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february 2018

top 75 firms

profit meltdown puts pressure on future growth in fee income

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name and shame versus fines

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watertight or open to interpretation

RISK OF PROFIT MELTDOWN

In a record year for firms as fee income surges towards £15bn, profitability is being squeezed and smaller firms are at risk, reports Philip Smith

Despite the uncertainty pervading the UK economy, the accountancy sector has delivered another year of growth. But behind the top line numbers lies a nagging worry that profits are under pressure even as the firms continue to cash in on demand for accounting, tax and consulting services.

The *Accountancy* Top 75 2018 survey shows that fee income, for so long the measure of success in the profession, continues its bull run of seven consecutive years of growth since 2011. In fact, the top 75 accountancy firms in the UK now have a record combined fee income of £14.95bn, up from last year's £13.96bn. That's a 7% growth rate. But there are reasons to be cautious about overall performance. Among those firms that publicly declare their profits there has been an average downward shift in profitability, albeit of only 1% over the past 12 months.

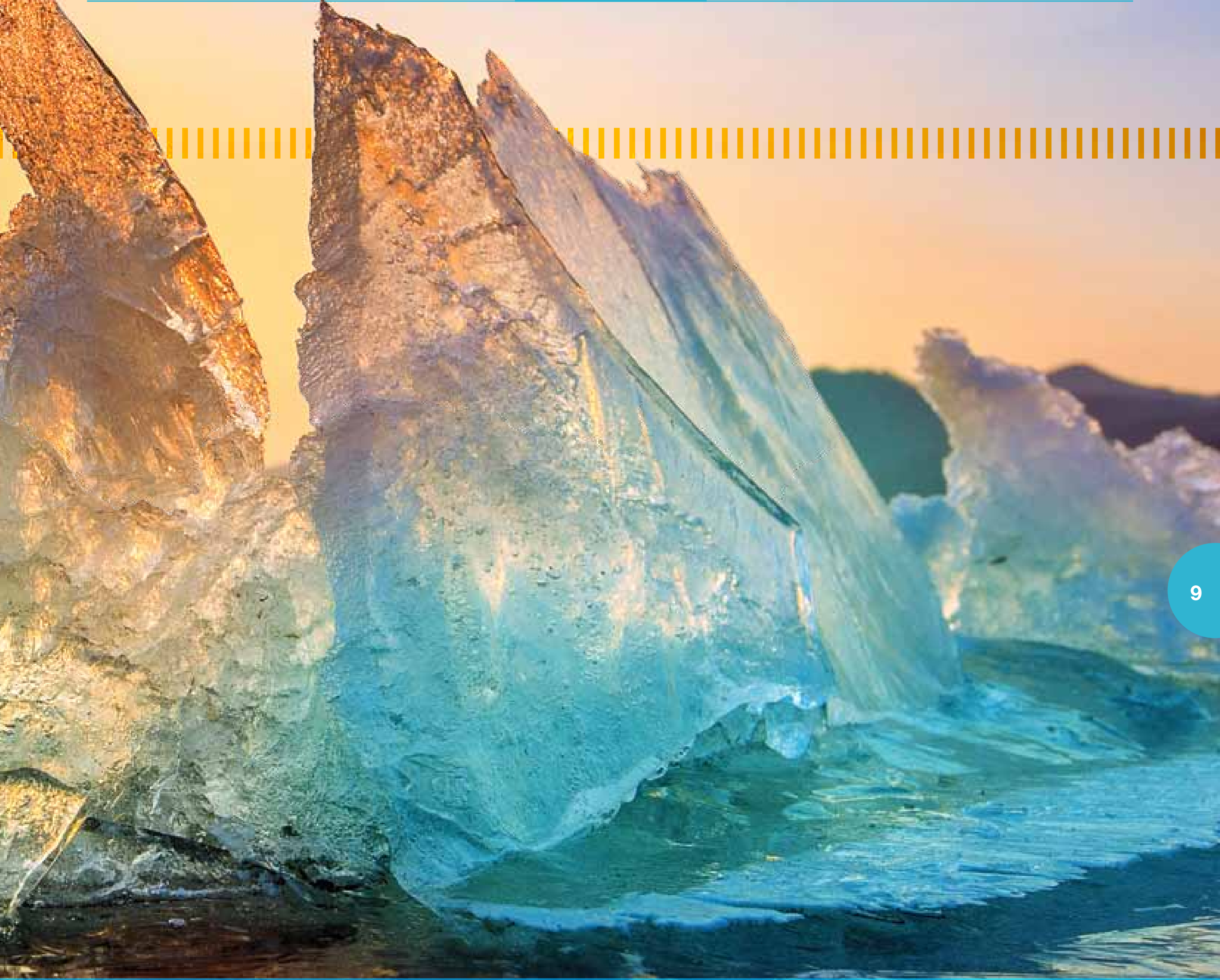
At PwC, ranked number one in the annual Top 75 ranking, profit results were described as 'flat', as they fell 0.3% to £865m (2016: £868m). But partners at KPMG, fourth largest of the Big Four, might use more colourful language to describe their firm's performance. KPMG delivered an unprecedented pre-Christmas blow by revealing last December a near-20% drop in profits from £374m to £301m, largely through a write off of investments. Meanwhile Deloitte showed zero profits growth, static at £608m, and EY reported a 2.7% rise to £464m (2016: £452m).

£14.9bn

Total fee income at Top 75 accounting firms is £14.9bn, up 7% year on year from £13.9bn

Tony Cates, non-executive member of KPMG's UK board says: 'When your profit per partner goes down when others are going up, it never lands well. We invested quite heavily in various acquisitions, and when you do an acquisition in our business, you buy people and then carry the goodwill on your balance sheet. If it does not work out, you have a double hit by taking a loss and writing off the investment.'

Investments over the last 12 months were mostly in the firm's consulting division, where 'some of them worked, and others did not'. Going forward the firm will be investing more in its core business and less on acquisitions, with with a greater focus on its people. 'We have a new senior partner, a new board and will be taking a different view,' he says.



Industry observers will be watching to see whether any other firms make similar write downs, though other senior partners remain confident that their partners will see a return on the investments they have been asked to make in acquisitions and technology.

'I do not think we are any way near the end of, or even the peak, in our investment in technology,' says EY senior partner Steve Varley. 'Our expectation is that we will continue to uplift our technology investment for at least the next three years.'

Varley says that his partners will see a return on this investment through improved client service, especially in the area of audit quality and a reduction in the repetitive tasks that staff are required to carry out. 'We will give more of the boring jobs to the robots,' he says.

LONG-TERM VIEW

Deloitte partners are also having to take a long-term view, but senior partner David Sproul is bullish about the firm's performance, and that in time the merging of its north west European (NWE) firms will pay dividends. 'We believe our investments, both in the UK and across north west Europe, will allow us to further improve performance in the years ahead,' Sproul says. 'We will be investing €200m (£177m) across the region over the next three years. Ireland will also join North West Europe from 1 June 2018 and we expect other Deloitte firms in Europe to combine with NWE in the following year.'

Over the year Deloitte also had some issues with the UK government around the views expressed internally about the government's preparedness for Brexit, but it is hoping to put that behind it in 2018. 'Deloitte voluntarily declined to bid for new government contracts for a period,' Sproul says. 'We have now concluded this plan and look forward to continuing our strong working relationship with government.'

Despite presiding over a marginal 0.3% drop in profits at PwC, senior partner Kevin Ellis remains satisfied with the firm's performance, which saw a near 5% growth in fees during its last financial year, keeping its nose comfortably ahead of rival Deloitte. 'It was a tough

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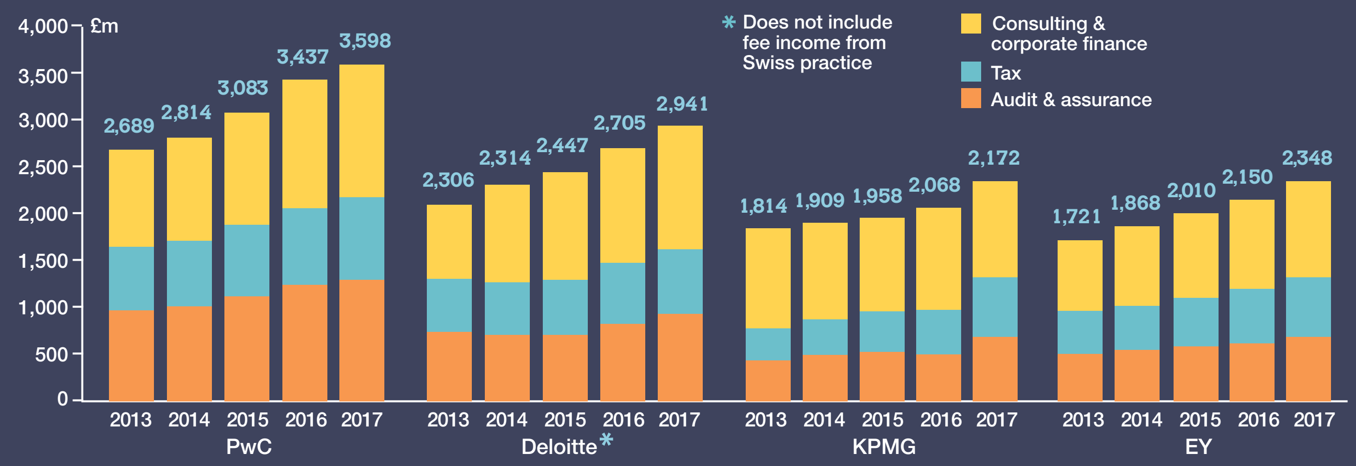
TOP 75 DATA

Information is collected through a questionnaire sent out by *Accountancy* and completed by firms. Wherever possible, we adhere to firms' description of service lines and structure, and rely on the information provided. We aim to produce consistent information as far as possible and for this reason have not excluded firms or groups with an unusual structure.

