled electronically.

## Nexia France

Nexia France is a non-regulated company, a member of Nexia International, which allows its 5 firms to access the network and use the brand in France: Aca Nexia, ECA, Groupe Y Nexia, Novances and Sefico Nexia. The objective of the company is to coordinate the representation of the network in France. It is led by a steering committee composed of a representative of the five firms. They are all members of ATH.

In total, Nexia France realizes a fee of € 105 million and comprises 993 people, including 82 partners.



# Risk management

Independence  
Quality control



# Risk management

## Independence

The firm has put in place a quality management system that integrates a quality manager function and procedures that combine a set of quality-controlled tools.

The quality system covers auditing, accounting and general areas, quality management, human resources and technical documentation.

It was within the framework of this system that the monitoring of respect for the principle of independence and quality control were integrated.

### Internal procedures

The principle of independence is taken into account by several procedures of the quality management system for statutory auditors:

#### Acceptance and retention of a new mandate

Before accepting a new mandate or renewing an existing mandate, the partner shall, in particular, verify that the principle of independence is respected on the basis of a questionnaire co-signed by a member of the management committee.

#### Continuation of an audit engagement

Whenever necessary, and at least once each year, the partners verify that the conditions for continuing the statutory auditing mandates are still being respected, which they justify with the help of a questionnaire.

### Declaration of independence

Each year, the firm's members, partners, and employees, involved or not in statutory auditing missions, are required to sign a certificate that confirms that they have familiarized themselves with the rules contained in the statutory auditing code of ethics and that they comply with the rules set down by the code in terms of independence and incompatibility.

### Training

The training program for the partners and employees includes presentations of the professional rules regarding the independence of statutory auditors.

### Management declaration

The Auditeurs & Conseils Associés management declares that the compliance with the independence principle is periodically verified within the firm.

### Rotation

Aca Nexia has implemented a rotation of the audit partners for the mandates of public interest entities and public entities with generosity as well as their significant French subsidiaries, in accordance with the legal requirements that require a rotation after 6 consecutive exercises (within the limit of 7 years) with a period of emptiness of 3 years. The independence policy of Aca Nexia also provides for the rotation of the "independent auditor" on these same bases. To ensure the correct application of the principles of rotation, Aca Nexia gathers the necessary information and has also set up a planning for these rotations.

# Risk management

## Quality control

### Quality system

The firm's quality system was approved by decision of the Executive Committee on November 15, 2005.

It includes the appointment of a partner responsible for quality and the establishment of procedures.

Procedures define the specified manner of performing an activity:

- The succession of activities and their development.
- Responsibilities and actors.
- Internal repositories and tools.

Annually, the quality partner reports on compliance with procedures in an annual report.

This report includes proposals for corrective and preventive actions, which are submitted to the members' committee and approved by the management committee.

Areas	Procedures
<b>General Procedures</b>	<ul style="list-style-type: none"> <li>- Quality Management</li> <li>- Recruiting</li> <li>- Training</li> <li>- Assessment</li> <li>- Documentation</li> <li>- Combating money laundering</li> <li>- Independence</li> <li>- Collection of reports</li> </ul>
<b>Statutory accounting</b>	<ul style="list-style-type: none"> <li>- Acceptance of new mandates</li> <li>- Incompatibilities</li> <li>- Engagement letter</li> <li>- Supervision and continuation of the mandates</li> <li>- Independence review</li> <li>- Conduct of an audit mission</li> </ul>
<b>Public accounting, annual financial statements</b>	<ul style="list-style-type: none"> <li>- Acceptance of the mission</li> <li>- Mission statement</li> <li>- Performance of the mission</li> <li>- Supervision</li> </ul>
<b>CSR</b>	<ul style="list-style-type: none"> <li>- Integrated manual: Acceptance, conduct, supervision and maintenance of CSR missions</li> </ul>
<b>Other missions</b>	<ul style="list-style-type: none"> <li>- Acceptance of the mission</li> </ul>

# Risk management

## ATH verifications

Statutory auditing, annual accounts and social missions are reviewed as part of an annual audit. The checks are carried out jointly by an ATH employee and a partner of a member firm of ATH. The results of these checks shall be included in the annual report drawn up by the person responsible for quality.

## Management Representation Statement

The management of Aca Nexia declares that it has taken all necessary steps to implement the processes and means appropriate to quality control in its statutory audit missions in compliance with the code of ethics and standards of professional practice .

## External inspections

The offices of the Aca Nexia Group are supervised by the High Audit Committee (H3C), the Ordre des Experts Comptables (OEC), Nexia International and COFRAC for CSR.

