

US Public Accounting Market

Sector Brief Review



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ADVISORS

US Public Accounting Market M&A Overview

- Fragmented market with > 80k accounting firms in USA seeing accelerating M&A and consolidation
- Private equity investments are fueling rapid growth in U.S. public accounting, driving expansions in advisory services, technology integration, and firm consolidations
- Market seeing transition from traditional compliance and audit roles towards more comprehensive advisory roles
- Notable transaction in the market include:
 - **New Mountain Capital's** acquisition of **Grant Thornton** to accelerate the firm's business strategy

Key Trends Shaping Public Accounting Market M&A

Companies are increasingly merging to expand their service offerings, particularly in advisory and consulting roles

Ongoing talent shortage, particularly for qualified CPAs, has led firms to pursue M&A to access a broader talent pool

High demand for service providers with strong tech capabilities

M&A being pursued as a strategy to access a wider & diversified client base to gain national / international reach

Firms that navigate evolving regulations from SEC, PCAOB, IRS, and AICPA while managing audit quality, independence have high acquisition / investment interest

Public Accounting Market – Key Trends



Focus on Advisory Services

There's a significant shift towards offering advisory services like risk management, cybersecurity and business strategy apart from traditional audit and tax services



Sustainability and ESG Focus

The demand for environmental, social, and governance (ESG) reporting and sustainable business practices is growing, prompting firms to integrate these services into their offerings



Digital Transformation

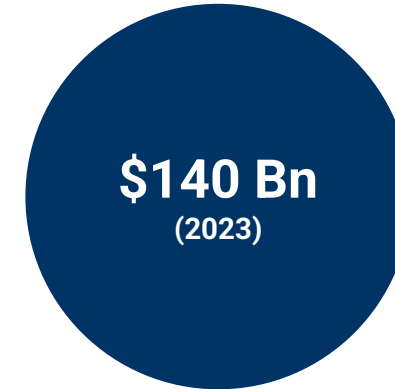
Firms are increasingly adopting advanced technologies such as artificial intelligence, machine learning, and cloud computing to improve efficiency and service delivery, enabling them to analyze data more effectively



Client-Centric Focus

Firms are increasingly prioritizing personalized services and enhancing communication with clients, ultimately improving client experiences and fostering stronger relationships

US Accounting Services Market



Source: IBIS World

Active Private Equity Groups in last 24 months















ALPINE *has acquired* → **OPSAHL | DAWSON**
ACCOUNTING FOR A NEW AGE

BROAD SKY PARTNERS *has acquired* → **SMITH+HOWARD**
CPAs and Advisors

Hellman & Friedman *has acquired* → **bakertilly**

LMP | LOVELL MINNICK PARTNERS *has acquired* → **Cohen & Co**
Industry Experts. Collaborative Partners.

Active PE Backed Platform Buyers in last 24 months

PE Firm	Platform Company	Platform Overview	Select Acquisitions by Platform Company
		<p>Cherry Bekaert is a prominent American audit, tax, and advisory firm that has aggressively pursued an acquisition strategy to enhance its service offerings and expand its market presence</p>	  
		<p>Known for its sophisticated tax, accounting, and advisory services, NDH has adopted a proactive acquisition strategy to fuel its growth and enhance service offerings. Recently partnered with Unity Partners, NDH aims to leverage additional resources for technology investment and talent acquisition while pursuing strategic acquisitions within the industry</p>	  
		<p>EisnerAmper provides comprehensive audit, accounting, and tax services. Their team offers tailored advisory services across multiple industries. EisnerAmper has implemented a robust acquisition strategy to expand its service offerings and geographic reach</p>	 

Active Strategic Buyers in last 24 months

Acquiror

M&A Overview

Select Acquisitions



Aprio LLP provides a comprehensive services, including tax, audit, and accounting, aimed at enhancing business. The firm has a history of acquiring strategic partnerships and enhancing its capabilities through mergers with other advisory firms



Salver & Cook



The Bonadio Group is a full-service public accounting and consulting firm offering a wide range of services, including audit, tax, and advisory solutions. The Bonadio Group acquires firms to expand its service offerings, enhance industry expertise, and increase market reach

Howard, LLP



Marcum provides a full spectrum of traditional tax, accounting, and assurance services; financial, risk, and transaction advisory services; valuation, etc. Marcum LLP has a history of acquiring other accounting and consulting firms to enhance its service offerings and geographic footprint



Selected M&A Transactions

Date	Target	Acquiror(s) / Investor(s)	Target Business Description
Nov-24	MSL, P.A.	Forvis Mazars	MSL offers audit, tax, and consulting services across a range of industries, including healthcare, real estate, the public sector, construction, commercial products, and nonprofits
Oct-24	Hash CPA Group	RBSK Partners	Hash CPA Group offers tax planning and preparation, financial statement preparation, and business consulting services
Apr-24	KMJ Corbin & Company LLP	Crowe LLP	KMJ Corbin & Company LLP offers accounting, auditing, corporate tax, and consulting services to public and private companies. The firm provides SO section 404 compliance, assurance, SEC auditing and reporting
Feb-24	Baker Tilly US	Hellman & Friedman (H&F) and Valeas Capital Partners	Baker Tilly US LLP is a major advisory, tax, and assurance firm that serves a wide array of industries, including construction, healthcare, financial services, government, and real estate
Jan-24	Goldsmith Molis & Gray	Prager Metis CPAs	Goldsmith Molis & Gray, PLLC is a full-service accounting firm in Asheville, NC, providing tax, auditing, and consulting services to individuals, businesses, and nonprofits
Jul-23	Crawford Financial Consulting LLC	B. Riley Financial, Inc.	Crawford Financial Consulting LLC is a public accounting and financial consulting firm. They specialize in providing services related to commercial disputes, including forensic accounting, damages analysis, and business valuations
Mar-23	Webber CPA, PLLC	Bonadio & Co., LLP	Webber CPA, PLLC (Webber CPA, PLLC provides forensic accounting and consulting services. The company was incorporated in 2015 and is based in Rochester, New York
Feb-23	SobelCo	CliftonLarsonAllen LLP	Sobel & Co., LLC is a certified public accounting and consulting firm. The firm provides audit and accounting; pension and benefits; taxation; consulting; forensic accounting; litigation support; valuation and strategy related services
Jan-23	MDG Professional Group, P.C.	Mauldin & Jenkins Certified Public Accountants, LLC	MDG Professional Group, P.C. is a full-service accounting firm based in Huntsville, Alabama, offering services in auditing, tax, and consulting across North Alabama
Jan-23	Westbay CPAs, PLLC	Spoor Bunch Franz	Westbay CPAs is a professional services firm that provides specialized expertise in business valuation, forensic accounting, and litigation support services for attorneys, business owners, accountants, financial advisors

Have questions about this report or would like to speak to our team?



Graham Woodard
Managing Principal

direct: (813) 679-4284
gwoodard@threesixtyseven.com



Taylor Yohner
Vice President

mobile: (850) 509-8775
tyohner@threesixtyseven.com



Greg Guluzian
Vice President

mobile: (813) 680-1442
gguluzian@threesixtyseven.com

Our Business Services experience spans the following areas

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- **Financial Services**
- **Human Resources & Capital Management**
- **Business Process Outsourcing**
- **Cybersecurity and MSSP**
- **Accounting Services**
- **Insurance Services**

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