

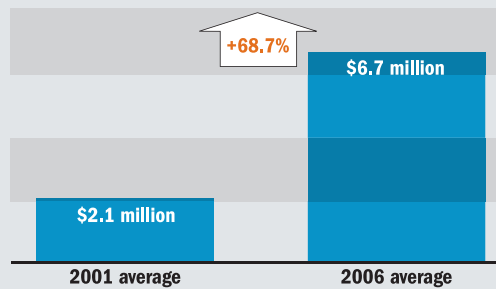
REPORT ACCOUNTING

COST OF COMPLIANCE

The accounting industry has been a major beneficiary of the Sarbanes-Oxley Act. The charts below illustrate how audit fees have increased since SOX was enacted in 2002. The first shows the fees for the five top firms on *Crain's* list of the area's largest public companies; the second shows the average fee for all 250 companies.

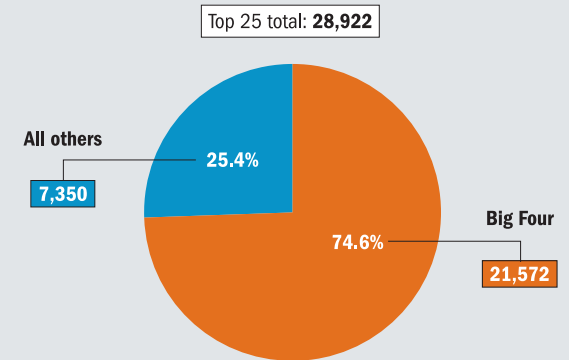
COMPANY	'01 FEES, IN MIL.	'06 FEES, IN MIL.	% CHANGE
Citigroup	\$24.7	\$52.9	+114.2%
American International Group	\$15.5	\$87.7	+465.8%
J.P. Morgan Chase	\$18.4	\$38.3	+108.2%
International Business Machines	\$12.2	\$27.3	+123.8%
Verizon Communications	\$5.1	\$28.2	+452.9%

Source: Standard & Poor's Compustat



THE BIG FOUR'S SHARE

By number of NY area professionals in 2007



BECCA LINDSTRÖM

New York Area's Largest Accounting Firms

Ranked by number of area professionals

Rank	Firm	Phone/Web site	Managing partner(s) in New York area office	2007 NY area professionals ¹	2006 NY area professionals ²	2007 NY area audit and accounting professionals	2007 NY area tax professionals	2007 NY area management advisory services professionals	2007 firmwide professionals ¹	2006 firmwide revenues (in millions) ³
1	Deloitte & Touche USA ⁴ 2 World Financial Center New York, NY 10281	(212) 436-2000 www.deloitte.com/us	Gregory T. Durant	7,439	6,890	3,858	1,498	2,083	32,483	\$9,849.0 ⁵
2	KPMG ⁶ 345 Park Ave. New York, NY 10154	(212) 758-9700 www.us.kpmg.com	Robert F. Arning	5,022 ⁷	4,508	1,255	873	932	90,935	\$16,900.0
3	PricewaterhouseCoopers ⁴ 300 Madison Ave. New York, NY 10017	(646) 471-3000 www.pwc.com	Brendan P. Douger	4,688	3,936	2,520	1,420	748	115,614	\$22,000.0
4	Ernst & Young ⁴ 5 Times Square New York, NY 10036	(212) 773-3000 www.ey.com	Mark Manoff, Carmine DiSibio	4,423 ⁸	4,298	2,844	1,165	34	98,659	\$18,400.0
5	RSM McGladrey Inc./McGladrey & Pullen/Goldstein Golub Kessler ⁹ 1185 Sixth Ave. New York, NY 10036	(212) 372-1000 www.rsmmcgladrey.com	Donald A. Lipari, Steven J. Mayer	777	719	495	206	76	6,298	n/d
6	Grant Thornton ¹⁰ 666 Third Ave. New York, NY 10017	(212) 599-0100 www.grantthornton.com	Jack Katz	638	582	419	142	77	4,501	\$885.9 ¹¹
7	J.H. Cohn ¹² 1212 Sixth Ave. New York, NY 10036	(212) 297-0400 www.jhcohn.com	Robert DeMeola	604	526	361	126	117	788	\$175.3
8	BDO Seidman ⁴ 330 Madison Ave. New York, NY 10017	(212) 885-8000 www.bdo.com	Alan Sellitti, Robert Pedersen	524	491	n/d	n/d	n/d	2,223	\$558.0 ¹¹
9	Weiser 135 W. 50th St. New York, NY 10020	(212) 812-7000 www.weiserllp.com	Douglas A. Philips	500	475	372	103	25	500	\$110.0
10	Amper Politziner & Mattia ¹³ 6 E. 43rd St. New York, NY 10017	(212) 682-1600 www.amper.com	Peter Bible, Philip H. Politziner	411	378	239	85	87	423	\$85.0
11	Eisner ¹² 750 Third Ave. New York, NY 10017	(212) 949-8700 www.eisnerllp.com	Charly Weinstein	403	394	230	120	53	403	\$105.0
12	Marcum & Kliegman 655 Third Ave. New York, NY 10017	(212) 981-3000 www.mklp.com	Jeffrey M. Weiner	400	350	210	135	55	400	\$75.0
13	Rothstein Kass 1350 Sixth Ave. New York, NY 10019	(212) 997-0500 www.rkco.com	Steven Kass, Howard Altman	380	361	309	71	0 ¹⁴	583	\$95.0
14	Berdon 360 Madison Ave. New York, NY 10017	(212) 832-0400 www.berdonllp.com	Stanley H. Freundlich	374	349	138	127	109	374	\$73.0
15	Marks Paneth & Shron 622 Third Ave. New York, NY 10017	(212) 503-8800 www.markspaneth.com	Steven C. Baum, Arnold A. Gruber	330	309	210	83	37	330	\$72.0
16	Anchin Block & Anchin ⁶ 1375 Broadway New York, NY 10018	(212) 840-3456 www.anchin.com	James Anchin, Frank A. Schettino	281	261	195	74	12	281	\$85.0

