

Professional Services

SPECIAL REPORT





BUMP: Darren Shillington is aiming to win a larger share of the audit market. **Photo:** Gabriel Oliveira

Key takeaways

- Accounting firms more positive on WA outlook
- Consulting and technology practices driving growth
- WA growth has lagged national expansion

PKF, Hall Chadwick reposition in WA

Accounting firms in WA, from mid-tier players to the 'big four', are positioning to benefit from stronger economic and commercial activity.



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ACCOUNTING firms are somewhat of a barometer of the economy in which they operate.

Reflecting that, the past three to four years have generally been a challenging time for accounting firms in Western Australia; but there is notable optimism in the sector.

The goal for WA practices will be to match or exceed the growth achieved by their east coast counterparts.

Deloitte, for instance, has achieved national revenue growth of about 15 per cent in each of the past four years.

Australia's largest accounting firm, PwC, grew national revenue by 10.8 per cent last year to \$2.35 billion (see table), while both EY and KPMG reported national growth of just under 10 per cent.

Each of these firms has battled to achieve the same growth in WA, and it has been a similar challenge for the mid-tier firms.

Against this backdrop, local firms have been positioning themselves for growth, most notably the two firms that previously were affiliated with the PKF network.

From the start of this month, Subiaco-based PKF Lawler has traded as Hall Chadwick WA, while West Perth firm PKF Mack will be known simply as PKF.

PKF's Perth managing partner, Darren Shillington, said the simpler branding of his firm was made possible by Lawler's decision to join the Hall Chadwick association.

"That's given us license to be the sole PKF representative in Perth," he said.

"There was some confusion in the market, no doubt about it, when there were two brands in Perth.

"Now we've got the ability to market ourselves more clearly and align closer to the PKF brand."

Mr Shillington said promoting the PKF brand in Perth would be

HOW THE 'BIG 4' COMPARE

AUST REVENUE		WA PARTNERS	
\$bn	% Growth	Number	% of Aust total
2.01	15.0	59	7.5
1.78	9.8	58	10.3
2.35	10.8	39	5.5
1.64	9.2	37	6.7

Source: Company announcements



a lot easier now there was just one firm using the brand.

"There is absolute clarity now," he said.

Mr Shillington is aiming to lift the firm's market share, especially in the audit market,

where its clients include several stockbroking firms and about 25 ASX-listed companies, and not for profits and family companies.

"We have a strong and robust reputation in the WA audit market," he said.

"That's the biggest area of growth we see."

Mr Shillington sees the new branding as coinciding with an improved commercial outlook.

"The Perth market has been quite turbulent, economic conditions here haven't been wonderful for the past four or five years," he said.

"It has been a challenge, there is a lot of price competition out there and a lot of misinformation around audit scope and issues like that."

Wayne Healy is also looking forward to better conditions after the rebranding of his Subiaco practice.

Hall Chadwick already had an insolvency practice in WA, which will continue to be led by partner Cameron Shaw and trade from its CBD office.

The Subiaco firm will continue to offer its accounting compliance services, as well as audit, tax, corporate finance and company secretarial services under its new brand.

"This is a very exciting event for both our firms, for our employees and our clients," Mr Healy told *Business News*.

"Both teams have enjoyed significant growth in recent years and have a solid reputation for delivering accounting solutions to clients."

Mr Healy said Hall Chadwick was a well-known and respected brand in WA, and one of the largest and most experienced accounting groups in the country.

Combined, the two Hall Chadwick offices will have 10 partners and 72 professional staff, making it the 10th largest accounting group in WA.

See full list online.

Industry ranking

EY continues to rank as the largest accounting firm in WA, with 655 professional staff, well ahead of Deloitte with 530.

However, for the first time since *Business News* has been tracking the sector, Deloitte has more partners, with 59 to EY's 58.

This reflects the different structure of the two firms, with Deloitte having more non-equity partners.

Following them on the size rankings are PwC and KPMG, and then leading mid-tier firms RSM and BDO.

59

DELOITTE PARTNERS IN WA

Deloitte WA managing partner Michael McNulty said the past four years of rapid growth had been an exciting for the firm nationally.

The expansion had been through organic growth and multiple acquisitions.

"The acquisitions mostly bring in new capabilities, it's definitely not growth for growth's sake," Mr McNulty said.

He said the WA practice had achieved growth of about 6 per cent in the year to June 2018, which was still a pretty tough market.

"At the back end of the financial year we saw a lot more momentum, and our growth this financial year is well into double figures," Mr McNulty said.

He said the WA growth had been led by the firm's advisory practice, particularly consulting and digital and analytics.

He added that the audit and tax practices in WA were also achieving double-digit growth this year.

