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CPA FIRMS SEE ECONOMIC RECOVERY BEGINNING LAST QUARTER OF 2009

Small-to-Medium Size Firms Are Weathering the Storm

(June 26, 2009) – Forty-seven percent of small- to medium-sized CPA firms believe the economy will begin to recover in the fourth quarter of 2009, according to the AICPA’s 2009 CPA Firm Top Issues Survey. Ten percent of firms believe the economy is already improving.

“The majority of CPAs in small- and mid-size firms counsel businesses on financial matters, so it is encouraging that they believe recent signs of economic improvement will continue,” said James Metzler, AICPA vice president for small firm interests.

The CPA firms surveyed reported that the biggest issues confronting them as a result of the economic crisis are strains on accounts receivable and revenue reductions because of client attrition and fee pressure. Twenty-four percent of sole practitioners, 19 percent of firms with two to five professionals, 18 percent of firms with six to 10 professionals and 22 percent of firms with 11 to 20 professionals said the current economic situation has had no impact on their business. More than 10 percent of CPA firms with 10 or fewer professionals are actually seeing additional client opportunities because of the recession.

CPA employment is expected to remain steady with 83 percent of sole practitioners, 75 percent of firms with two to five professionals, 56 percent of firms with six to 10 professionals, and 49 percent of firms ranging from 11 to 20 professionals expecting no increase or decrease in staffing.