



Making  
**connections**

# **ARMENIAN AUDIT MARKET ANALYSIS**

## **FOR THE YEARS 2015, 2016, 2017**

Kreston. Knowing you.

**June 2018**

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## INTRODUCTION AND BASIS OF PREPARATION

This report made by the ASATRYANS LLC (Kreston Armenia).

This report summarizes and analyzes the audit market of the 30 audit firms of Armenia for the years of 2015 - 2017, as well as provides some insights into the recent developments in the sector.

The information has been obtained from published annual reports and audited clients' lists from the audit firms of 2015, 2016 and 2017.

We have used simple headline numbers in our research unless stated otherwise, each audit firm has its own way of reporting performance and this has proved to be the most consistent method of presenting their results. All the key ratios are calculated based on the obtained data.

As of 30 April 2016 the number of licensed auditing companies are 34, published by the Ministry of Finance of the Republic of Armenia

As of 30 April 2017 the number of licensed auditing companies are 31, published by the Ministry of Finance of Republic of Armenia

As of 30 April 2018 the number of licensed auditing companies are 30, published by the Ministry of Finance of Republic of Armenia

Published Financial Statements from Armenian Audit firms:

- For 2015: 33 firms from 34
- For 2016: 31 firms from 31
- For 2017: 30 firms from 30

Published Audited Clients' list:

- For 2015: 32 firms from 34
- For 2016: 30 firms from 31
- For 2017: 29 firms from 30

*\*In 2017 SOS-Audit LLC merged with BDO Armenia CJSC.*

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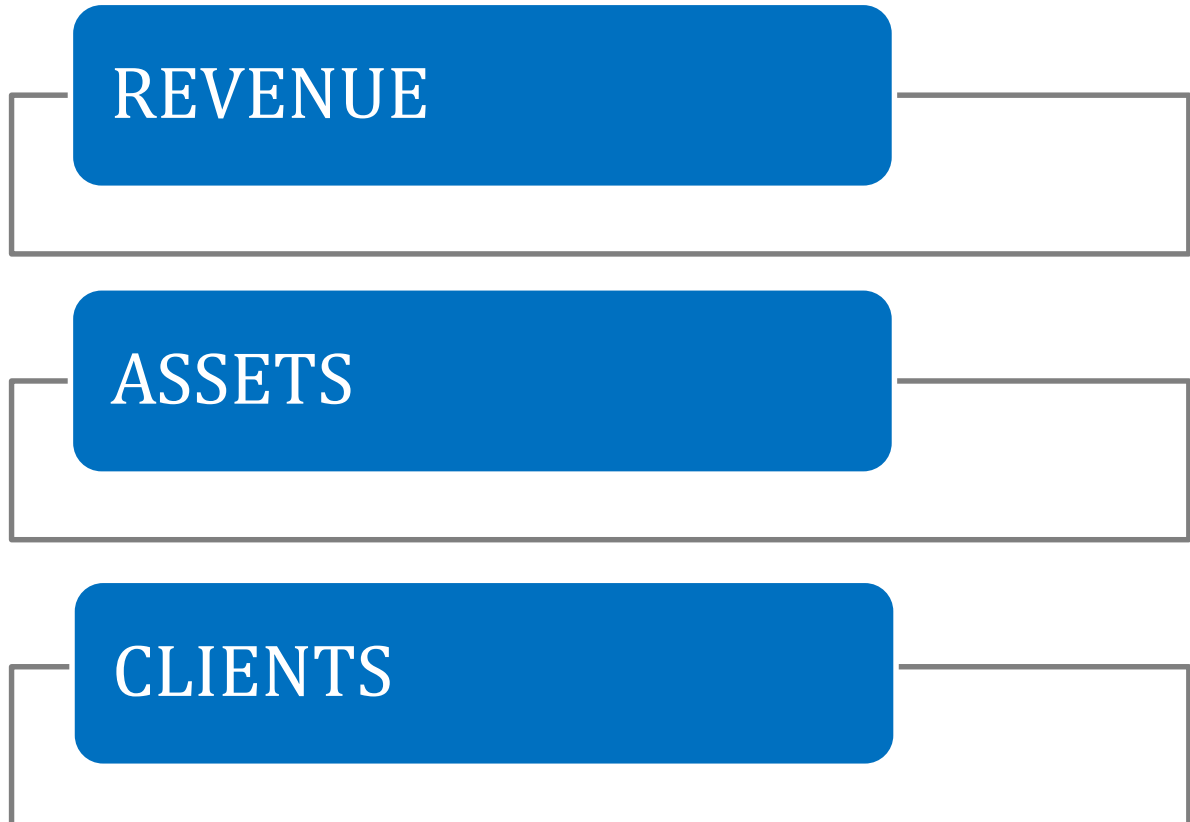
## ANALYSIS OF COMPANIES AVAILABILITY