Continued

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17	Citrin Cooperman & Co. 529 Fifth Ave. New York, NY 10017	(212) 697-1000 www.citrincooperman.com	<i>Joel A. Cooperman</i>	235	181	145	75	15	235	\$48.0
18	Mahoney Cohen & Co. ¹³ 1065 Sixth Ave. New York, NY 10018	(212) 790-5700 www.mahoneycohen.com	<i>Mark D. Garten</i>	215	200	154	56	5	240	\$56.7
18	O'Connor Davies Munns & Dobbins 60 E. 42nd St. New York, NY 10165	(212) 286-2600 www.odmd.com	<i>Kevin J. Keane, Thomas P. Dobbins</i>	215	200	175	35	5	225	\$36.5
20	Schonbraun McCann Group 750 Third Ave. New York, NY 10017	(212) 840-7383 www.smgllp.com	<i>Bruce S. Schonbraun</i>	212	161	47	72	93	212	\$45.6
21	Friedman 1700 Broadway New York, NY 10019	(212) 842-7000 www.friedmanllp.com	<i>Bruce A. Madnick</i>	206	184	163	35	8	206	\$43.3
22	Margolin Winer & Evens 330 Madison Ave. New York, NY 10017	(212) 973-1000 www.mwellp.com	<i>Teddy Selinger</i>	198	194	159	35	4	198	n/d
23	Rosen Seymour Shapss Martin & Co. 757 Third Ave. New York, NY 10017	(212) 303-1800 www.rssmcpa.com	<i>Fred Shapss</i>	183	175	136	43	4	183	\$30.0
24	Holtz Rubenstein Reminick ⁶ 1430 Broadway New York, NY 10018	(212) 697-6900 www.hrrllp.com	<i>Francis J. Candia</i>	162	152	98	45	19	162	\$36.0
25	Grassi & Co. 2001 Marcus Ave. Lake Success, NY 11042	(516) 256-3500 www.grassicpas.com	<i>Louis Grassi</i>	102	85	68	21	13	102	n/d

New York area includes New York City and Nassau, Suffolk and Westchester counties in New York, and Bergen, Essex, Hudson and Union counties in New Jersey. *Crain's New York Business* uses staff research, extensive surveys and the most current references available to produce its lists, but there is no guarantee that the listings are complete. To qualify for this list, firms must have an office in the New York area. All information was supplied by the firms. In case of tied figures, firms are listed alphabetically under the same ranking number. n/d Not disclosed. 1-Full-time and full-time-equivalent, as of June 30. 2-Full-time and full-time-equivalent, as of Dec. 31. 3-Revenue figures for firms with fiscal years ending in May through December are for the year ended in 2006, and revenue figures for firms with fiscal years ending in January through April are for the year ended in 2007. 4-Fiscal year ends June 30. 5-For fiscal year ending June 30, 2007. 6-Fiscal year ends Sept. 30. 7-A total of 1,962 professionals practices in client support services. 8-A total of 380 professionals practice in transaction advisory services. 9-RSM McGladrey Inc., McGladrey & Pullen and Goldstein Golub Kessler are affiliated through an alternative practice structure. 10-Fiscal year ends July 31. 11-Net revenue. 12-Fiscal year ends Jan. 31. 13-Fiscal year ends March 31. 14-Firm does not offer this service. Research: Denise Southwood, Adrienne Pasquarelli and Sarah Studley

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