The latest checks carried out by these bodies are as follows:

- December 2019: OEC review, recommendations received in December 2019.
- November 2018: evaluation of COFRAC, report received on November 7, 2018.
- March 2018: control of the H3C which resulted in final report on January 7, 2019.
- August 2013 - control of Nexia International according to the internal Limited Scope Review (LSR), final report received on October 4, 2013.

# Clients

Turnover

List of APE and AGP clients



# Clients

## Turnover

### Nexia International

The Nexia International network achieved a turnover of \$ 4.0 billion in 2018, making it the world's 9<sup>th</sup> place.

### Nexia France

Nexia France brings together the firms Aca Nexia, ECA Nexia, Groupe Y Nexia, Novances, and Sefico Nexia and makes a total of 105 million euros of turnover.

### Aca Nexia

As at August 31, 2019, the Aca Nexia group generated revenues of € 29 million, of which fees for statutory audit were 39% or € 11.3 million.

Fees for services not related to statutory audit missions represent € 17.7 million, or 61%.

## List of APE and AGP clients

This table presents the list of Public Interest Entities (PIE) for which the firm performed a legal inspection of their financial statements during the past fiscal year.

APE	Fiscal year	Nature of PIE
Axway Software	31.12.18	Quoted on Euronext C
Barbara Bui	31,12,18	Quoted on Euronext C
CA Indosuez Wealth (France)	31.12.18	Credit institution
Caisse de Refinancement de l'Habitat	31.12.18	Credit Institution / Bonds Issuer
Europacorp	31.03.19	Quoted on Euronext C
Mutuelle Bleue	31.12.18	Mutual livre II
Micropole	31,12,18	Quoted on Euronext C
Groupe Open	31.12.18	Quoted on Euronext B
Passat	31.12.18	Quoted on Euronext C
RBC Paris Branch	31,12,18	Credit Institution
RBC Investor Services Bank France	31.12.18	Credit Institution
Rémy Cointreau	31.03.19	Quoted on Euronext A
Sopra Steria Group	31.12.18	Quoted on Euronext A

In 2008, ACA Nexia was appointed as auditor of Wavestone, quoted on Euronext B.



## Human resources

Employees

Partners

Continuing training



# Human resources

## Employees

The Nexia International network has 32,565 employees and associates. The associates of Nexia France together form a workforce of 993 people.

The average workforce of the Aca Nexia group during the fiscal year ended August 31, 2018 expressed in Full Time Equivalent (FTE) was 227 persons, as follows:

FTE	Total	Audit	Non Audit	Support
Partners	20	9	11	
Managers	50	16	33	
Employees	141	43	98	
Support functions	16			16
Total	227	68	142	16

The partners and employees presented above are allocated according to their main activity. Some of them, at all levels, are required to perform Audit and Non-Audit services.

Functional staff are involved in the following support functions: Human Resources, Marketing & Communication, administrative & Corporate Services, Administration & Finance and IT.

## Partners

Auditeurs & Conseils Associés SAS has 19 partners, directly or through participating companies. The shareholders hold at least one share in the capital of the statutory auditor entity to which they are signatories. In accordance with professional rules, when they are not corporate officers, they have an express delegation.

The remuneration of the partners shall be determined by the Management Committee. It comprises a fixed part and a variable part based on one or more performance aggregates of the office to which they are attached. They also receive dividends.



# Human resources

## Continuing training

Training is the subject of a procedure that is part of the firm's quality system, and it involves all of the technical personnel, including the persons dedicated to public accounting activities who are not involved in legal certification missions.

The essential elements of this procedure are the following:

- Annual orientation meetings from the management committee.
- Preparation of an annual training plan on the basis of the individual needs.
- The training plan includes a basic course of study, specific general actions, individual actions, the preparation for professional examinations and the completion of the mandatory work placements.
- The employees involved in legal certification missions must follow a basic course of study that primarily includes the following topics : audit techniques, taxation, legal aspects of the statutory auditor mission, consolidation, financial techniques and office automation tools.
- Formalization of an annual appraisal.

The Auditeurs & Conseils Associés management declares that it has set up a training plan for the partners and registered statutory auditors, in response to the training obligations in effect as of January 1<sup>st</sup> 2009 pursuant to the order of 19 December 2008, which requires a period of 120 hours of training that must be provided over an interval of 3 consecutive years.

Paris, December 12th 2019

For the management committee

François Mahé





[www.aca.nexia.fr](http://www.aca.nexia.fr)