Removed firms in 2016	Added firms in 2016
Alias LLC	Four A consulting LLC
Fintech Audit CJSC	
Audit Support Armenia	
Audit M LLC	

Removed firms in 2017	Added firms in 2017
SOS Audit*	

*\*SOS Audit merged with BDO Armenia:*

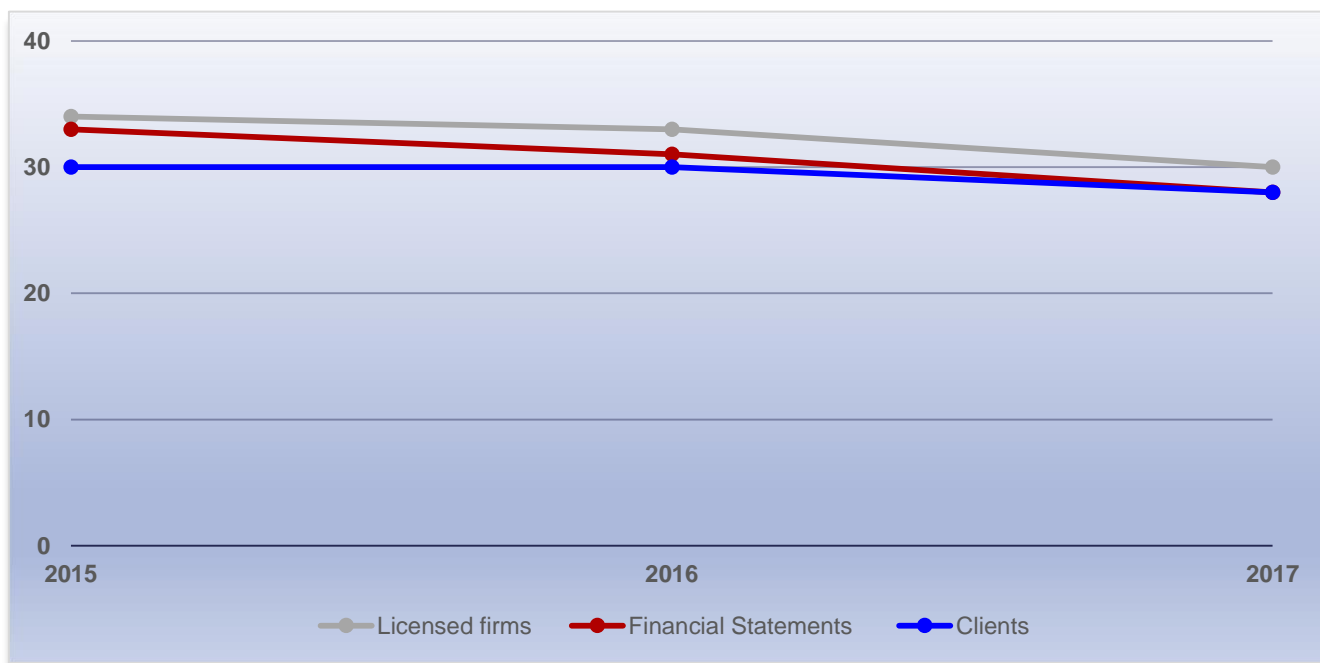
## KEY PERFORMANCE INDICATORS FOR AUDIT FIRMS