BIG FOUR
FEE INCOME BY SERVICE LINE



INCOME BY SERVICE LINE
AUDIT AND ACCOUNTING

Rank 2017 (2016)	Firm	Audit 2017 £m	Accounting 2017 £m	Assurance 2017 £m	Audit 2016 £m	Accounting 2016 £m	Assurance 2016 £m	Assurance % change
1 (1)	PwC	1,296.0	n/a	1,296.0	1,241.0	n/a	1,241.0	▲ 4.4
2 (2)	Deloitte	932.0	n/a	932.0	824.0	n/a	824.0	▲ 13.1
3 (3)	EY	689.0	n/a	689.0	619.0	n/a	619.0	▲ 11.3
4 (4)	KPMG	556.0	n/a	556.0	542.0	n/a	542.0	▲ 2.6
5 (5)	Grant Thornton UK	155.3	n/a	155.3	148.4	n/a	148.4	▲ 4.6
6 (6)	BDO	150.7	n/a	150.7	143.0	n/a	143.0	▲ 5.4
7 (7)	RSM[1]	74.0	41.0	115.0	70.0	41.0	111.0	▲ 3.6
8 (8)	Moore Stephens UK	79.8	28.8	108.6	72.2	26.5	98.7	▲ 10.0
9 (10)	PKF UK[2]	37.4	40.5	77.9	32.3	34.2	66.4	▲ 17.3
10 (9)	Mazars	51.6	18.9	70.5	48.5	16.8	65.3	▲ 8.0
11 (11)	Crowe Clark Whitehill	32.4	9.4	41.8	28.3	8.4	36.7	▲ 14.0
12 (12)	Haines Watts Group[3]	11.0	27.4	38.4	10.2	27.1	37.3	▲ 2.9
13 (13)	UHY Hacker Young Group[4]	11.9	19.5	31.4	10.7	18.8	29.5	▲ 6.4
14 (14)	MHA MacIntyre Hudson	28.5	n/a	28.5	27.5	n/a	27.5	▲ 3.6
15 (15)	Smith & Williamson	26.6	n/a	26.6	25.8	n/a	25.8	▲ 3.1
16 (18)	Saffery Champness	14.6	11.2	25.9	12.4	9.9	22.3	▲ 16.1
17 (16)	Wilkins Kennedy[5]	9.9	14.9	24.8	8.9	14.2	23.1	▲ 7.4
18 (19)	Kingston Smith	12.9	11.8	24.7	12.4	13.6	26.0	▼ -5.0
19 (17)	SJD Accountancy	0	21.9	21.9	0	21.9	21.9	■ 0
20 (-)	Kreston Reeves	7.2	7.7	14.9	7.1	7.2	14.3	▲ 3.9
	Total	**4,176.8**	**253.0**	**4,429.9**	**3,883.7**	**239.6**	**4,123.2**	▲ **7.4**

Footnotes: see page 20. NB Some firms declined to separate audit from accounting. Assurance includes audit and accounting.

year,' Ellis says. 'During the first six months after the EU referendum vote, things took longer to get started, but now business is getting back to business.'

The distributable profit per partner at PwC has fallen for the second year, but as at fourth ranked EY, there have been upsides with a number of IT investments. 'We are taking the same medicine as our clients in terms of making ourselves more technology enabled,' Ellis says. 'These are big investments and businesses such as ours need to keep investing in the short term to improve our business over the medium and long term.' One of the big projects was the firm-wide implementation of Google Apps for Work and a tie-up with customer relationship management (CRM) software specialist Salesforce, which saw the firm acquire a niche CRM consultancy, cDecisions, last November.

£11.5bn

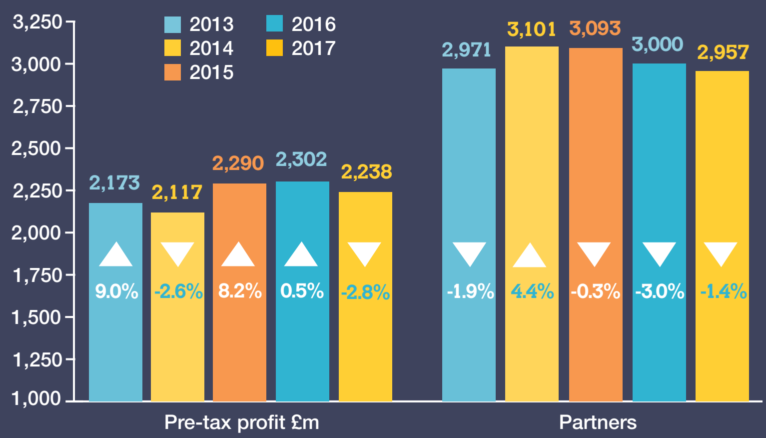
The Big Four revenues hit £11.49bn in fee income, up from £10.69bn, accounting for 92% of total £14.94bn revenue across the Top 75

MID-TIER MOVEMENT

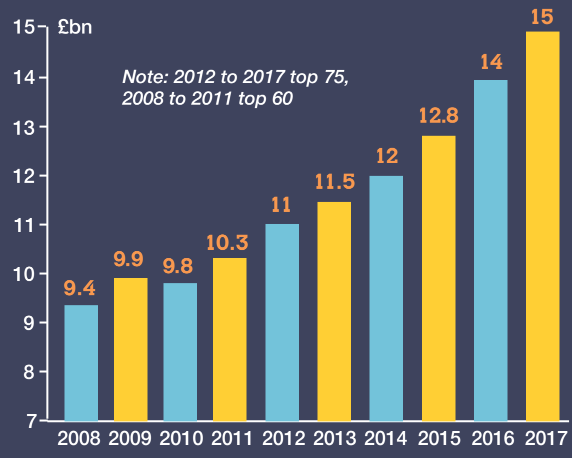
In the mid-tier, Grant Thornton saw its fee income drop by 6.4% to £500m, in part because of the cancellation of a major government-funded contract for Business Growth Services, although it actually increased its pre-tax profits by nearly 8% to £78m. The firm said it had taken 'bold steps to reshape its client portfolio, replacing 20% of profits through exiting certain streams of business and investing in others aligned to its business strategy'.

Sacha Romanovitch, CEO of Grant Thornton UK LLP said: 'We have been really focused on income growth, on ensuring that we have a

