

# PUBLIC ACCOUNTING REPORT

## Crowe Horwath LLP Takes Top Spot for Q3 *E&Y scores biggest audit engagement win of period.*

**Crowe Horwath LLP** pulled off an historic event in Q3 2009: becoming the first non-Global Seven firm to win *PAR*'s quarterly audit crown.

The firm vaulted to the front of the pack for the quarter, with a net gain of six audit engagements, approximately \$1.1 billion in revenue audited, approximately \$1.5 billion in assets audited and a net gain in audit fees of approximately \$3 million, according to the analysis of *AuditAnalytics.com* and *PAR*.

In pulling off the unprecedented event, the firm didn't rely on what many observers would have made a natural assumption on: the firm's largest SEC audit engagement win for the quarter, Wolverine Tube/Huntsville, Ala. (Revenue \$815.8 million), following KPMG's dismissal, was not courtesy of their financial institutions practice.

That being said, the three of the firm's seven total wins in the quarter were financial institutions: Dime Community Bank, from **Deloitte**, and Greenville Federal Financial and Kentucky First Federal Bancorp from regional powerhouse **BKD/Springfield, Mo.**

Crowe finally broke through to the "audit crown end zone" after back-to-back runner-up finishes in the quarterly analysis rankings.

**McGladrey & Pullen/Minneapolis** took second place, with a solid quarter in terms of wins, ironically taking one client from each of the Big Four firms.

The firm "suffered" only one loss, to one of the Northeast's SEC "beasts," **Amper Politziner & Mattia/Edison, N.J.**

**Grant Thornton**, which had net gains of approximately \$1.2 billion in assets audited and approximately \$1.2 billion in revenue audited, suffered a net loss and came out on the plus side in net audit fees.

The firm did suffer a net loss of two clients for the time period.

Two of the firm's six audit wins for the quarter had annual revenues in excess of \$500 million.

**Ernst & Young** "flew" into the No. 4 spot on the strength of the UAL/Chicago (Revenue: \$20.19 billion) audit. The firm picked up the audit when Deloitte was dismissed on July 22. The UAL was the largest win, in terms of revenue, for the quarter.

The firm's other significant win of the time period was Oglethorpe Power/Tucker, Ga. following **Pricewaterhouse-**

Third Quarter 2009					
Audit Change Leaderboard					
Rank	Firm	Net Gain Enties Audited	Net Gain Revenue Audited	Net Gain Assets Audited	Net Gain Audit Fees
1	Crowe Horwath LLP	6	1,118,064,835	1,454,375,561	3,089,961
2	McGladrey & Pullen <sup>2</sup>	3	1,001,511,000	4,756,653,000	1,843,500
3	Grant Thornton	-2	1,159,804,006	1,158,919,276	856,950
4	Ernst & Young	-7	16,581,969,570	8,011,751,948	-463,595
4	PricewaterhouseCoopers	-1	3,131,686,202	-7,419,460,655	2,831,252
6	BDO Seidman	0	114,700,471	40,058,953	-514,592
6	UHY <sup>1</sup>	0	0	0	6,167
8	Mayer Hoffman McCann <sup>3</sup>	0	-62,070,000	-12,039,000	154,000
9	KPMG	-2	-1,008,054,162	-2,663,328,759	-3,946,129
10	Deloitte	-4	-24,931,800,829	-14,833,333,588	-9,066,719

**Editor's Note:** The quarterly audit rankings are derived from audit change data for the third quarter analyzed by *AuditAnalytics.com* and *PAR*. Standings are determined by weighing net audit wins as well as net gains in revenue audited, net gains in assets audited and gains in audit fees. <sup>1</sup> UHY and UHY Advisors are affiliated through an alternative practice structure. <sup>2</sup> RSM McGladrey operates in an alternative practice structure with McGladrey & Pullen. Though separate and independent entities they work together. <sup>3</sup> CBIZ and MHM are affiliated through an alternative practice structure. **Source:** *AuditAnalytics.com* and *PAR* research

### Coopers' dismissal July 29.

Unfortunately, the firm suffered the most losses for the quarter, which prevented E&Y from finishing higher. It wasn't the magnitude of any one loss really—the firm had only two client losses that had more than \$1 billion in annual revenue—it was a function of the sheer numbers that added up to a No. 4 finish for the quarter.

PricewaterhouseCoopers secured the fourth spot in the quarterly audit rankings, with a net loss of one SEC audit client and approximately \$7.4 billion, coupled with a net gain of approximately \$3.1 billion in revenue audited and a net gain in audit fees. PwC won the audit crown in the second quarter.

**Editor's Note:** The third-quarter rankings are derived from analysis of three months' worth of auditor changes compiled by *AuditAnalytics.com*. Standings are determined by weighing net audit wins, as well as net gains in the revenue audited of new clients, net gains in the assets audited of new clients and net gain in audit fees. ■