## SUMMARY INFORMATION

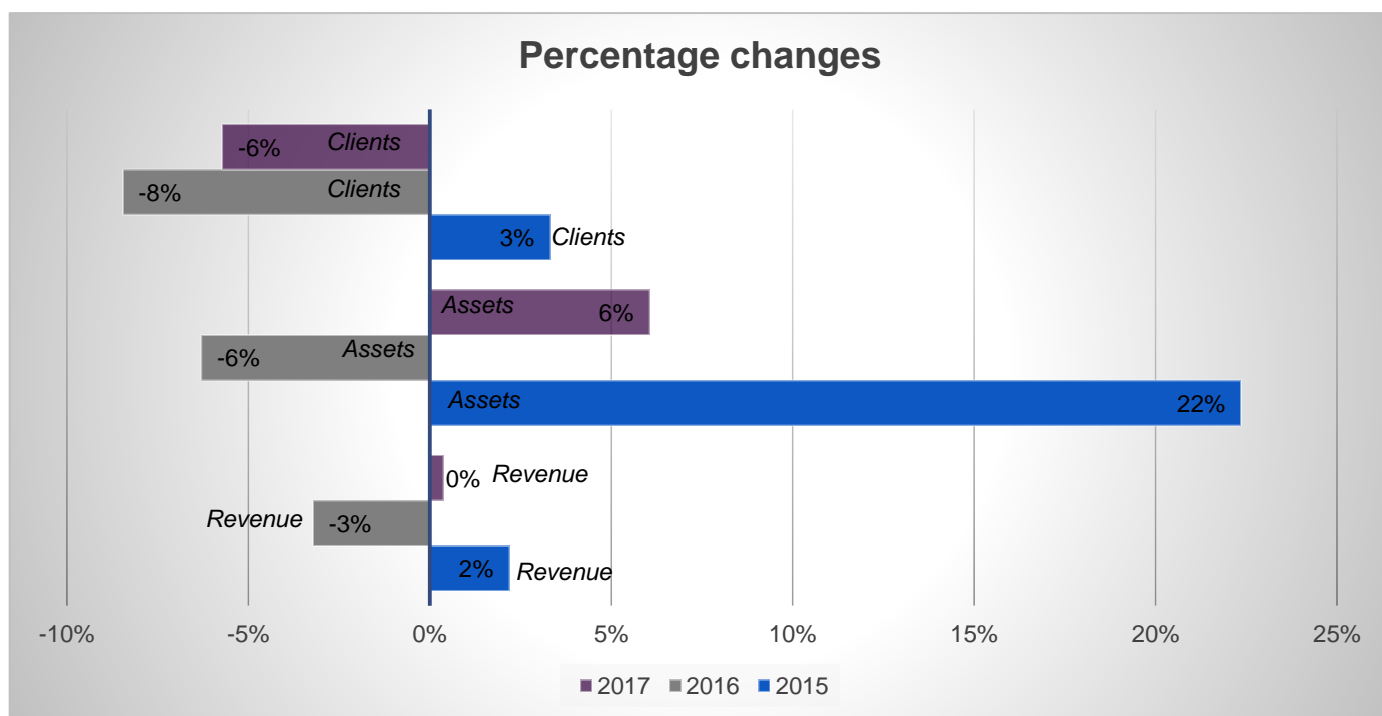
**ANALYSED YEARS: 2015, 2016, 2017**

Date	Licensed firms	Financial Statements (Presented)	Clients (Disclosed)
2015	34	33	30
2016	33	31	30
2017	30	28	28



## SUMMARY INFORMATION BY FIGURES: 2015 - 2017

YEARS / FIGURES	2015*	2016**	2017***
Revenue	5,536,181	5,357,926	5,378,226
Assets	3,302,193	3,094,479	3,281,822
Clients	745	682	643



\*Amount of revenue and assets don't include Audit M LLC's data, due to undisclosed data.