BIG FOUR
PRE-TAX PROFIT AND PARTNERS



TOP 75
TOTAL INCOME OF TOP 75 FIRMS

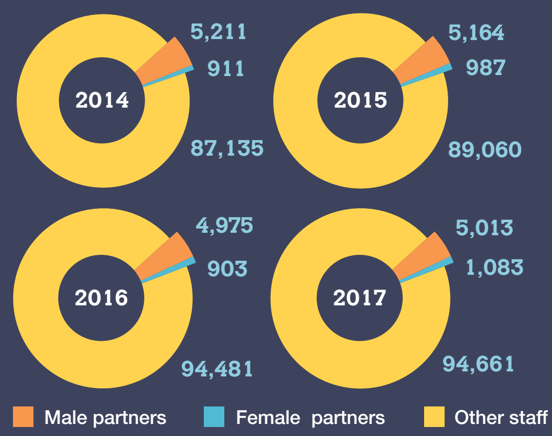


INCOME BY SERVICE LINE
TAX

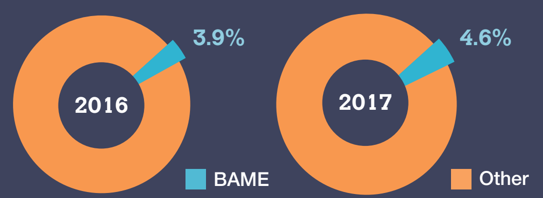
Rank 2017	(2016)	Firm	Tax 2017 £m	Tax 2016 £m	% change
1	(1)	PwC	881.0	822.0	▲ 7.2
2	(2)	Deloitte	691.0	654.0	▲ 5.7
3	(3)	EY	634.0	581.0	▲ 9.1
4	(4)	KPMG	505.0	478.0	▲ 5.6
5	(5)	BDO	135.2	125.9	▲ 7.4
6	(6)	Grant Thornton UK	107.2	104.4	▲ 2.7
7	(7)	RSM[1]	81.0	74.0	▲ 9.5
8	(8)	Smith & Williamson	40.9	39.2	▲ 4.3
9	(9)	Moore Stephens UK	39.2	35.0	▲ 12.0
0	(11)	PKF UK[2]	35.6	28.7	▲ 24.0
11	(10)	Mazars	35.1	32.8	▲ 7.0
12	(12)	Haines Watts Group[3]	26.6	22.4	▲ 18.8
13	(13)	Frank Hirth[7]	20.6	20.3	▲ 1.5
14	(14)	Saffery Champness	20.2	19.6	▲ 3.2
15	(17)	MHA MacIntyre Hudson	17.5	13.9	▲ 25.9
16	(15)	Buzzacott	17.0	16.2	▲ 4.9
17	(16)	Crowe Clark Whitehill	16.4	15.7	▲ 4.8
18	(18)	UHY Hacker Young Group[4]	12.3	12.1	▲ 1.7
19	(-)	Wilkins Kennedy[5]	11.5	9.3	▲ 23.7
20	(19)	Menzies	10.1	9.9	▲ 2.0
		Total	**3,337.5**	**3,114.4**	**▲ 7.2**

Footnotes: see page 20. This chart only features figures where reported

TOP 75
STAFFING LEVELS



TOP 75
BAME PARTNERS



resilient income stream. There has been a lot of reshaping the business – focusing where we can we make the biggest difference for our clients.'

In response to losing the government contract, Grant Thornton launched G, its small business and start-up network based in Liverpool. 'We have invested in G, which is taking the best of that programme – we've shown over the years how we can take business from a really small start-up stage to growing in the UK, going international and being listed.'

Part of the overhaul has seen significant investment in specific specialist areas, including digital forensics and finance. 'What we've really focused on is bringing in people with complex digital skills and on building up the digital forensics and cybersecurity team. So for example when there was a major cyberattack out of Ukraine last year we were quickly on the ground helping clients to get back up and running. We are investing heavily in that capability.'

This has resulted in financial services and forensics contributing a combined 24% increase in profits year-on-year at Grant Thornton.

However, rival BDO maintained its growth run, recording profits of £91m on fees of £456m, up 11.6% and 4.7% respectively. 'Our clients are very driven people, even in ambiguous market conditions,' says Paul Eagland, senior partner at BDO. 'They do sit down and carefully think things through about whether or not they should make any investments but on balance more of them ultimately decide to continue with that investment, and to do it in a way » 12

PARTNER VALUE

INCOME AND PROFIT 2017 (2016)

Rank 2017	(2016)	Firm	Fee income £m 2017	2016	% +/-	Pre-tax profit £m 2017	2016	% +/-	Partners 2017	2016	Fee/partner ratio £000s 2017	2016
1	(1)	PwC	3,598.0	3,437.0	▲ 4.7	865.0	868.0	▼-0.3	953	926	3,775	3,712
2	(2)	Deloitte	3,380.0	3,040.0	▲11.2	608.0	608.0	■ 0.0	696	726	4,856	4,187
3	(3)	EY	2,348.0	2,150.0	▲ 9.2	464.0	452.0	▲ 2.7	685	717	3,428	2,999
4	(4)	KPMG	2,172.0	2,068.0	▲ 5.0	301.0	374.0	▼-19.5	623	631	3,486	3,277
5	(5)	Grant Thornton UK	499.9	533.8	▼-6.4	77.9	72.2	▲ 7.9	185	179	2,702	2,982
6	(6)	BDO	456.0	435.7	▲ 4.7	91.4	81.9	▲11.6	193	212	2,363	2,055
7	(7)	RSM[1]	319.0	292.0	▲ 9.2	49.0	42.0	▲16.7	135	130	2,363	2,246
8	(8)	Smith & Williamson	244.6	222.5	▲ 9.9	39.2	34.0	▲15.3	252	248	971	897
10	(10)	Mazars	173.6	160.0	▲ 8.5	32.0	31.4	▲1.9	134	138	1,296	1,159
11	(11)	PKF UK[2]	150.4	126.4	▲19.0	40.6	37.4	▲ 8.4	200	192	752	658
14	(14)	Crowe Clark Whitehill	72.1	67.2	▲ 7.3	16.5	14.8	▲11.5	73	72	988	933
16	(16)	MHA MacIntyre Hudson	56.1	50.0	▲12.2	15.4	14.5	▲ 6.1	42	78	1,336	641
17	(17)	Begbies Traynor Group	49.7	50.1	▼-0.8	4.9	4.5	▲ 8.9	53	56	938	895
18	(19)	Wilkins Kennedy[5]	47.7	40.6	▲17.5	12.5	11.5	▲ 8.7	74	72	645	564
20	(20)	Menzies	40.4	40.3	▲ 0.2	11.9	13.0	▼-8.5	44	44	918	916
21	(23)	FRP Advisory	40.1	32.2	▲ 24.5	20.3	13.9	▲ 46.1	46	39	873	827
24	(24)	Kreston Reeves	33.1	31.8	▲ 4.3	8.8	9.0	▼-1.6	52	52	637	611
26	(26)	Price Bailey	26.5	24.5	▲ 8.2	1.2	1.0	▲ 24.0	29	27	914	907
29	(33)	Bishop Fleming	22.3	19.9	▲12.1	7.0	6.5	▲ 7.7	29	29	769	687
32	(30)	Frank Hirth[7]	21.3	21.1	▲1.0	1.6	2.0	▼-21.2	10	9	2,130	2,343
40	(39)	Barnes Roffe	17.2	15.7	▲ 9.6	7.5	7.1	▲ 5.6	20	17	860	924
41	(40)	SRLV	17.0	16.1	▲ 5.6	4.5	4.7	▼-4.3	15	14	1,133	1,150
42	(45)	MHA Moore and Smalley	15.5	14.1	▲ 9.9	4.1	3.4	▲ 20.6	23	20	674	705
43	(47)	Hillier Hopkins	15.4	13.6	▲13.5	5.0	4.1	▲ 23.3	17	17	905	797
45	(42)	James Cowper Kreston	15.0	14.6	▲ 2.7	3.1	3.5	▼-11.4	18	13	833	1,123
46	(46)	Simmons Gainsford	14.9	13.8	▲ 7.6	2.9	3.3	▼-13.6	18	17	825	812
47	(53)	BKL	14.5	12.3	▲18.0	4.4	3.6	▲ 23.7	22	22	660	559
50	(52)	Campbell Dallas	14.0	12.0	▲16.7	4.0	3.4	▲17.6	25	21	560	571
53	(56)	Shipleys	12.8	10.7	▲19.6	4.1	3.1	▲ 32.3	11	14	1,164	764
55	(54)	Rothmans	12.2	12.0	▲ 2.2	3.4	3.3	▲ 3.7	20	16	611	747
57	(-)	Goodman Jones	12.2	10.8	▲12.6	3.5	3.3	▲ 5.1	15	n/a	811	n/a
58	(55)	Beever and Struthers	12.0	11.8	▲1.1	2.7	2.7	▼-3.3	26	21	461	564
59	(59)	Gerald Edelman	11.7	10.1	▲16.4	3.4	2.7	▲ 26.6	14	14	839	721
60	(60)	French Duncan	11.0	10.0	▲10.0	2.0	2.0	■ 0.0	15	18	733	556
61	(57)	Dains	10.5	10.6	▼-0.6	2.3	2.7	▼-15.8	15	18	701	587
65	(67)	Mitchell Charlesworth	9.1	8.5	▲ 7.1	2.2	1.9	▲15.8	19	19	479	447
66	(62)	Whittingham Riddell	9.1	9.3	▼-2.2	2.1	2.1	■ 0.0	12	11	758	845
67	(63)	Critchleys	8.9	9.2	▼-3.3	2.2	3.0	▼-26.7	8	13	1,113	708
68	(66)	Alliotts	8.6	8.3	▲ 3.6	2.6	2.4	▲ 8.3	16	13	538	638
69	(68)	RGL	8.1	8.3	▼-2.4	2.3	2.8	▼-17.9	9	6	900	1,383
70	(69)	Taylorcocks	7.9	7.4	▲ 5.8	1.7	1.9	▼-11.2	10	10	785	742
73	(74)	LB Group	6.3	5.7	▲ 9.8	1.3	1.1	▲ 20.9	8	7	783	814
74	(73)	Broomfield & Alexander	6.2	5.8	▲ 6.9	1.7	1.5	▲13.3	8	8	775	725
75	(-)	Creaseys Group	5.2	4.9	▲ 5.6	0.9	0.7	▲ 20.1	7	6	736	813
		Total	**14,949.9**	**13,954.3**	**▲ 7.1**	**2,741.9**	**2,770.2**	**▼-1.0**	**6,096**	**6,111**	**2,452**	**2,283**

Footnotes: see page 20. This chart only features reported P&L.

that is sensible.' According to Eagland, BDO has benefitted from the disruption in the audit market, pointing to the firm's recent win of FTSE 250 outsourcer Mitie, albeit in circumstances that saw Deloitte defenestrated following an accounting scandal that remains the subject of a Financial Reporting Council (FRC) investigation. 'We have seen some significant wins, and there will be more to come,' Eagland says.

