

# Accounting Today

## Merger puts Marcum far in the lead in Q3 SEC engagements

By Daniel Hood

Published October 22 2018, 12:47pm EDT

A merger in July with a Texas-based CPA firm has helped skyrocket Top 100 Firm Marcum to a commanding lead in terms of new SEC audit client engagements in the third quarter of 2018.

“The third quarter was another strong performance period for Marcum’s SEC group,” said David Bukzin, national leader of Marcum’s SEC Service Practice, in a statement. “The significant increase was a continuation of ongoing organic growth, bolstered by the integration of GBH CPAs in Houston, which had a strong SEC audit specialty.”

Bukzin noted that the third quarter was also a particularly active time for IPO activity, and that Marcum’s seven IPO engagements accounted for 11 percent of the 65 total offerings in the period.

The firm brought a total of 30 new clients on board – more than four times as many as its nearest rival among large firms – and 21 of those were former GBH clients.

Firm	Wins	losses	Net
Marcum*	+30	-8	+22
Deloitte	+7		+7
EY	+4	-1	+3
RSM US	+2		+2
Grant Thornton	+2	-1	+1
Moss Adams	0		0
BKD	0		0
PwC	+2	-3	-1
Crowe	+2	-3	-1
KPMG	+4	-6	-2
BDO USA	+4	-6	-2
EisnerAmper	-2		-2

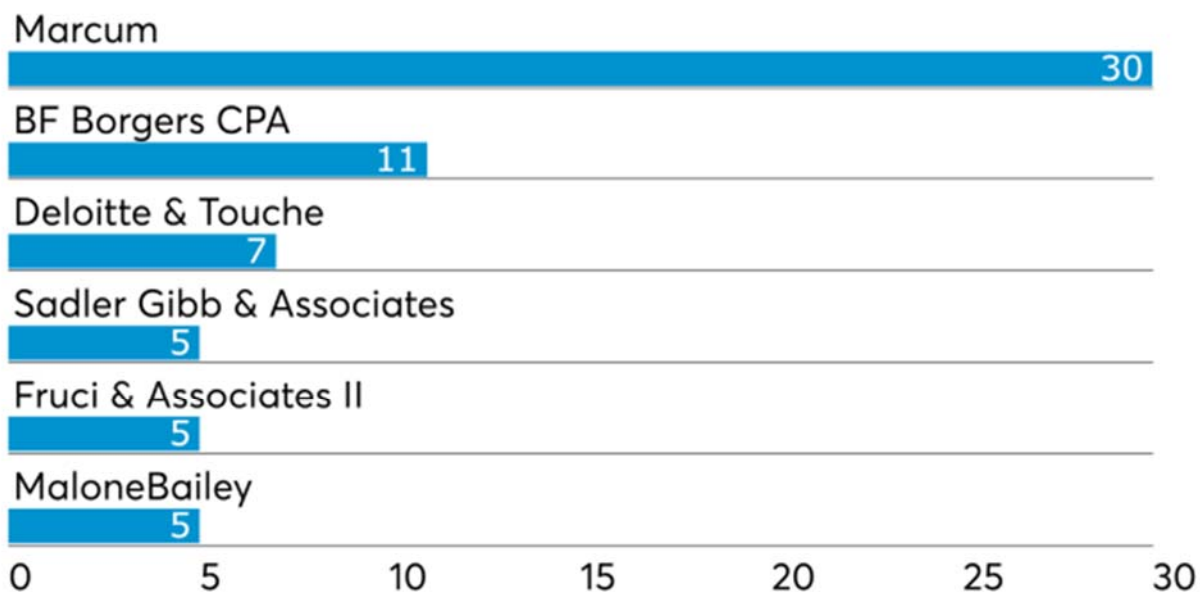
\* Comprised of Marcum LLP & Marcum Bernstein Pinchuk LLP

Marcum netted 22 new clients for the period, more than twice its nearest rival, Lakewood, Colorado-

based BF Borgers, which brought on 11 new SEC audit clients, and netted the same. (See the full list at the bottom of this article.)

## Well ahead of the crowd

New SEC audit engagement clients in Q3 2018



Source: Audit Analytics

The same two firms topped the lists of new engagements with smaller reporting companies, while Deloitte & Touche led among large accelerated filers and accelerated filers, and KPMG took the lead among non-accelerated filers.

### Smaller reporting companies

Firm	Wins	Losses	Net
Marcum	24	4	20
BF Borgers CPA	11	0	11
Sadler Gibb & Associates	5	1	4
Turner Stone & Co.	3	0	3
Haynie & Co. PC	3	1	2
Daszkal Bolton	2	0	2
L&L CPAS PA	2	0	2
Lo and Kwong CPA Co.	2	0	2
RSM US	2	0	2
Thayer O'Neal Co.	2	0	2
Total Asia Associates	2	0	2
Wei Wei & Co	2	0	2
ZH CPA	2	0	2

**Large accelerated filers**

<b>Firm</b>	<b>Wins</b>	<b>Losses</b>	<b>Net</b>
Deloitte & Touche	1	0	1
Ernst & Young	1	0	1

**Accelerated filers**

<b>Firm</b>	<b>Wins</b>	<b>Losses</b>	<b>Net</b>
Deloitte & Touche	6	0	6
Marcum	5	2	3
Ernst & Young	3	1	2
Baker Tilly Virchow Krause	1	0	1
Davidson & Co.	1	0	1
BDO Sanyu & Co	1	0	1
Plante & Moran	1	0	1

**Non-accelerated filers**

<b>Firm</b>	<b>Wins</b>	<b>Losses</b>	<b>Net</b>
KPMG	3	1	2
BDO Ziv Haft CPAs	1	0	1
Prager Metis CPAs	1	0	1
PwC	1	0	1
Smythe	1	0	1
ZH CPA	1	0	1

*Ranked by net gain. Ties are broken by overall number of client wins, then by alphabetical order.*

While Marcum had the lead in number of new engagements, Big Four firms Deloitte and KPMG dominated the rankings in terms of new market capitalization audited, new assets audited, and new audit fees – in each case, thanks to a single client.