Amount of clients don't include KPMG Armenia CJSC's and Audit M LLC's numbers.

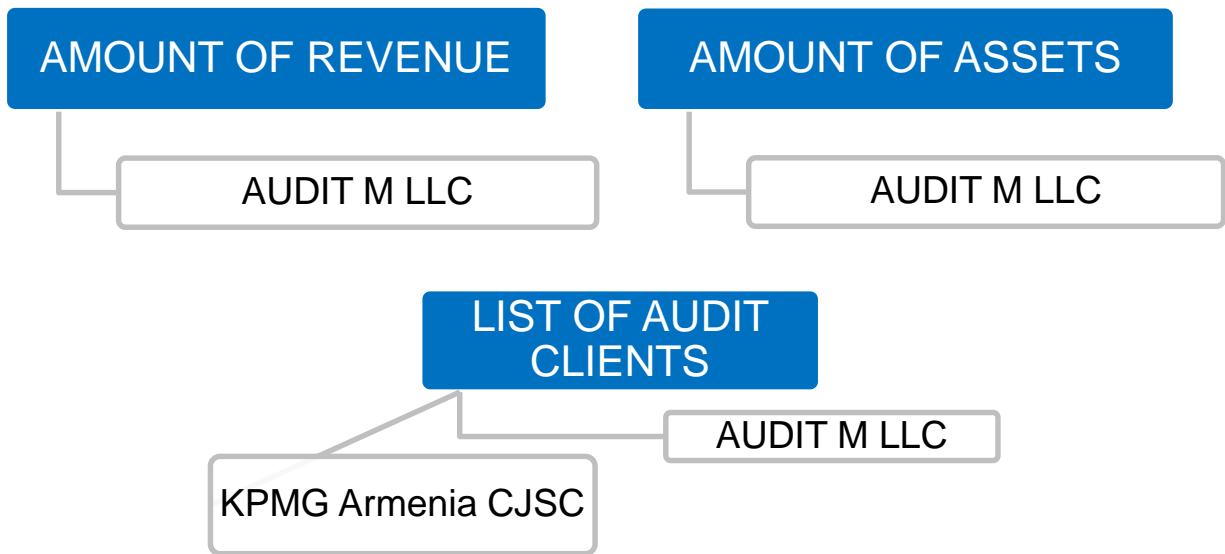
\*\*Progress Audit CJSC's did not disclose numbers of Audited clients or disclosed by mix, with prior years clients.

\*\*\*Amount of revenue and assets don't include Progress Audit's price

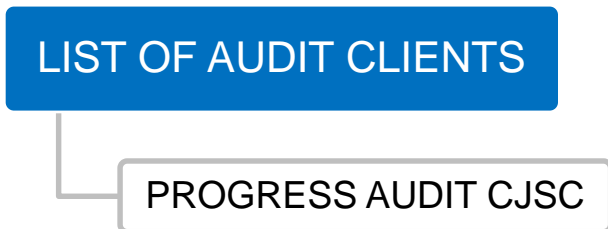
Amount of clients don't include Progress Audit's numbers.

