

# ORANGE COUNTY BUSINESS JOURNAL

\$1.50 VOL. 39 NO. 28

THE COMMUNITY OF BUSINESS™

JULY 11-17, 2016

## Accounting Firms Expand for Fifth Consecutive Year

### Boost Employment By 6%, Big Four Again Lead Pack

By MICHAEL DE LOS REYES

Orange County's largest accounting firms combined to grow the industry's local work force by 6% over the year through June for the fifth consecutive year of gains as the economy and business regulation expanded.

This week's special report includes a list of the largest accounting firms with operations in the county ranked by local employees.

The 56 firms have a combined 4,951 employees, up 281 from the previous year. The growth follows previous annual increases of 4.4%, 4%, 2% and 5%.



Three firms are premiering on the list; 37 firms expanded in OC; 12 were unchanged; six firms cut local staff; and the Business Journal estimated employee numbers for one firm were flat compared to a

year earlier.

Firms combined to employ 1,567 certified public accountants—an increase of 39. CPAs made up about the same percentage of local employees—32%—as a year earlier.

The firms had 555 partners, an increase of 17 and 11% of the accountancies' locally based employees.

The list also includes consultants and firmwide jobs, though those figures didn't affect the rankings.

The "Big Four" firms continued to lead the local industry, employing about 43% of its



7755 Center: headquarters building of YH Advisors in Huntington Beach, one of three firms debuting on the list

workers. They also had about 91% of firmwide employees, or about 734,000.

The top five slots on the list are occupied by the same firms as last year:

■ **Deloitte LLP's** Costa Mesa office holds the No. 1 spot with 801 OC employees, up 2.4%. The firm shed 10 local CPAs, ending with 150, and cut one partner, leaving it with 101.

■ **KMPG LLP** is No. 2 with 530 local employees, up 15%. It was the only Big Four firm to experience double-digit growth over the year.

"Orange County is strategically located, not only for local or regional companies, but also for national and global entities," said **Dennis Parrott**, managing partner of the firm's Irvine office. "Being close to Los Angeles and a short flight to the Bay Area is enticing for organizations to have a presence here. Finally, having institutions of higher education that are close by and renowned globally has served in keeping our talent pool strong."

KPMG added 13 CPAs for a total of 116, and elevated four to partner for 45.

■ **Ernst & Young LLP** is No. 3 with 432 local staff, up 3%. The firm didn't provide the number of CPAs in its Irvine office but said it has 46 partners here, down by three from a year earlier.

Its new managing partner, **Kim Letch**, who succeeded retiring partner **John Belli**, said the firm's OC office faces competition to attract and retain talented employees and facilitate the out-of-office working style of the new generation of accountants.

The solution is to "provide a flexible work environment that allows people to develop their own work style," Letch said.

The firm also announces promotions, new

partners and retirements every July to inspire younger staffers. "The changes provide for growth, diversity and allow new perspectives into the firm," Letch said.

■ **PricewaterhouseCoopers LLP**, which changed its legal name to PwC in 2010, is No. 4 with 376 local employees, down 4%. The company also shed 16 CPAs for a total of 116 in Irvine.

■ Irvine-based **Ridwitz Business Solutions** completes the top five with 190 OC employees, down six from a year earlier, and added four CPAs for a total of 13.

Firms with notable growth include:

■ **HCVT LLP**, which jumped one spot to No. 11 with 130 employees, up 41%, including 15 additional CPAs for a total of 57 in Costa Mesa.

■ **Hall & Company Certified Public Accountants and Consultants Inc.**, which climbed six spots to No. 25 with 47 employees, up 42%, and six additional CPAs for 28 total.

"We've gained a lot of business and moved to a bigger office" in Irvine, said Managing Director **Bradford Hall**. "As the economy grows and the regulatory environment evolves, businesses are more reliant on our tax and audit services than ever before."

Hall said the firm added clients in Texas, Florida and New York in the past year.

■ **Conrad LLP** in Lake Forest jumped seven spots to No. 43 with 23 local employees, up 53%, and six CPAs.

The three firms premiering on the list are No. 48, **Ronald Blue & Co. CPAs and Consultants LLP** in Santa Ana, with 21 employees and 14 CPAs; **CAPATA** in Laguna Niguel, No. 53, with 15 staffers and five CPAs; and **YH Advisors** in Huntington Beach, No. 55, with 11 employees and four CPAs. ■

## ACCOUNTING FIRMS

► From page 24

Rank Prev. Rank	Company Address	Headquarters Website Email	OC employees yearly % change	Firmwide employees yearly % change	OC CPAs yearly % change	OC partners yearly % change	OC management consultants yearly % change	Percent breakdown of accounting			Primary industries served	Top local official(s) Title Phone/fax
								Audit	Tax	Other		
25 (31)	Hall & Company CPAs & Consultants Inc. 111 Pacifica, Ste. 300 Irvine 92618-7428	Irvine hallcpas.com cc@hallcpas.com	47 42%	47 42%	28 27%	3	6 50%	39%	43%	18%	Real estate, construction, technology, software, manufacturing/distribution, legal/medical/dental practices, engineering, insurance brokerage, nonprofits/charities, publicly traded companies	Bradford Hall managing director (949) 910-4255/(949) 910-4256