PwC Perth managing partner Michelle Tremain observes similar trends.

"In Perth you can really see the pick-up in the economy, and it's really exciting to be involved in a lot more transactions that weren't around a year ago," Ms Tremain told *Business News*.

Ms Tremain said the growth was coming from several different areas.

"We've had huge growth in our consulting practice, with lots of technology and cyber-related work, and we continue to be strong in health and there is more activity in our private client practice," she said.

"Interestingly, with the tax office being so active in the market, that's provided lots of need for our tax services as well."

BDO's Perth managing partner, Peter Toll, said the improvement in economic and commercial conditions in WA had already flowed through to his firm, after several challenging years.

"For the past 12 months, the



NEW NAME: Wayne Healy is looking forward to working under the Hall Chadwick brand.
Photo: Gabriel Oliveira

year to June 30, we've seen good growth, just under 10 per cent," he said.

"It's mainly been driven by junior mining companies, capital raisings, floats and other corporate transactions."

Mr Toll said M&A activity among private companies and the mining services sector had picked up this calendar year.

"That drives a lot of activity across the firm, whether it's for individual clients, the corporate finance team, M&A, tax structuring, and audit down the track," he said.

Mr Toll said his optimism was underpinned by stronger company valuations, especially in mining services, as well as generational change, as younger people looked to sell businesses they had inherited.

"The past 12 months have been good and we don't see any reason why that won't continue," he said.

BDO had benefited from the extra depth and skills in its team after merging with Tomkins Turner Corporate Advisory at the start of 2018, Mr Toll said.

“The acquisitions mostly bring in new capabilities, it's definitely not growth for growth's sake - Michael McNulty

This contributed to growth in partner numbers over the past year from 19 to 25.

Looking ahead, he said the firm had potential to expand its business in a number of areas.

"We see that whole risk advisory, forensic, cyber area as a growth area of the firm," Mr Toll said.

"We're seeing lots of opportunities and actively looking to get more people on board to strengthen our capabilities in those areas."

He said there was a limit on how much diversification BDO wanted to pursue.

For instance, it had no plans to follow the 'big four' firms into

legal services, preferring to partner with specialist law firms.

He added that BDO was striking a balance between its local ownership and being part of a large global network.

For instance, Mr Toll said BDO globally had made a very big investment in audit software, which an independent local firm simply could not replicate.

"That said, you still want to keep your local touch," he said.

"We are owners of the WA business and our key client base is WA owned and managed businesses."

"That gives us a connection to our client base and understanding this market."

ENIQ SEARCH BDO



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Shifting local alliances

Business News has been tracking changes among WA's accounting firms for 25 years, including seminal events like the collapse of Andersen and the break-up of the old PKF practice.

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NUMEROUS local and international mergers have shaped Western Australia's accounting sector over the years, along with the occasional collapse.

Key global events have included the merger of Arthur Young and Ernst & Whinney in 1989 to create Ernst & Young, now trading as EY.

Similarly, Price Waterhouse and Coopers & Lybrand completed a global merger in 1998 to create PricewaterhouseCoopers, which trades as PwC.

The last big global event to shape the industry was the 2002 collapse of Andersen, which was one of the 'big five' accounting firms.

Five of Andersen's 10 partners moved to EY (see table right), helping entrench that firm as WA's largest.

Another major event that reshaped the local market was the 2010 break-up of the former PKF practice, which at the time was the sixth largest in Perth.

This provided a significant boost for Deloitte, which lured the audit practice (three partners), and BDO, which took on the tax and business advisory practices (five partners).

BDO is one of several mid-tier accounting groups to have gone through big changes over the years.

It traded in Perth as BDO Nelson Parkhill until 1994, when that firm merged with Deloitte.

BDO has progressively rebuilt its presence, notably via the merger of the BDO and Horwath networks in Australia in 2006.

Its WA profile was boosted in 2010 when it secured the five PKF partners, and again early this year when it merged with Tomkins Turner Corporate Advisory.

This combined BDO's traditional strengths in valuations and expert reports with Tomkins Turner's advisory experience in mergers and acquisition.

After all these changes, BDO is now well established as the sixth largest accounting firm in Perth.

Like many mid-term mergers, the combination of BDO and Horwath in 2006 was one of a series of cascading events.

It was triggered by Deloitte's poaching of Horwath's Sydney practice and BDO's Melbourne office, leaving those two groups with huge gaps in their network.

Horwath plugged the gap in its network by snaring the Perth office of Grant Thornton, led at the time by Geoff Kidd.

A few months later, Grant Thornton re-established a Perth

presence when it lured the WA practice of Bentleys MRI, led by Cam Ansell.