**NON PUBLISHED INFORMATION  
FOR THE YEARS 2015, 2016, 2017**

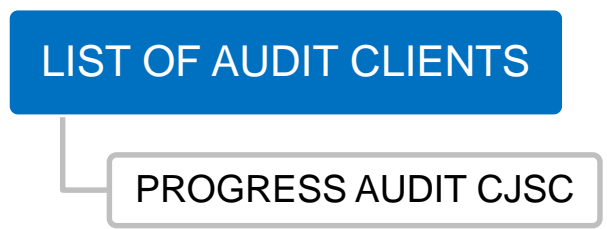
2015



2016

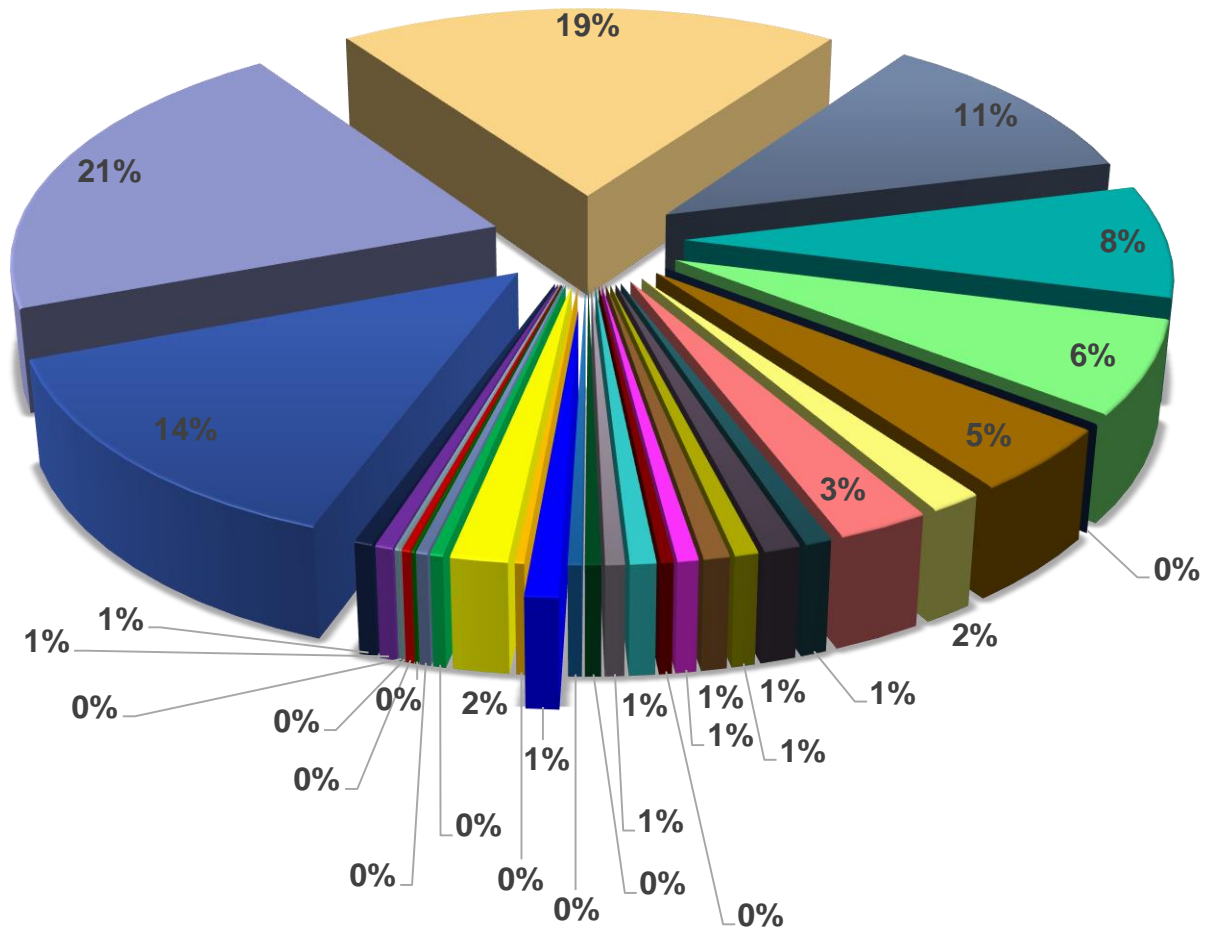


2017



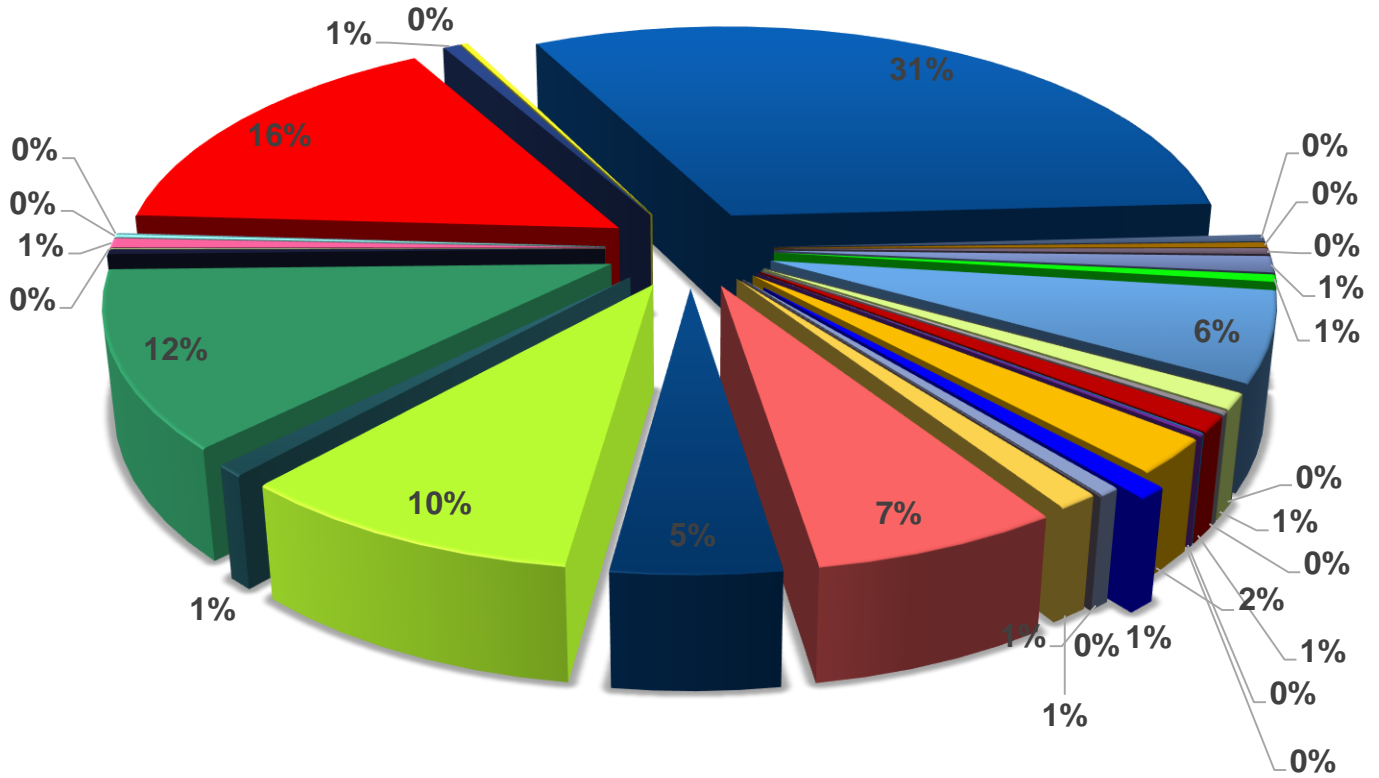


## MARKET SHARE BY REVENUE: 2017



- Ernst & Young CJSC
- PWC Armenia LLC
- BDO Armenia CJSC
- PHP Audit CJSC
- Hay Audit LLC
- Yerevan Audit consult CJSC
- General Standard Consulting LLC
- Garant Audit LLC
- G & Co Audit Group LLC
- Glob Audit LLC
- Grant Thornton CJSC
- Deloitte Armenia CJSC
- TM Audit CJSC
- Progress Audit CJSC
- AVC Consulting and Audit LLC
- Trust Audit CJSC
- **ASATRYANS LLC (Kreston Armenia)**
- N-Audit LLC
- IFP LLC
- Economics Audit LLC
- KPMG Armenia CJSC
- Baker Tilly Armenia CJSC
- AN Audit CJSC
- Audit Service LLC
- AMH Audit CJSC
- London Business Group JV LLC
- Audit Star LLC
- Perfect Audit LLC
- AFG Audit LLC
- For A consulting LLC