'People underestimated the impact of the EU regulations on audit. Even now, it is relatively early days. We have been speaking to boards in the FTSE 100 and 250, they are developing their strategies around the buying of professional services, and the core of that strategy is how they ensure there are enough audit firms in the market who are untainted so that when it does come to the point of rotation they know there are at least two, if not three, significant firms that they can invite to tender.'

Even if the firm is not invited to pitch for the audit work, Eagland says it is considered very seriously for non-audit work. 'We get a double benefit from this; if there is a clear position around the use of firms for statutory audit, that also helps us understand what we can do

35.5%

The percentage of women partners at Top 75 firms is 35.5%, up from 30% in a year; BAME partners account for 9%

CAN COGITAL GROUP BREAK INTO TOP 10?

> The strategic goal is to become a leading technology driven, international business services group
>
> *John Connolly, chairman, CogitalGroup*

The key player in M&A activity has been private equity backed CogitalGroup, which through its subsidiary Baldwins is buying up small accounting firms across the UK. This is all part of a grand plan to create a rival to the major accounting firms and disrupt the current status quo, espoused by CogitalGroup chairman John Connolly.

The group, made up of accounting firms Baldwins and Blick Rothenberg as the cornerstone of its accounting interests in the UK, is dwarfed by its Nordic-based business process and transactional outsourcing company Azets. But the UK accounting business is on a growth trajectory. In October 2017 CogitalGroup released a financial statement showing that its UK based fee income stood at £91m as of year end June 2017. This includes Baldwins and Blick Rothenberg, plus all associated acquisitions at that date.

In a statement, CogitalGroup chairman John Connolly, a former Deloitte senior partner, said: 'CogitalGroup's strategic goal is to become a leading technology driven, international business services group. In our first year, we have made excellent progress towards achieving this through both organic and acquisition led growth, delivering significant revenue and strong margins.' Further acquisitions in Q4 would put total income at around £103m, still some way from the entry point for the Top 10 firms at £160m.

The group's two lead firms, Baldwins and Blick Rothenberg, did not disclose their financial information for the survey, but UK income of £91m (June 2017) would place it 12th in this year's league table. Campbell Dallas, aquired by Baldwins in October, is listed separately this year.

Baldwins' most recent accounts at Companies House show that by June 2016 it had increased fees from £14.7m to £22.8m, while profits were up from £2.6m to £3.1m. By October 2017, after the acquisition of Davies Mayers Barnett and Campbell Dallas, it claimed £90m in revenues.

The main acquisition activity has been through Baldwins which has been picking off small firms across England, and more recently Scotland, focusing on building up a regional network outside London and the southeast.

'Historically, we were a Midlands business, but now we are probably equally across the northeast, northwest and southwest, and now this is our first move into Scotland,' said Sean Knight, director at Baldwins.

'We don't just want to deliver pure compliance services, for entrepreneurs and businesses; we need to be able to offer much more. We see ourselves as offering local delivery with national support.'

One of Baldwin's acquisitions in 2017 was Clark Howes, which had been taken over four years previously by Tony Sarin and Tim Shaw. Sarin, of course, is familiar with the acquisition process as the founder of Numerica, a listed accountancy consolidator that was taken over by RSM Tenon, which was on the verge collapse before it was bought up by Baker Tilly, now rebranded as RSM.

Blick Rothenberg recently acquired Shelley Stock Hutter, ranked 70th in last year's Top 75. But Baldwins has been busier, acquiring 17 practices during 2017, including Scotland's Campbell Dallas, placed 50th in the Top 75.

Philip Smith, Sara White

	Baldwins		Blick Rothenberg	
	2016	2015	2016	2015
Fee income	£22.9m	£14.8m	£26.2m	£23.6m
Profit	£2.7m	££2.4m	£8.9m	£8.1m
Fees per partner	£996,000	£822,000	£1.09m	£983,000
Partners (directors)	23	18	24	24
Staff	422	232	214	193

Figures taken from annual report for y/e 30/06/16. 2017 accounts due to be filed at Companies House by 31/03/18

CogitalGroup	2017
Income UK	£91m
Income Nordic	£210m
Profit EBITDA*	£50m
Directors	3
Staff (global)	4,000

*Figures from CogitalGroup corporate update & acquisitions notice, issued 31/10/17. *Group profit (earnings before interest, tax, depreciation and amortisation (EBITDA)) Cogital Group IP Ltd. Next accounts made up to 28/02/18 due to be filed at Companies House by 30/11/18. Persons of significant control (PSC) register: Hg Pooled Management Ltd*

outside this,' Eagland says, pointing out that the firm now acts for more than 40% of FTSE 350 companies.

In terms of technology investment, BDO is investing at a global level, together with firms in the US and Israel, particularly in areas such as cyber security and risk assurance services, while cloud accounting is 'developing at quite a fast pace'.

Looking forward, the number six firm is now targeting more than 5% in growth in the current financial year, though he anticipates profits will be flat, reflecting this investment.

MARKET DISRUPTION

This market disruption has helped other firms, such as the constituent parts of PKF UK, which once again returned significant growth increases, something that Carmine Papa, PKF Littlejohn's managing partner, expects to continue into the next financial year.

'A lot of the growth is coming through audit work,' he says. 'There are issues with some of our competitors and we can be seen as an alternative to the Big Four. Because we have now broken into the top 10 for AIM-list auditors, we now find nominated advisers are

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M&A ACTIVITY

WHO'S BOUGHT WHAT?

Firm	Mergers and acquisitions	Description
Alliotts	Delia Orme	In April 2017 Alliots merged with boutique tax advisory firm Delia Orme. Principal Orme joined Alliots as a partner and staff moved to Alliott's Guildford office
Baldwins	Brennan Neil & Leonard, Burton Sweet (Gloucester), Campbell Dallas, Cassons, Clark Howes, CTC, Davies Mayes Barnett, Davisons, Finnieston Berry, KTS, Minshalls, Morgan Cameron, Owens Thomas, Potter Baker, Pullan Barnes, Rice & Co, Springfords, SV Bye	Baldwins, subsidiary of business services group CogitalGroup, has been on the acquisitions trail over the last 12 months, making its first expansion into Scotland with the merger of Campbell Dallas, which has an annual revenue of £16.5m and offices in Glasgow, Perth, Kilmarnock, Stirling and Aberdeen, although the Scottish firm will not be rebranded. Another major merger took place in December 2017 with the acquisition of Manchester-based Cassons Business Advisers, a limited liability partnership with nine partners, 70 staff and reported fee income of £4m
BHP	Atkinsons Chartered Accountants (York)	York-based Atkinsons, headed up by father and son team Peter and Chris Atkinson, merged into BHP's cloud-based business, Figuresout Limited, in May 2017
Blick Rothenberg	Shelley Stock Hutter	Acquired Shelley Stock Hutter with fee income of £7.2m and seven partners in a move to strengthen presence in owner managed business sector
Campbell Dallas	Bell & Company	This acquisition saw Campbell Dallas snap up Bell & Co in Perthshire in July 2017, a firm with five partners and 56 staff, adding £1m of fee income per annum
Cowgill Holloway	Warings Business Advisors	In October 2016, the small business accounting teams were combined to provide bookkeeping, accounting, management information and payroll services
Deloitte UK	Deloitte Gibraltar, Marketwatch	In June 2017, Deloitte Gibraltar became part of its UK arm with five partners and 50 staff remaining in Gibraltar. Also acquired design consultancy Marketwatch
EY	DKM Economic Consultants	After a quiet year for EY on the merger front, in January 2018 EY Ireland acquired DKM Economic Consultants, marking its first acquisition in Ireland. The consulting firm has been rebranded as EY-DKM Economic Advisory and all staff were retained.
FRP Advisory	BWC Business Solutions LLP	The merger saw all 16 staff from northwest based insolvency specialist BWC, including three partners, join FRP Advisory's Yorkshire team
Haines Watts Grp[3]	Sally Reed Limited	In mid-2017, Haines Watts South West merged with Sally Reed Ltd, with offices in Launceston and Okehampton. Haines Watts now has 50 staff in Devon and Cornwall
HW Fisher & Co	Rhodes and Rhodes	In January 2017 HW Fisher merged with Rhodes & Rhodes, a long-established three partner firm based in Gray's Inn. All staff moved to HW Fisher's London headquarters
Kingston Smith	Anderson & Pennington	In May 2017 Kingston Smith acquired Anderson & Pennington, a boutique firm of accountants and business advisers serving the media and entertainment sectors. A&P's 25 staff, including three partners, were relocated to Kingston Smith's existing London West End team
KPMG	Cyberinc	The Big Four firm acquired the identity and access management business division division of Silicon Valley-based Cyberinc to expand into cyber security, strengthening its presence in information security consulting services