The moves continued in 2008, when local firm Rix Levy Fowler joined the Bentleys network and sold equity in the business to listed company Countplus.

More recent merger activity includes the combination of Moore Stephens Perth and UHY Haines Norton in 2015.

The changes announced last week at PKF and Hall Chadwick

2016 EY BOUGHT NORTON & SMAILES

can be seen in this light (see page 15).

For the first time since the old practice was disbanded in 2010, PKF will have a full-service firm in Perth that is fully aligned to the national brand.

Similarly, Hall Chadwick will be ranked as a top 10 firm in Perth for the first time in more than a decade, after going through multiple changes over the intervening years.

As well as mergers and shifting brand alliances, the accounting sector in Perth has been shaped by numerous bolt-on acquisitions – usually driven by a desire to broaden service offerings.

2003

ANDERSEN PARTNERS – where are they now?

Merger lifts EY growth

One year on from the demise of Andersen, Mark Beyer spoke to former partners and staff to find how they survived and where they are now.



THIS time last year the partners and staff of global accounting firm Andersen were starting to go their separate ways.

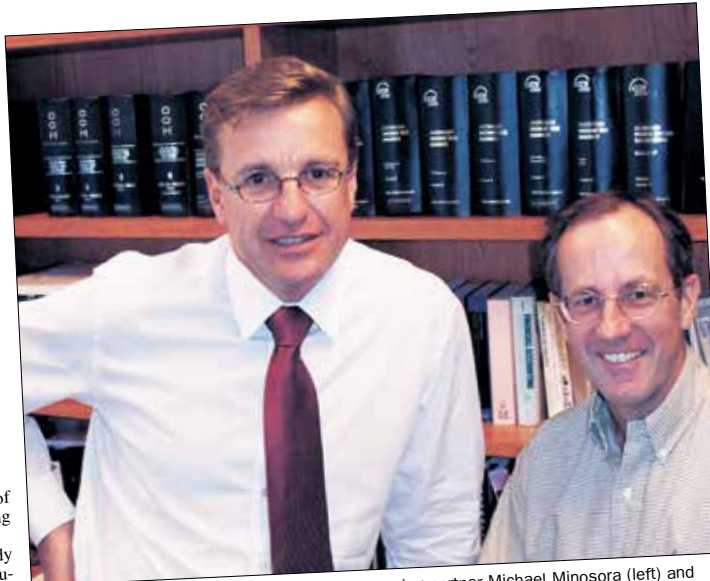
In Perth, tax partner Keith Johns had already resigned and was starting to plan his own boutique tax consultancy, while business consulting partners Iain Gerrard and Mike McNulty had moved with their 36 staff to a new home at Deloitte Touche Tohmatsu.

But the main focus was on Ernst & Young, which spent most of April and May running the ruler over Andersen's Australian operation.

Ernst & Young had looked past the discredited Andersen brand and saw plenty of talented people and a lucrative client list.

"Without question it was the quality of the Andersen people and being able to bring the into the fold with the Ernst people to create even stronger partnership," Ernst & Young Perth managing partner, Michael Minosora said.

Many other accounting firms around Perth recognised the opportunity and



MAINTAINING FOCUS: Ernst & Young WA managing partner Michael Minosora (left) and Ernst & Young tax partner Frank Cooper, formerly Andersen's WA managing partner.

ANDERSEN 12 months on

FORMER PARTNERS	NOW AT
Frank Cooper Tax	Ernst & Young
Harold Payne Tax	Ernst & Young
Mark Ceglinski Tax	Ernst & Young
Keith Johns Tax	K.D. Johns & Co
Derek Parkin Audit	Notre Dame University
Rob Kirkby Audit	Ernst & Young
Gavin Buckingham Audit	Ernst & Young
Iain Gerrard Business consulting	Deloitte Touche Tohmatsu
Mike McNulty Business consulting	Deloitte Touche Tohmatsu
Justin Willis Corporate Finance	Self-employed

"It just wasn't the same place. The culture was different. At Ernst you were just a number. You could almost cruise by. At Andersen you had to excel."

Partner Derek Parkin, who has moved to audit at Ernst & Young, says.

Deloitte, BDO move up the ranks

Deloitte has overtaken KPMG as the third largest accounting practice in Western Australia, research by WA Business News Book of Lists has found.

The new industry data also highlights growth of mid-tier firms. WTBK Horwath, following its merger or acquisition of smaller firms, Lawrence

"Ernst & Young have shown a willingness to embrace the best elements of Andersen's way of doing things," Mr Cooper said.

Staff communication and performance management were areas where EY had learned from Andersen, according to Mr Minosora.