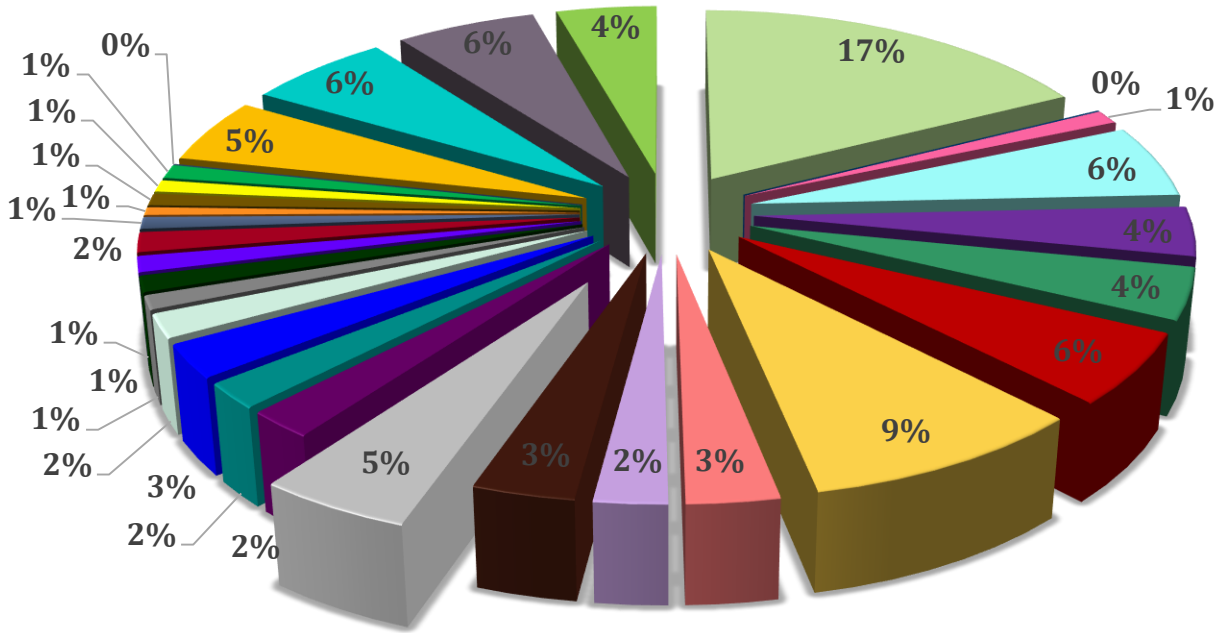
## MARKET SHARE BY ASSETS: 2017



- AFG Audit LLC
- AMH Audit CJSC
- AN Audit CJSC
- **ASATRYANS LLC (Kreston Armenia)**
- Audit Service LLC
- Audit Star LLC
- AVC Consulting and Audit LLC
- Baker Tilly Armenia CJSC
- BDO Armenia CJSC
- Deloitte Armenia CJSC
- Economics Audit LLC
- Ernst & Young CJSC
- For A consulting LLC
- G & Co Audit Group LLC
- Garant Audit LLC
- General Standard Consulting LLC
- Glob Audit LLC
- Grant Thornton CJSC
- Hay Audit LLC
- IFP LLC
- KPMG Armenia CJSC
- London Business Group JV LLC
- N-Audit LLC
- Perfect Audit LLC
- PHP Audit CJSC
- Progress Audit CJSC
- PWC Armenia LLC
- TM Audit CJSC
- Trust Audit CJSC
- Yerevan Audit consult CJSC