coming to us. We are now quite a substantial network and our firms have substantial offices, and this seems to attract the higher end of the advice spectrum.'

There has also been growth in tax advisory work, in part the result of the public interest entity (PIE) regulations. But Papa also sees growth potential in other services as the network works to become more of a one-stop shop for clients. 'Some of our firms are looking at providing simple legal services, and over the next 12 to 18 months we are going to be concentrating on selling non-audit services,' he says, highlighting the General Data Protection Regulations (GDPR) as a particular opportunity.

GENDER SPLIT

There are 6,096 partners, or equivalents, in the Top 75 firms, up from 5,870 in last year's survey, up nearly 4%. At a time of economic uncertainty, it would appear that partnership is still an attractive option for those working in practice.

The gender split has also improved. Last year 15% of all partners in the Top 75 were women. That figure now stands at 18%. Clearly there is some way to go to achieve any level of equality. It is encouraging that more firms were able to report on the number of partners who come from an ethnic minority background. This is reflected in the proportion of black, Asian and minority ethnic (BAME) partners across the Top 75, which is up from 226 to 279 over the last year. That is 4.6% of the total number of partners.

Staff numbers are levelling out following a large increase last year. There are now 94,661 staff working in the Top 75, almost static compared with 94,421 last year and 89,060 in the 2016 survey. The Big Four, which accounts for nearly

Firm	Mergers and acquisitions	Description
Kreston Reeves	Munslows LLP	Partners and staff from Munslows relocated to Kreston Reeves' London office, following the acquisition in April 2017, creating a London office with over 80 staff
Lovewell Blake	Millar Wash LLP	Colin Wash, partner at Ipswich-based Millar Wash, merged into Lovewell Blake, with all staff transferring to Lovewell Blake's Bury St Edmunds office in September 2017
Mercer & Hole	Day, Smith & Hunter (Rickmansworth)	In October 2016 Mercer & Hole gained three partners through a merger with Day, Smith & Hunter's (DSH) Rickmansworth office. DSH's other office in Maidstone merged with Wilkins Kennedy in September 2016
MHA MacIntyre Hudson	KP Audit	MHA MacIntyre Hudson secured its first overseas location with the acquisition of Cayman Islands-based KP Audit, an audit service provider to the investment management industry. KP's London team relocated to MHA's City office while the KP Audit staff remained in the existing Cayman office
PKF Francis Clark	PKF UKI, Princecroft Willis	PKF Francis Clark joined PKF UKI as a member firm in April 2016 and then merged with Dorset and Hampshire-based firm Princecroft Willis
Price Bailey	Sandcroft	Cambridge-based accountancy firm Sandcroft was acquired by Price Bailey in summer 2017 with all 14 staff joining the firm
PwC	Selera Labs Pty Ltd, Selera Solutions Pty Ltd	PwC strengthened its tax reporting practice with the acquisition of Selera Labs, a data technology firm, which uses its Data Ignition tool to monitor logistics and transactional data. Selera Labs founder Michael Lawler joined PwC as a partner along with a further nine colleagues joining the Big Four firm
RSM[1]	Banks BHG	In October 2016 RSM acquired £1.5m fee income Banks BHG. All 30 staff transferred to RSM's Swindon practice with the two principals becoming partner and consultant
Smith & Williamson	Two small business units	Acquired two small business units in March 2017
Taylorcocks	Tryhorn and Hall, MFA Accountants, Daymar and Osbornes	In September 2017 Taylorcocks merged with Surrey-based Tryhorn and Hall, creating Taylorcocks (Croydon) Ltd. In November 2017, the firm took on two more firms when it merged with Guildford-based Daymar to expand its taxation services and with MFA Accountants in Portsmouth. It ended the year in a merger with Osbornes Tax & Advisory in Leicestershire.
UHY Hacker Young Grp[4]	John A Tuffin & Co	The Hove office of UHY Hacker Young merged with Brighton-based John A Tuffin & Co, a two-partner family practice run by Roger and Peter Tuffin, in April 2017
Wilkins Kennedy[5]	Griffins Accountants	In January 2016 the merger of top 20 accounting firm, Wilkins Kennedy, and Griffins Accountants, created a combined firm with 73 partners and an expected annual fee income of £50m

Information correct 10/01/18. Research by Amy Austin

two thirds (63%) of all staff, cut employees by more than 4% between 2016 and 2017, though the next six largest firms increased staffing levels by just under 2% from 16,108 to 16,404.

'We will broadly be keeping recruitment flat over the next few years,' says Varley. 'We have had great growth, but it is balanced by our technology investment. But the whole technology area is so new, so it is too early to say what the impact will be on overall employment figures. We continue to seek new people to join us, people with new skills. But we are fishing in a constrained pool, especially when we lay on that our desire to bring people into our business for social mobility reasons, more women and more people from a BAME background.'

But as Ellis, says: 'What job can you have that will be relevant in 20 years' time? No one has a crystal ball.'

MERGER MOVEMENT

There is still considerable merger and acquisition (M&A) activity with at least 29 deals struck in the last year. There was also the takeover that never was when investment management firm Rathbone Brothers launched an audacious bid to acquire Smith & Williamson (see p17). This bid ultimately disappeared, but it showed there is still an appetite to pull off such deals.

The most aggressive buyer has been private equity backed CogitalGroup (see p13), which through its Baldwins operation has been picking off firms across England, and made an audacious swoop on Scottish accounting firm Campbell Dallas, last autumn.

The next 12 months will be as volatile with small practices liable to be snapped up by larger rivals. Whether there will be real competition among the Top 10 firms is another matter.

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"Private client work has grown year on year, and there are no signs of that slowing down"
Paul Maberly, senior partner, Mercer & Hole

"We invested quite heavily in acquisitions, and when you do, you carry the goodwill on your balance sheet"
Tony Cates, non-executive member, KPMG UK board

"If the right team comes along, we would consider it, but we are growing organically without having to buy it in"
Martin Clapson, partner and MD, Price Bailey

MAKING GROWTH PAY

MERCER & HOLE

PARTNERSHIP STRUCTURE STILL IN FAVOUR

Mercer & Hole	2017	2016
Fee income	£18.9m	£14.6m
Profit	n/a	n/a
Fees per partner	£947,000	£915,000
Partners	20	16
Staff	189	175

While the vast majority of firms in the Top 75 operate as limited liability partnerships (LLPs), Mercer & Hole is happy to retain its traditional partnership structure. This has not, however, prevented it from increasing its fee income by 29% over its last financial year from £14.6m to £18.9m. This growth has pushed it up from 41st in last year's survey to 35th this year. This has in part been driven by its merger with the Rickmansworth office of Day Smith & Hunter (DSH).

'DSH had two offices, one in Rickmansworth, one in Kent,' explains Paul Maberly, Mercer & Hole's senior partner. 'We had known of the partners in Rickmansworth for some time so in terms of personality, fit and ethos we knew them already, which helped with the merger enormously.'

The other driver for growth has been private client work, in particular with UK non-doms. 'This has grown year on year, and there are no signs of that slowing down,' Maberly says. 'We have got five partners who work in this area, which is quite unusual and a strength for a firm of our size. With 20 partners, it is a significant percentage, and private client work has been a core part of our growth over the last 20 years.'

This area of growth is unlikely to slow up, largely because of regulatory changes. 'London is a very fluid place, with a lot of people coming and going, and a lot of the work takes place either during the year of arrival or year of departure.'

Apart from Brexit, Maberly says one of the biggest concerns for his clients is red tape, including areas such as the General Data Protection Regulations (GDPR), and Making Tax Digital.