"We've learnt a significant amount in the way of communicating expectations. Andersen had performance criteria and we've taken a big step for our

over, Mr Minosora says.

2010

NEWS

Listed accounting firms add to changes in sector

Mark Byer

WA ACCOUNTING SHUFFLE

PKF has suffered a massive blow in Western Australia with the dissolution of its Perth partnership over the past month, but it's not the first time a mid-tier accounting group has lost its Perth presence and it's unlikely to be the last.

In fact, PKF has become the fifth mid-tier accounting group in five years – following Hall Chadwick, Horwath, Grant Thornton and Bentleys – that will be forced to establish new representation in WA to make up for the loss of its original practice (see table).

The changes at PKF, which have seen its partners move to three other firms – BDO, Deloitte and KPMG – add to numerous changes in the sector, with many changes driven by listed companies Coast Financial and W&K Group.

Coast Financial, through its wholly owned subsidiary Complus, has in recent years acquired equity in two WA accounting firms, Bentleys and Lawrence Business Management, and they in turn have made four acquisitions.

Coast Financial chairman Lambert said Complus was

- 2010: BDO recruits PKF's 55-strong tax practice.
- 2010: Deloitte recruits PKF's 30-strong audit practice.
- 2010: WHK Horwath buys Hayes Knight.
- 2009: Lawrence Business Management pays \$2.1m for Lena Hilton.
- 2009: PwC buys Mainsheet Corporate, two years after buying GEM Consulting.
- 2008: Count pays \$1.1m for 25% of RLF Bentleys, formerly Rix Levy Fowler.
- 2007: Count pays \$1.8m for 25% of Lawrence Business Management.
- 2007: Maxm Business Consulting joins Hall Chadwick network.
- 2007: Bentleys MRI joins Grant Thornton network.
- 2007: Grant Thornton sells to WHK Group, trades as WHK Horwath.
- 2007: BDO and Horwath merge, trading initially as BDO Kendalls.
- 2007: Prime Financial acquires 50% of Ord Group.
- 2005: Bentleys MRI acquires Hall Chadwick.

2010

lieve therefore that I can speak experience of seeing a once very firm implode, to the progression

A new accounting dynamic

Mark Byer

WA ACCOUNTING ACTION

YEAR	MOVE
2007	Grant Thornton acquires WHK Group, to trade as WHK Horwath.
2007	BDO and Horwath merge, trading as BDO Kendalls.
2007	Prime Financial acquires 50% of Ord Group.
2006	PwC buys Mainsheet Corporate, two years after buying GEM Consulting.
2006	Bentleys MRI acquires Hall Chadwick.
2005	Net Deloitte acquires Bentleys, formerly RLF Bentleys.
2004	Net Deloitte acquires Deloitte & Co. Deloitte Private Partners.
2004	PwC acquires partners net up Deloitte Capital.
2003	RSM BDO acquires Bentleys, formerly RLF Bentleys.
2002	Net Deloitte and M&I Bridge Partners, London, merge.

He said many other firms had not confronted the issue, which would make a harder job for partners trying to deal with succession planning.

"A lot of practices have historic goodwill and haven't dealt with that," Mr Coomans said.

The recent merger of BDO and Horwath – which was part of a national merger – has elevated BDO Kendalls to number six ranking in WA Business News Book of Lists (see page 18).

The firm has 16 partners and 125 accountants, trading in well ahead of the other mid-tier accounting firms such as Bentleys MRI, PKF, Gordon Partners, PricewaterhouseCoopers, Deloitte and RSM BDO, which has an extensive rural network.

Nationally, WHK Group ranks itself as the fifth largest accounting group in Australia, with accounting revenue expected to exceed \$200 million in the current financial year.

Grant Thornton's Perth office, which will adopt the WHK Horwath name from July, will add six

2007

“ For the first time since the old practice was disbanded in 2010, PKF will have a full-service firm in Perth that is fully aligned to the national brand

Deloitte's acquisitions include Access Economics in 2011, specialist tax firm KD Johns & Co in 2014 (see article above) and corporate finance firm Torridon Partners in 2016.

The KD Johns deal was one of many changes across the sector that flowed from the break-up of the old Andersen practice.

As noted, most of the Andersen partners joined EY, while

PwC, for instance, has acquired two management consulting firms in WA – GEM Consulting in 2007 and Mainsheet Corporate in 2009 – while at a global level it bought Booz & Company in 2014.

(Mainsheet founder Maurice Argento subsequently joined BDO in 2013 before heading out on his own again in 2016 with Mainsheet Capital.)

PwC's recent moves include the purchase of national insolvency firm PPB Advisory last year.

KPMG's notable moves include its 2014 purchase of mining focused consulting firm Momentum Partners (see article above).