For Deloitte, it was industrial gas manufacturer Air Products & Chemicals, with \$35 billion in market cap, \$19.2 billion in assets, and \$6.2 million in fees. For KPMG, it was British Telecoms, which brought \$68 billion in assets, \$24.8 billion in market cap, and \$14.9 million in fees.

<b>Accounting firm</b>	<b>Net new engagements</b>	<b>New engagements</b>	<b>Market cap audited</b>
Deloitte & Touche	7	7	\$ 36,347,959,524
KPMG	-2	4	\$ 26,535,989,456
Marcum	22	30	\$ 7,475,344,780
PwC	-2	2	\$ 3,446,902,286
Ernst & Young	3	4	\$ 2,498,155,820
LJ Soldering Associates	1	1	\$ 1,518,168,750
Grant Thornton	1	2	\$ 957,514,154
BDO USA	-2	4	\$ 626,091,346
BPM	0	1	\$ 523,940,345
Davidson & Co.	0	1	\$ 368,940,794
<b>Accounting firm</b>	<b>Net new engagements</b>	<b>New engagements</b>	<b>Assets audited</b>
KPMG	-2	4	\$ 70,705,470,881
Deloitte & Touche	7	7	\$ 23,236,971,679
Ernst & Young	3	4	\$ 7,857,503,000

PwC	-2	2	\$ 2,881,123,000
Baker Tilly Virchow Krause	2	2	\$ 1,210,448,000
BDO USA	-2	4	\$ 941,357,158
Marcum	22	30	\$ 572,647,988
Elliott Davis	1	1	\$ 487,959,000
Dixon Hughes Goodman	1	2	\$ 363,692,425
RSM US	2	2	\$ 289,207,000
<b>Accounting firm</b>	<b>Net new engagements</b>	<b>New engagements</b>	<b>Audit fees</b>
KPMG	-2	4	\$ 15,215,597
Deloitte & Touche	7	7	\$ 13,394,093
Ernst & Young	3	4	\$ 4,269,010
Marcum	22	30	\$ 3,864,249
PwC	-2	2	\$ 2,933,000
BDO Sanyu & Co.	1	1	\$ 1,859,790
BDO USA	-2	4	\$ 1,740,000
Baker Tilly Virchow Krause	2	2	\$ 1,539,024
BPM	0	1	\$ 1,360,410
Grant Thornton	1	2	\$ 1,234,191

Data for the quarterly rankings are provided by Audit Analytics, a premium online intelligence service delivering audit, regulatory and disclosure analysis. Reach them at (508) 476-7007, [info@auditanalytics.com](mailto:info@auditanalytics.com) or [www.auditanalytics.com](http://www.auditanalytics.com).

## NET ENGAGEMENT LEADERS

Accounting firm	Net new engagements	New engagements
Marcum*	22	30
BF Borgers CPA	11	11
Deloitte & Touche	7	7
Sadler Gibb & Associates*	4	5
Ernst & Young	3	4
Turner Stone & Co.	3	3
Haynie & Co.	2	3
Baker Tilly Virchow Krause	2	2
Daszkal Bolton	2	2
L&L CPAS	2	2
Lo and Kwong CPA Co. Ltd.	2	2
RSM US	2	2
Thayer O'Neal Co.	2	2
Total Asia Associates	2	2
Wei Wei & Co	2	2
TAAD	1	3
Dixon Hughes Goodman	1	2
Grant Thornton	1	2
Heaton & Co.	1	2
Armanino	1	1
BDO Sanyu & Co.	1	1
BDO Ziv Haft CPAs	1	1
Berkower	1	1
Cherry Bekaert	1	1
Dylan Floyd Accounting	1	1

Elliott Davis	1	1
Halperin Ilanit CPA	1	1
HHC CPA	1	1
JPizars CPA	1	1
KBL	1	1
LJ Soldinger Associates	1	1
Manohar Chowdhry	1	1
Moore Stephens CPA Ltd.	1	1
Pan-China Singapore	1	1
Paritz & Co.	1	1
PKF Littlejohn	1	1
Plante & Moran	1	1
Prager Metis CPAs	1	1
Raul Carrega CPA	1	1
Rose Snyder & Jacobs CPAs	1	1
Salberg & Co.	1	1
Smythe	1	1
Zhen Hui CPAs	1	1
Zia Masood Kiani & Co.	1	1
Zwick & Banyai	1	1
Fruci & Associates II	0	5
ZH CPA	0	3
BPM	0	1
Davidson & Co.	0	1
Dirk A Oceanak CPA	0	1
Liggett & Webb	0	1
Mayer Hoffman McCann	0	1
Crowe	-1	2
Friedman	-1	1
M&K CPAS PLLC	-1	1
WWC CPAs	-1	1
MaloneBailey	-2	5
BDO USA	-2	4
KPMG	-2	4
PwC	-1	2
RBSM	-2	1
Michael Gillespie & Associates-3		1
KCCW Accountancy Corp.	-7	2

*Ranked by net engagements; ties are broken by lower number of new engagements, then by alphabetical order. \* New engagements include significant gains from the same previous auditor, often an indication of a merger or other change in firm structure, or that some of the new engagements have a corporate affiliation, as with Marcum, which brought on 21 new clients from merging in GBH CPAs in July*