Although the firm has resisted becoming an LLP, Mercer & Hole does have limited companies that look after financial planning, trusts and corporate finance, and although he is not required to reveal profitability figures, Maberly says all his partners are happy with four years of growth in income and profit, and he expects continued income growth in 2018.

PRICE BAILEY

REGIONAL STRATEGY PAYS DIVIDENDS ON GROWTH

Price Bailey	2017	2016
Fee income	£26.5m	£24.5m
Profit	£1.2m	£1.0m
Fees per partner	£914,000	£907,000
Partners	29	27
Staff	344	325

Price Bailey, whose fee income has grown more than 8% over the year to £26.5m (2016: £24.5m), has pursued a pattern of growth that has established the firm as one of the strongest in the east of England, with offices stretching from Norwich and Ely, through Cambridge and following the M11 down to the City of London and Mayfair, together with outposts in the Channel Islands and the Caribbean.

'We are strong in east England, London and internationally, so we should be growing,' says Martin Clapson, partner and managing director at Price Bailey. 'Over the last two to three years, we have grown our top line by 25%, and profits have grown by that amount as well. But there is no one part of the firm [driving the growth]; all parts of the firm,

> We have been focused on income growth, on ensuring we have a resilient income stream. There has been quite a lot of reshaping of the business
>
> *Sacha Romanovich, CEO, Grant Thornton*

> We have put the company in position to list, including its governance structure and made a multimillion pound investment in IT
>
> *Kevin Stopps, co-chief executive, Smith & Williamson*

> We are taking the same medicine as our clients in terms of making ourselves more technology enabled
>
> *Kevin Ellis, senior partner, PwC*

such as outsourcing, bookkeeping, insolvency, audit and strategic corporate finance, are growing well.'

If there is one thing that Clapson can identify as being key to the firm's success, it is the effort it has put into recruiting and retaining its people.

'They are not just technically good people, they are people that care about their clients and the firm,' he says. And even though the firm has taken on more than 100 people over the last 12 months, there are still around 40 vacancies.

During the year, the firm acquired a two-partner father and son firm based in Sawston, Cambridgeshire as well as a three-strong team from an IT company that specialises in accountancy software packages. Clapson does not rule out making further acquisitions, though he is satisfied with the firm's current growth rates. 'If the right team comes along, we would consider it, but we are growing organically without having to buy it in,' he says.

The firm is also growing its legal capabilities, having gained a probate licence. 'Legal is growing, slowly, deliberately, organically, as we wanted to make sure we know what we are doing,' he says.

As well as being part of the UK 200 Group, Price Bailey is also a member of international accounting network IAPA, of which Clapson has recently become global chairman.

SMITH & WILLIAMSON

MERGER THAT GOT AWAY AT TOP 10 FIRM

Smith & Williamson	2017	2016
Fee income	£244.6m	£222.5m
Profit	£39.2m	£34.0m
Fees per partner	£971,000	£897,000
Partners	252	248
Staff	1,441	1,407

Top 10 firm Smith & Williamson hit the headlines last summer when it was revealed that it was considering an offer to merge with investment management firm Rathbone Brothers. 'It was a meaningful offer at a full and fair price, so we had to consider it,' says co-chief executive Kevin Stopps.

The tie-up would have created a £2bn operation, with £56bn of assets under management and given Rathbone additional accountancy capacity. A week after the bid was announced, S&W received a rival offer from Tilney Bestinvest, setting the scene for a potential bidding war. But just days later, all talks were off. 'We mutually agreed to terminate the discussions,' says Stopps. 'People businesses are always challenging, our staff were being approached and clients wanted to know what was going on.'

But the firm might still make the headlines again, but not until 2019, as it considers a possible IPO. 'We have put the company in position to list, including its governance structure and made a multimillion pound investment in IT, but this will not be until 2019 at the earliest,' Stopps explains, adding that the driver for such a move was not for cash but the need to grow the business and compete with other wealth managers; the firm itself has £20bn under management. Stopps adds that there has been, and probably will continue to be, private equity interest in the firm.

The firm's accountancy business is focused on private clients and their business interests rather than corporate work.

'We are shying away from public interest entities,' Stopps says, 'as the risk to reward is not good, it is not an attractive business model.'

'Our focus is on private clients and their business interests,' Stopps says. He points to how the non-dom changes have helped boost tax work, as well as the crack down on tax avoidance, including advance payment notices. 'People don't want to put themselves at risk, everyone is more cautious and are trying hard to get compliance right.'

Other areas of growth at the firm include forensic accounting, which has doubled its head count over the year, and corporate finance, where there has been 'plenty of activity', though getting deals through to completion has been challenging. Fund administration has also been growing rapidly.

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TOP 75 FIRMS

SURVEY: UK ACCOUNTANCY FIRMS LEAGUE TABLE 2017 (2016)