EY's WA acquisitions include specialist tax law practice Norton & Smailes, which it bought in 2016; this was part of the broader trend for accounting firms to build their legal practices across Australia.

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KPMG to buy Momentum Partners

Accounting giant KPMG has bought mining-focused management consultancy firm Momentum Partners in a transaction estimated to be worth about \$8 million, adding to the flurry of recent professional services deals.

Momentum Partners managing partner and biggest shareholder, Carl Adams, will become KPMG's head of mining from August 1, while Perth advisory partner Jonathan Smith will become the firm's new head of oil and gas in Australia.

Founded in Perth by Mr Adams in 2005, Momentum Partners' operations employ 28 staff across offices in Perth, Adelaide, Sydney, Brisbane and Melbourne.

About seven Momentum staff had equity in the business, which industry sources suggest may have been on the market for at least six months.

The name 'Momentum' will be dropped under the terms of the deal.

Observers estimated the deal may have been worth around \$5 million, with the possibility of a slightly higher price dependent on the structure of the deal and quality of ongoing contracts.

The deal is KPMG's second in the management consulting space in 2014, following its April acquisition of the senior Melbourne-based team of another boutique player, Pacific Strategy Partners.

The acquisition will push KPMG's total staff numbers in Western Australia closer to those of PwC, which is the state's second-biggest employer among accounting firms, behind EY, according to the Business News Book of Lists BNIG database.

Momentum was the 17th biggest management consulting practice in WA, according to BNIG.

Acknowledging that he had spoken to others in the market, Mr Adams said the deal had arisen from talks that originally started around the idea of an alliance.

"As a small business owner you can only take it so far on the back of your personal assets," he said.

"This takes it to another level."

Mr Adams said KPMG had a good cultural fit with Momentum and, at a personal level, also gave him the opportunity for career growth.

Also today, KPMG said it had bought small Karatha-based accounting firm Chase, from which it would build a Pibara base to service both local small businesses and the big players that operate in the region. The Karatha practice will be the responsibility of KPMG WA partner Angus Yarris.

"These acquisitions continue KPMG's investment-led growth agenda," KPMG chief executive Gary Wigney said.

"We are aiming to significantly grow our advisory presence in the mining sector over the next three years, supporting growing demand in the industry adjust to the changes in its operating environment."

KPMG WA chairman of partners Gary Smith said that, while there were some conflicts across the mining sector players serviced by both KPMG and Momentum, there were few issues to deal with. Most of his firm's clients had been seeking the kind of broader services that it could offer.

Management consulting has become very competitive in Perth during the past few months, with brands arrived to fight it out with local boutiques and the accounting firms.



KD Johns & Co joins Deloitte's private push

Deloitte has become the latest of the big four to get involved in a wave of professional services deals, acquiring the boutique tax specialist KD Johns & Co which will make the post-merger firm the state's biggest accounting partnership.

Established by KD Johns in 2002, KD Johns' team of four directors will join as partners of Deloitte with 18 staff effective 1 October 2014.

They will be part of Deloitte Private launched in Perth last year to service high net worth individuals and families, private and family businesses and not for profits.

According to the BNIG data base, that will push Deloitte to 56 partners, above EY with 55, although it will be the third or fourth biggest in terms of staff with 525, behind PwC with 550 and EY with 600.

Deloitte will remain third in terms of accountants, with 525, behind PwC with 553 and EY with 635.

The latest numbers from KPMG are not yet known following its acquisition last month of mining-focused management consultancy firm Momentum Partners in a transaction estimated to be worth about \$5 million.

It added 28 staff nationally with the deal, which included at least one new partner. Momentum Partners managing partner and biggest shareholder, Carl Adams, who became KPMG's head of mining.

Deloitte WA office managing partner Michael Hafferty said he had been in discussions with Mr Johns for about a year.

The pair had worked together at Andersen before that global firm collapsed more than a decade ago.

Mr Johns said that culturally he believed the firms were a good fit, in part due to that background shared by the two leaders and other members of the merging firms.

He added that Deloitte's broader services, and its knowledge of technology, especially cloud accounting, was a key driver to the merger.

Mr Johns will lead the Deloitte Private Perth tax practice. Ms Martina Crowley, Marc Worley and Shane Casey will become Deloitte partners.

The acquisition follows news in February that 10 partners and 54 staff from Moore Stephens Sydney West had joined Deloitte Private's Western Sydney office.

Deloitte Private launched in Perth in June 2013 under partner Michael Gernreich with three partners and 25 staff.

This practice has grown significantly since that time and will now consist of 9 partners and 49 staff, bringing the Deloitte Perth office to a total of 56 partners and 520 staff.

Nationally Deloitte Private now has in excess of 1,000 people including 327 partners across most states and territories.

2014

As often occurs with acquisitions of this kind, Mr Johns served an agreed four years at Deloitte before retiring.

His colleague Martina Crowley – who also went from Andersen to KD Johns to Deloitte, and won a 4ounder40 award along the way – has also recently moved, joining PwC as a partner in June.

Despite these losses, Mr McNulty told Business News the private tax practice had enjoyed strong growth since the 2014 acquisition.

Frank Cooper and Mark Ceglinski initially moved to EY after the

Andersen collapse before setting up their own boutique practices.

Mr Cooper teamed up with Michelle Saunders in mid 2015 to establish Cooper Partners.

While Ms Saunders continues to run that firm, Mr Cooper was lured away after just a few months to join PwC; he has since become a professional director.

Mr Ceglinski established Ceglinski & Co in 2003 and six months later merged with Perth dealmaker Ross Norgard's firm Nordgard Clohessy to establish the Perth office of Pitcher Partners.



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Rank	Change from previous year	Company name	Seior executive and title	Year est. in WA	Offices a) WA b) inter-state	No. of partners	No. of accountants (including partners) in WA	Total staff in WA	Services offered
1	—	EY	Ms Fiona Drummond Managing partner, Western Region	1989	a) 1 b) 6	58	655	690	Global professional services firm and market leader in assurance, tax, transaction and advisory services
2	—	Deloitte	Mr Michael McNulty Managing partner, Western Australia	1891	a) 1 b) 17	59	530	550	Audit, consulting, financial advisory, risk management and tax services to public and private clients. China, Africa, Japan, Korean and Indian desks.
3	—	PwC	Ms Michelle Tremain Managing partner, Perth	1896	a) 1 b) 9	39	510	600	Assurance, consulting, Asia practice, deals, legal services, private clients, tax, Indigenous consulting, capital project services
4	—	KPMG	Mr Gary Smith Chairman of partners, WA	1907	a) 2 b) 12	37	472	515	Global professional services firm providing clients with audit, tax and advisory services
5	—	RSM	Mr Con Paoliello Managing partner, Perth	1922	a) 18 b) 11	31	288	402	Assurance & advisory, business advisory, restructuring and recovery, corporate finance, risk advisory services, tax services and financial services
6	—	BDO	Mr Peter Toll Managing partner, Perth	1978	a) 1 b) 9	25	180	215	Audit, tax, corporate finance, internal audit, risk advisory services, forensic services, consulting services, bookkeeping, outsourcing, private clients, training, environmental and sustainability assurance services, remuneration and reward services
7	—	Grant Thornton	Mr Don O'Brien Managing partner, Perth	1964	a) 1 b) 6	15	88	117	Audit services, tax services, forensic consulting, recovery and reorganisation, corporate finance, services to privately held business
8	↑	Hall Chadwick WA	Mr Wayne Healy Managing director	1985	a) 2 b) 8	10	83	101	Broad range of audit and advisory services, taxation, business services, accounting, management consulting, SMSF, R&D, licensed financial planning, finance, insolvency, corporate consulting and personal insolvency
9	↓	Nexia Australia	Mr Mal Di Giulio Managing director	1976	a) 1	8	81	101	Accounting, audit and corporate, superannuation, business advisory, corporate finance, estate planning and asset protection, taxation, financial planning
10	↓	Success Tax Professionals	Mr Darren Gleeson Chief executive	2003	a) 44 b) 34	76	80	120	Business accounting services, taxation return preparation, self managed superannuation funds
11	↑	Moore Stephens Perth	Mr David Tomasi Managing partner	1977	a) 1	16	72	86	Audit and assurance, business services, taxation consulting, business valuations, independent experts reports, corporate advisory, litigation support, corporate secretarial, IT
12	↓	HLB Mann Judd	Mr Norman Neill Managing partner	1985	a) 2 b) 10	10	70	85	Audit and assurance services, corporate advisory, business recovery and insolvency, business and tax consulting, wealth management, financial planning and insurance services provided through associated firm HLB Mann Judd Wealth Management Services
13	—	Byfields Business Advisers	Mr Simon Northey Director	1963	a) 7	12	54	80	Business and farming taxation and consultancy, self managed superannuation, auditing, bookkeeping
14	—	Armada Accountants & Advisors	Mr Tony McDowell Managing director	1984	a) 3	11	53	108	Accounting tax and consultancy, auditing, bookkeeping, lending, financial planning, trustee services and property management development
15	—	PKF	Mr Darren Shillington Managing partner	1978	a) 1 b) 12	11	50	65	Audit and assurance, taxation, financial services, business services, superannuation
16	—	Pitcher Partners	Mr Leon Mok Managing director	2004	a) 1 b) 6	8	44	59	Full service chartered accounting firm
17	—	Butler Settineri	Mr Pasquale Settineri Managing partner	1985	a) 1	5	42	50	Audit, corporate and assurance, financial planning, superannuation, taxation, financial and business services