Rank 2017 (2016)	Firm	Fee income 2017 £m	Fee income 2016 £m	Fee income % change	Fee/partner ratio 2017 £000s	Fee/partner ratio 2016 £000s	Partners	Status	Annual accounts	Auditor	Year end	Auditor tenure
1 (1)	PwC	3,598.0	3,437.0	▲4.7	3,775	3,712	953	LLP	Yes	CCW	30/06/17	2003
2 (2)	Deloitte	3,380.0	3,040.0	▲11.2	4,856	4,187	696	LLP	Yes	BDO	31/05/17	2015
3 (3)	EY	2,348.0	2,150.0	▲9.2	3,428	2,999	685	LLP	Yes	BDO	30/06/17	1998
4 (4)	KPMG	2,172.0	2,068.0	▲5.0	3,486	3,277	623	LLP	Yes	Grant Thornton	30/09/17	2008
5 (5)	Grant Thornton UK	499.9	533.8	▼-6.4	2,702	2,982	185	LLP	Yes	Mazars	30/06/17	2013
6 (6)	BDO	456.0	435.7	▲4.7	2,363	2,055	193	LLP	Yes	PwC	30/06/17	2013
7 (7)	RSM[1]	319.0	292.0	▲9.2	2,363	2,246	135	LLP/Ltd	Yes	Kingston Smith	31/03/17	2007
8 (8)	Smith & Williamson	244.6	222.5	▲9.9	971	897	252	LLP	Yes	PwC	30/04/17	2015
9 (9)	Moore Stephens UK	197.7	173.6	▲13.9	1,098	938	180	N	No	CCW	31/12/17	n/a
10 (10)	Mazars	173.6	160.0	▲8.5	1,296	1,159	134	LLP	Yes	CCW	31/08/17	2004
11 (11)	PKF UK[2]	150.4	126.4	▲19.0	752	658	200	LLP	Yes	n/a	31/05/17	n/a
12 (12)	Saffery Champness	78.7	72.9	▲8.0	1,049	1,041	75	LLP	Yes	TBA	31/03/17	n/a
13 (13)	Haines Watts Group[3]	74.5	69.0	▲8.0	745	663	100	note	No	No	31/03/17	n/a
14 (14)	Crowe Clark Whitehill	72.1	67.2	▲7.3	988	933	73	LLP	Yes	Grant Thornton	31/03/17	2004
15 (15)	UHY Hacker Young Group[4]	58.2	56.7	▲2.6	669	683	87	note	No	n/a	30/04/17	n/a
16 (16)	MHA MacIntyre Hudson	56.1	50.0	▲12.2	1,336	641	42	LLP	Yes	Hillier Hopkins	31/03/17	2006
17 (17)	Begbies Traynor Group	49.7	50.1	▼-0.8	938	895	53	PLC	Yes	BDO	30/04/17	2017
18 (19)	Wilkins Kennedy[5]	47.7	40.6	▲17.5	645	564	74	LLP	Yes	Harmer Slater	30/04/17	2012
19 (18)	Kingston Smith	45.6	44.9	▲1.6	735	724	62	LLP	No	Price Bailey	30/04/17	2007
20 (20)	Menzies	40.4	40.3	▲0.2	918	916	44	LLP	Yes	PKF Francis Clark	30/06/17	2008
21 (23)	FRP Advisory	40.1	32.2	▲24.5	873	827	46	LLP	Yes	Saffery Champness	30/04/17	2015
22 (22)	TaxAssist Accountants[6]	37.3	33.6	▲11.0	184	163	203	F	No	Larking Gowen	31/12/16	2017
23 (21)	Buzzacott	37.0	34.5	▲7.2	1,121	1,113	33	LLP	Yes	Hillier Hopkins	30/09/17	2007
24 (24)	Kreston Reeves	33.1	31.8	▲4.3	637	611	52	LLP	Yes	Clive Owen	31/05/17	2008
25 (25)	HW Fisher	29.6	27.1	▲9.2	955	903	31	P	No	Exempt	30/04/17	n/a
26 (26)	Price Bailey	26.5	24.5	▲8.2	914	907	29	LLP	Yes	CCW	31/03/17	2004
27 (27)	Haysmacintyre	26.1	23.5	▲11.2	817	810	32	P	No	n/a	31/03/15	n/a
28 (31)	Hazlewoods	23.7	20.7	▲14.5	817	986	29	LLP	Yes	PKF Francis Clark	30/04/17	2007
29 (33)	Bishop Fleming	22.3	19.9	▲12.1	769	687	29	LLP	Yes	Clive Owen	28/05/17	2015
30 (34)	Duncan & Toplis	22.2	19.8	▲12.1	694	619	32	Ltd	Yes	Clive Owen	31/03/17	2015
31 (28)	SJD Accountancy	22.1	22.9	▼-3.5	11,050	11,450	2	Ltd	Yes	PwC	31/10/17	2016
32 (30)	Frank Hirth[7]	21.3	21.1	▲1.0	2,130	2,343	10	PLC	Yes	Manningtons	30/06/17	2004
33 (32)	Armstrong Watson[8]	21.2	20.2	▲5.0	757	652	28	LLP	No	TBA	31/03/17	n/a
34 (29)	Anderson Anderson & Brown	19.5	22.0	▼-11.3	1,502	1,694	13	LLP	Yes	Thomson Cooper	31/03/17	2014
35 (41)	Mercer & Hole	18.9	14.6	▲29.4	947	915	20	P	No	Exempt	30/03/17	n/a
36 (36)	BHP	18.9	17.6	▲7.6	676	733	28	LLP	No	Exempt	31/12/16	n/a
37 (35)	Streets[9]	18.2	18.1	▲0.7	791	904	23	note	No	Exempt	30/06/17	n/a
38 (38)	Lovewell Blake	17.9	16.9	▲5.9	716	676	25	LLP	Yes	CCW	30/09/17	2011
39 (37)	Larking Gowen	17.6	16.0	▲10.0	880	696	20	P	No	Exempt	31/03/17	n/a
40 (39)	Barnes Roffe	17.2	15.7	▲9.6	860	924	20	LLP	Yes	Haines Watts	30/06/17	2009
41 (40)	SRLV	17.0	16.1	▲5.6	1,133	1,150	15	P	No	Exempt	30/06/17	n/a
42 (45)	MHA Moore and Smalley	15.5	14.1	▲9.9	674	705	23	LLP	Yes	Mayes	31/03/17	2016
43 (47)	Hillier Hopkins	15.4	13.6	▲13.5	905	797	17	LLP	No	Price Bailey	31/03/17	2008
44 (43)	Forrester Boyd	15.2	14.5	▲4.8	1,267	1,115	12	P	No	Exempt	31/03/17	n/a
45 (42)	James Cowper Kreston	15.0	14.6	▲2.7	833	1,123	18	LLP	Yes	Monahans	30/04/17	2011
46 (46)	Simmons Gainsford	14.9	13.8	▲7.6	825	812	18	LLP	Yes	Sopher & Co	31/03/17	2005
47 (53)	BKL	14.5	12.3	▲18.0	660	559	22	LLP	Yes	Hillier Hopkins	31/03/17	2017
48 (44)	Lubbock Fine	14.5	14.2	▲2.1	1,115	1,092	13	P	No	Exempt	30/11/17	n/a
49 (48)	Carter Backer Winter	14.2	13.4	▲6.0	789	744	18	LLP	Yes	Rickard Luckin	31/03/17	2010
50 (52)	Campbell Dallas	14.0	12.0	▲16.7	560	571	25	Ltd	Yes	TB Dunn	30/06/17	2011
51 (50)	Scott-Moncrieff[10]	13.5	12.5	▲8.0	794	694	17	P	No	Exempt	30/04/17	n/a
52 (49)	Thomas Westcott	12.9	12.6	▲2.1	444	504	29	P	No	Exempt	30/04/17	n/a
53 (56)	Shipleys	12.8	10.7	▲19.6	1,164	764	11	LLP	Yes	SRG	30/04/17	2008
54 (51)	Silver Levene	12.8	12.5	▲2.6	853	780	15	LLP	Yes	Pritchard Fellows	31/05/17	2011
55 (54)	Rothmans	12.2	12.0	▲2.2	611	747	20	LLP	Yes	Mazars	31/03/17	2009
56 (61)	Cowgill Holloway	12.2	10.6	▲15.1	871	815	14	LLP	Yes	Champion Accts	31/05/17	2011

TOP 75 FIRMS

SURVEY: UK ACCOUNTANCY FIRMS LEAGUE TABLE 2017 (2016) CONT.

Rank 2017 (2016)	Firm	Fee income 2017 £m	Fee income 2016 £m	Fee income % change	Fee/partner ratio 2017 £000s	Fee/partner ratio 2016 £000s	Partners	Status	Annual accounts	Auditor	Year end	Auditor tenure
57 (-)	Goodman Jones	12.2	10.8	▲12.6	811	n/a	15	LLP	Yes	Bailey Phillips	31/05/17	2013
58 (55)	Beever and Struthers	12.0	11.8	▲1.1	461	564	26	P	No	Exempt	30/09/17	n/a
59 (59)	Gerald Edelman	11.7	10.1	▲16.4	839	721	14	P	No	Exempt	31/03/17	n/a
60 (60)	French Duncan	11.0	10.0	▲10.0	733	556	15	LLP	Yes	Parkhill Markie	30/04/17	2001
61 (57)	Dains	10.5	10.6	▼-0.6	701	587	15	LLP	Yes	Price Bailey	31/03/17	2007
62 (58)	Henderson Loggie	10.5	10.3	▲1.9	525	490	20	P	No	Exempt	30/11/16	n/a
63 (64)	Rickard Luckin	9.5	8.9	▲6.8	529	524	18	Ltd	No	Richard Edwards	30/09/17	2017
64 (65)	Brebners	9.2	8.4	▲9.5	511	442	18	P	No	Exempt	05/04/17	n/a
65 (67)	Mitchell Charlesworth	9.1	8.5	▲7.1	479	447	19	LLP	Yes	Lewis Evans	30/04/17	2015
66 (62)	Whittingham Riddell	9.1	9.3	▼-2.2	758	845	12	LLP	Yes	Exempt	31/03/17	n/a
67 (63)	Critchleys	8.9	9.2	▼-3.3	1,113	708	8	LLP	Yes	Exempt	31/05/17	n/a
68 (66)	Alliotts	8.6	8.3	▲3.6	538	638	16	P	No	Exempt	30/06/17	n/a
69 (68)	RGL	8.1	8.3	▼-2.4	900	1,383	9	LLP	Yes	CHBC	31/03/17	2012
70 (69)	Taylorcocks	7.9	7.4	▲5.8	785	742	10	Ltd/LLP	No	Exempt	31/12/16	n/a
71 (71)	Jeffreys Henry	7.4	7.0	▲5.7	740	700	10	LLP	Yes	Exempt	30/04/17	n/a
72 (72)	Chiene + Tait	7.0	6.2	▲13.2	702	689	10	LLP	No	Exempt	30/09/17	n/a
73 (74)	LB Group	6.3	5.7	▲9.8	783	814	8	Ltd	Yes	Baker Wilkinson	31/08/17	2016
74 (73)	Broomfield & Alexander	6.2	5.8	▲6.9	775	725	8	P	Yes	Exempt	31/03/17	n/a
75 (-)	Creaseys Group	5.2	4.9	▲5.6	736	813	7	Ltd	Yes	Dixcart Audit	31/05/17	2015
		14,949.9	13,954.3	▲7.1	2,452	2,283	6,096					

TOP 75 FIRMS

TALENT: PARTNERS AND STAFF LEVELS 2017 (2016)

Rank 2017 (2016)	Firm	Partners[12] 2017	Partners[12] 2016	Fee/partner ratio £000s 2017	Fee/partner ratio £000s 2016	Female partners 2017	Female partners 2016	BAME partners 2017	BAME partners 2016	Total staff 2017	Total staff 2016	Fee income £m 2017	Offices
1 (1)	PwC	953	926	3,775	3,712	167	160	58	56	17,948	19,358	3,598.0	30
2 (2)	Deloitte	696	726	4,856	4,187	117	100	n/a	27	13,300	16,006	3,380.0	29
3 (3)	EY	685	717	3,428	2,999	130	140	55	n/a	14398	13756	2,348.0	18
4 (4)	KPMG	623	631	3,486	3,277	110	92	47	44	13,969	13,112	2,172.0	22
5 (5)	Grant Thornton UK	185	179	2,702	2,982	30	27	15	12	4404	4450	499.9	27
6 (6)	BDO	193	212	2,363	2,055	27	25	6	6	3475	3333	456.0	18
7 (7)	RSM[1]	135	130	2,363	2,246	61	n/a	n/a	n/a	3,337	3,273	319.0	36
8 (8)	Smith & Williamson	252	248	971	897	55	48	2	3	1441	1407	244.6	12
9 (9)	Moore Stephens UK	180	185	1,098	938	31	29	n/a	n/a	1924	1852	197.7	36
10 (10)	Mazars	134	138	1,296	1,159	21	20	3	3	1823	1793	173.6	18
11 (11)	PKF UK[2]	200	192	752	658	31	25	9	10	2,065	1,735	150.4	30
12 (12)	Saffery Champness	75	70	1,049	1,041	19	16	n/a	n/a	626	559	78.7	10
13 (13)	Haines Watts Group[3]	100	104	745	663	8	9	8	5	917	828	74.5	51
14 (14)	Crowe Clark Whitehill	73	72	988	933	15	n/a	n/a	n/a	749	634	72.1	9
15 (15)	UHY Hacker Young Group[4]	87	83	669	683	12	12	7	8	787	768	58.2	22
16 (16)	MHA MacIntyre Hudson	42	78	1,336	641	13	10	10	8	691	680	56.1	12
17 (17)	Begbies Traynor Group	53	56	938	895	n/a	n/a	n/a	0	492	491	49.7	48
18 (19)	Wilkins Kennedy[5]	74	72	645	564	12	12	3	3	606	589	47.7	17
19 (18)	Kingston Smith	62	62	735	724	16	17	5	4	504	430	45.6	7
20 (20)	Menzies	44	44	918	916	6	6	1	1	418	404	40.4	7
21 (23)	FRP Advisory	46	39	873	827	2	1	2	1	228	195	40.1	18
22 (22)	TaxAssist Accountants[6]	203	206	184	163	43	46	n/a	n/a	922	873	37.3	264
23 (21)	Buzzacott	33	31	1,121	1,113	7	6	n/a	n/a	342	314	37.0	1
24 (24)	Kreston Reeves	52	52	637	611	10	10	1	0	520	450	33.1	9
25 (25)	HW Fisher	31	30	955	903	1	1	6	n/a	n/a	291	29.6	2
26 (26)	Price Bailey	29	27	914	907	4	4	3	3	344	325	26.5	7
27 (27)	Haysmacintyre	32	29	817	810	10	8	n/a	n/a	229	196	26.1	1

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TOP 75 FIRMS

TALENT: PARTNERS AND STAFF LEVELS 2017 (2016) CONT.

Rank 2017 (2016)	Firm	Partners[12] 2017	Partners[12] 2016	Fee/partner ratio £000s 2017	Fee/partner ratio £000s 2016	Female partners 2017	Female partners 2016	BAME partners 2017	BAME partners 2016	Total staff 2017	Total staff 2016	Fee income £m 2017	Offices
28 (31)	Hazlewoods	29	21	817	986	4	3	0	0	284	266	23.7	3
29 (33)	Bishop Fleming	29	29	769	687	6	6	0	0	310	287	22.3	7
30 (34)	Duncan & Toplis	32	32	694	619	4	3	0	0	363	360	22.2	11
31 (28)	SJD Accountancy	2	2	11,050	11,450	0	0	n/a	n/a	198	204	22.1	47
32 (30)	Frank Hirth[7]	10	9	2,130	2,343	3	4	0	n/a	179	190	21.3	1
33 (32)	Armstrong Watson[8]	28	31	757	652	1	3	0	0	357	361	21.2	15
34 (29)	Anderson Anderson & Brown	13	13	1,502	1,694	1	1	0	0	238	241	19.5	1
35 (41)	Mercer & Hole	20	16	947	915	7	6	0	0	189	175	18.9	4
36 (36)	BHP	28	24	676	733	6	5	1	1	303	301	18.9	5
37 (35)	Streets[9]	23	20	791	904	2	2	0	0	150	143	18.2	12
38 (38)	Lovewell Blake	25	25	716	676	1	1	0	0	240	239	17.9	7
39 (37)	Larking Gowen	20	23	880	696	3	3	n/a	n/a	317	297	17.6	8
40 (39)	Barnes Roffe	20	17	860	924	1	2	1	1	145	142	17.2	3
41 (40)	SRLV	15	14	1,133	1,150	3	3	2	2	144	121	17.0	1
42 (45)	MHA Moore and Smalley	23	20	674	705	6	6	0	0	284	240	15.5	9
43 (47)	Hillier Hopkins	17	17	905	797	0	1	3	2	149	131	15.4	4
44 (43)	Forrester Boyd	12	13	1,267	1,115	0	0	0	0	235	239	15.2	6
45 (42)	James Cowper Kreston	18	13	833	1,123	4	3	0	0	179	172	15.0	6
46 (46)	Simmons Gainsford	18	17	825	812	0	1	4	4	129	142	14.9	2
47 (53)	BKL	22	22	660	559	1	2	0	0	165	117	14.5	2
48 (44)	Lubbock Fine	13	13	1,115	1,092	1	1	3	3	100	101	14.5	1
49 (48)	Carter Backer Winter	18	18	789	744	0	0	2	2	133	133	14.2	1
50 (52)	Campbell Dallas	25	21	560	571	5	2	0	0	275	209	14.0	8
51 (50)	Scott-Moncrieff[10]	17	18	794	694	6	7	0	0	228	217	13.5	3
52 (49)	Thomas Westcott	29	25	444	504	6	5	0	0	215	220	12.9	16
53 (56)	Shipleys	11	14	1,164	764	1	2	0	0	103	93	12.8	2
54 (51)	Silver Levene	15	16	853	780	1	1	4	5	93	102	12.8	1
55 (54)	Rothmans	20	16	611	747	3	3	1	1	150	173	12.2	11
56 (61)	Cowgill Holloway	14	13	871	815	2	2	0	0	156	104	12.2	5
57 (-)	Goodman Jones	15	n/a	811	n/a	2	n/a	3	n/a	96	n/a	12.2	1
58 (55)	Beever and Struthers	26	21	461	564	8	7	1	1	171	160	12.0	3
59 (59)	Gerald Edelman	14	14	839	721	0	0	5	4	107	103	11.7	2
60 (60)	French Duncan	15	18	733	556	4	5	0	0	179	200	11.0	5
61 (57)	Dains	15	18	701	587	3	3	0	0	153	158	10.5	6
62 (58)	Henderson Loggie	20	21	525	490	n/a	n/a	n/a	n/a	168	n/a	10.5	4
63 (64)	Rickard Luckin	18	17	529	524	6	6	0	0	122	125	9.5	3
64 (65)	Brebners	18	19	511	442	5	4	1	3	92	91	9.2	2
65 (67)	Mitchell Charlesworth	19	19	479	447	3	3	0	0	154	148	9.1	5
66 (62)	Whittingham Riddell	12	11	758	845	4	2	0	0	177	193	9.1	4
67 (63)	Critchleys	8	13	1,113	708	1	3	0	0	115	108	8.9	1
68 (66)	Alliotts	16	13	538	638	3	1	3	3	66	72	8.6	2
69 (68)	RGL	9	6	900	1,383	1	1	n/a	n/a	39	55	8.1	2
70 (69)	Taylorcocks	10	10	785	742	0	0	0	0	97	114	7.9	6
71 (71)	Jeffreys Henry	10	10	740	700	0	1	4	3	65	61	7.4	1
72 (72)	Chiene + Tait	10	9	702	689	3	2	0	0	128	115	7.0	4
73 (74)	LB Group	8	7	783	814	0	0	0	0	104	58	6.3	4
74 (73)	Broomfield & Alexander	8	8	775	725	2	2	0	0	97	94	6.2	3
75 (-)	Creaseys Group	7	6	736	813	2	3	0	0	61	60	5.2	1
	Total	6,096	6,111	2,452	2,283	1,083	945	279	229	94,661	95,737	14,949.9	1,022

Notes

1 Profit figures taken from RSM Group LLP financial report 2017
2 PKF UK includes PKF Littlejohn, Johnston Carmichael, PKF Francis Clark, Cooper Parry, FPM KLSA
3 Mixture of LLPs partnerships & Ltd companies
4 UHY Hacker Young is a network of independent partnerships
5 Profit figures from accounts filed at Companies House
6 Each TaxAssist Accountants franchisee operates as a sole trader, as part of a partnership or via a Limited Company
7 Unlisted PLC
8 Will publish accounts from 2018
9 Various legal structures
10 Member of Moore Stephens UK

LLP, limited liability partnership; P, partnership; LTD, limited company: PLC, public limited company; N, network of firms; F, franchise