Rank	Change from previous year	Company name	Seior executive and title	Year est. in WA	Offices a) WA b) inter-state	No. of partners	No. of accountants (including partners) in WA	Total staff in WA	Services offered
18	—	AMD Chartered Accountants	Mr Tim Partridge Director, Bunbury office	1982	a) 2	8	40	58	Accounting, taxation and compliance, audit and assurance, bookkeeping, business services, financial planning, superannuation
19	—	Bentleys WA	Mr Chris Nicoloff Managing partner	1976	a) 1	6	40	48	Audit, financial planning, tax, corporate finance, superannuation and business advisory services
20	↑	Kensington Partners	Mr Wayne French Director	2000	a) 1	4	35	45	Business advisory services including accountancy, taxation, and superannuation services
21	↓	Gooding Partners Chartered Accountants	Mr Stephen Bushell Managing partner	1998	a) 1	3	35	38	Accounting services, taxation services, corporate finance, corporate secretarial, superannuation, business services, corporate advisory, human resources, IT consulting
22	↑	NKH Knight	Mr Simon Howard Chief executive	1971	a) 1	8	33	56	General accounting, taxation advisory & compliance, business structuring, performance reviews, valuations & sales, succession planning, corporate advisory, due diligence & secretarial support, financial planning, retirement planning, self-managed superannuation funds establishment and compliance
23	↓	McKinley Plowman	Mr Nigel Plowman Director	1997	a) 1	4	33	53	Business services, taxation, business improvement, finance, migrant services, wealth creation, property, SMSF compliance and audit and branding
24	↓	William Buck	Mr Mark Collins Managing director	1986	a) 1 b) 5	6	32	38	Audit and assurance, business advisory, corporate advisory, tax services
25	↓	Lawrence	Mr Brent Fairhead Managing director	1996	a) 1	6	30	55	Accounting and tax, financial planning, lending, business advisory, SMSF
26	↓	Letizia Palmer	Mr Vic Letizia Director	1992	a) 1	3	27	31	Accountancy, tax, audit, business services, management accounting services
27	↑	Greenwich & Co	Mr Scott Fleay Managing director	2016	a) 3 b) 2	2	26	35	Audit, corporate finance, financing and insurance, taxation and business services, turnaround and restructuring, wealth management & stockbroking
28	↓	BM&Y Accountants	Mr David Carson Managing director	1978	a) 2	5	25	30	Business and taxation services, corporate services, tax consulting, SMSF audit
29	↓	Paragon Consultants	Mr Ken Thomas Director	2001	a) 1	4	24	32	Business management and consultancy, taxation, audit, self managed superannuation funds, financial planning
30	↓	Munros	Mr Simon Strawbridge Managing director	1973	a) 1	3	24	30	Business advisory services, specialist services, accounting and taxation
31	↓	JBC Corporate	Mr John Thomson Director	2016	a) 1	3	24	29	Business solutions, complex tax advice, pre-insolvency and turn around

 32
 104

RANKED BY TOTAL NUMBER OF ACCOUNTANTS IN WA, THEN BY TOTAL STAFF IN WA

All information compiled using surveys, publicly available data and contact with industry sources. Other companies may be eligible for inclusion. If you believe your company is eligible, please email claire.byl@businessnews.com.au. WND: Would Not Disclose, NFP: Not For Publication, N/A: Not Applicable or Not Available.

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Mixed results on gender equity

Gender equity is a key goal for major accounting firms but their track record is varied, especially in WA.

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THE appointment early this year of women as managing partners at two of the 'big four' accounting firms in Perth was both a positive signal and confirmation of a problem in the sector.

PwC named Michelle Tremain as Western Australian managing partner in January, and one month later EY announced Fiona Drummond would become managing partner of its local office.

Business News reported at the time that, of the 86 accounting firms listed in the BNiQ Search Engine, only five had a female listed as their senior WA executive.

Looking closer at the issue for this feature, the big four firms are heading towards their gender equity goals (though not consistently), while mid-tier firms and small firms largely remain male bastions.

Nationally, the best performer is Deloitte, where 28.4 per cent of partners are female, higher than at any other firm (see table).

The laggard on this measure is EY, with 23.5 per cent of its Australian partners being female.

In WA there is a lot more variation.

At PwC, one third of its WA partners are women, just ahead of KPMG at 30 per cent, while at EY the proportion is just 13.8 per cent, with only eight of its 58 partners being female.

All of the big four firms have set targets to support their gender equity and broader diversity goals.

PwC, for instance, has a 40/40/20 gender target for new partner admissions, with 40 per cent female, 40 per cent male and 20 per cent from a diverse cultural background.

It exceeded these targets in 2018, with 41 per cent of new partners being women and 29 per cent coming from a diverse cultural background.

This year it added a 50 per cent gender target for new promotions and lateral appointments at a director level.

Other measures include flexible work in all roles and 18 weeks parental leave.

Ms Tremain was the first woman to be appointed partner at a major WA firm, only 14 years ago, but said diversity was now ingrained in the firm.

"It's part of the way we go about things," Ms Tremain told *Business News*.

"Most importantly, we are keen to make sure we reflect our clients and what their needs are.

"That's really the driver behind it; how do you bring the best solution, and to do that you need diverse talent."

Deloitte's first gender equality strategy was created in 2000.

The performance metrics for its business segment leaders include the number of women leaders, as well as the retention of women in their teams.

Managing partner WA Michael McNulty said the firm was aiming to improve on its recent achievements.

In WA, four of the 10 new partners this year were women, while 60 per cent of its graduate intake was female.

KPMG set its first female partner target in 2013 and since then has upped the target.

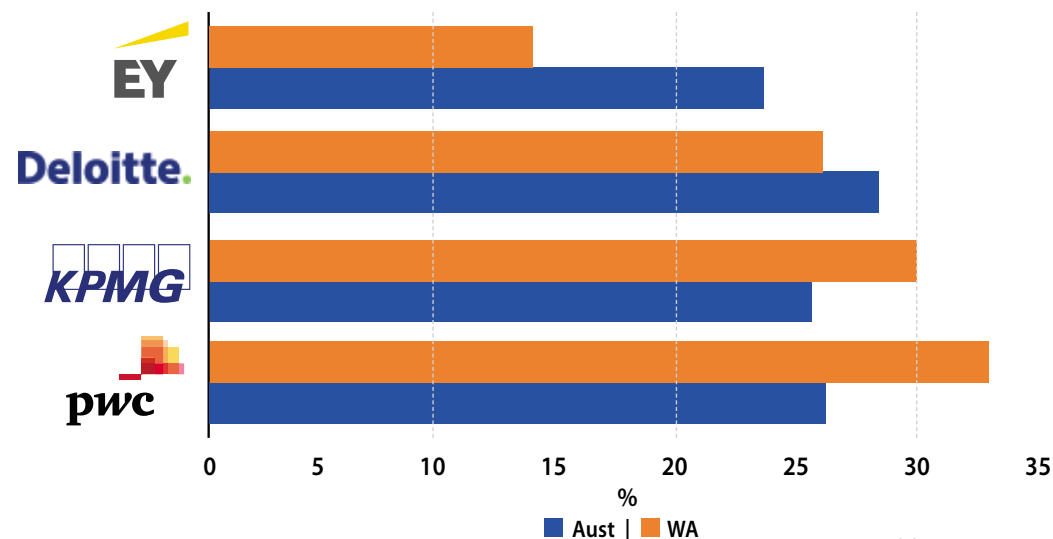
Its stated goal is to have 30 per cent female partners by the end of 2020, compared with 25.5 per cent currently.

Targets have also been established for female directors and senior managers.



POSITIVE: Earlier this year, Fiona Drummond (left) and Michelle Tremain were named managing partners at EY and PwC respectively.

Gender Equity*



41%
NEW PARTNERS AT
PWC WHO WERE
WOMEN (2018)

KPMG's initiatives include the Bird Walton program, named after famous aviatrix Nancy Bird Walton.

It aims to empower women with the confidence to take on more senior roles and equip partners with the skills to effectively sponsor and champion high potential females.

EY said 2018 was a landmark year for diversity and inclusion, despite lagging its peers on gender diversity at the partner level.

It highlighted that, for the first time in its history, the 12-member Oceania leadership team achieved its ambition of gender equality.

Another notable step this year was adopting a cultural diversity target of having 30 per cent of partners from culturally or linguistically diverse backgrounds by 2022.

EY also has a Reconnect recruitment program for women who have been out of the workplace for between two and 10 years.

It received 128 applications nationally last year, with half shortlisted for various roles, 20 taking a place in the program, and others hired directly into the business.

Most of the mid-tier firms and small firms have lower female representation.

BDO's managing partner Perth Peter Toll said just more than 10 per cent of the firm's partners were female.

"We're not setting targets but we do want to see more women at senior levels," he said.

Mr Toll said BDO was focused on all forms of diversity, not just gender.

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