# MARKET SHARE BY CLIENTS: 2017

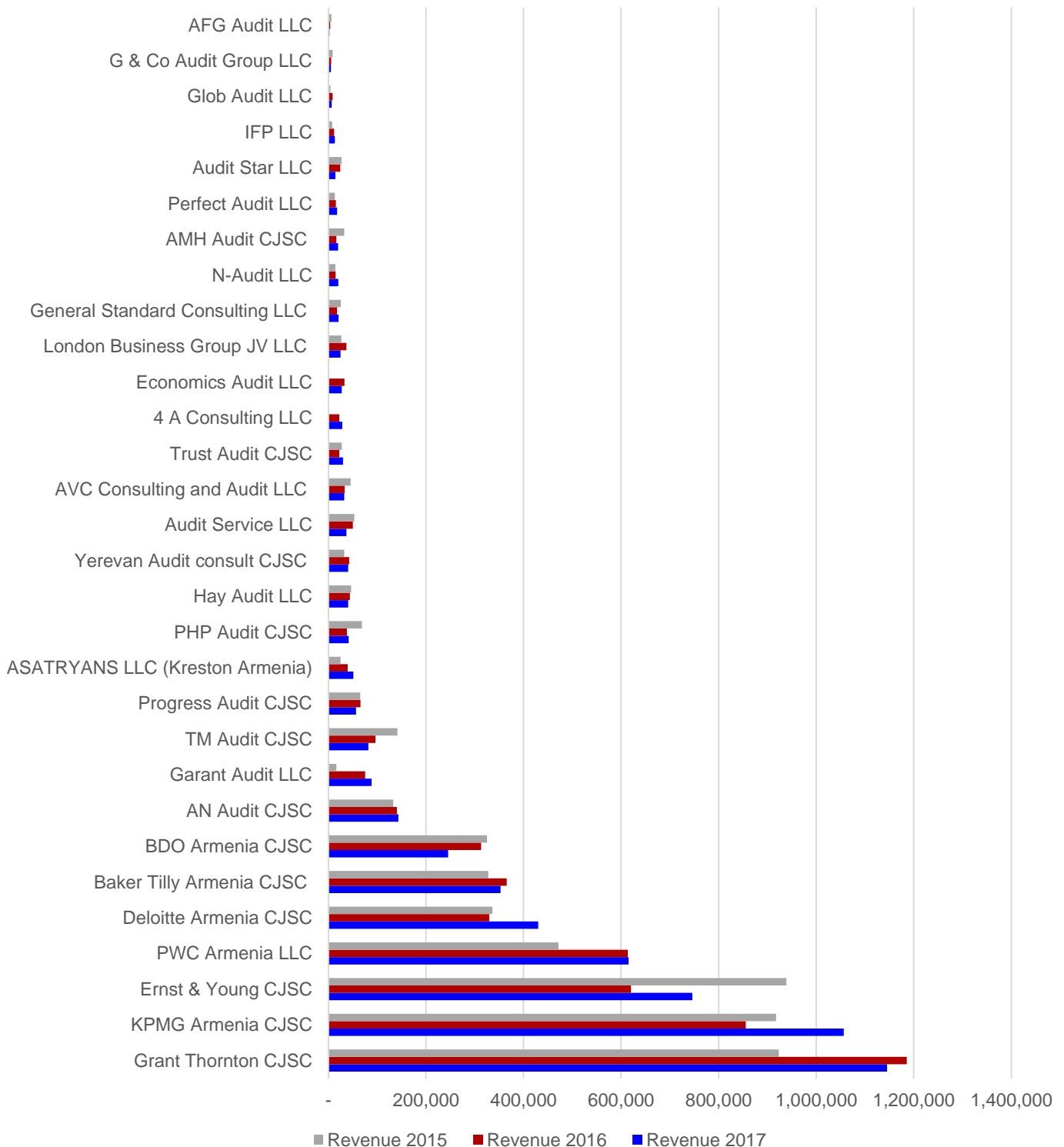
Total 643 clients, based of 29 firms reports



- Progress Audit CJSC
- Grant Thornton CJSC
- Perfect Audit LLC
- Audit Service LLC
- London Business Group JV LLC
- Deloitte Armenia CJSC
- N-Audit LLC
- BDO Armenia CJSC
- AVC Consulting and Audit LLC
- AN Audit CJSC
- Ernst & Young CJSC
- **ASATRYANS LLC (Kreston Armenia)**
- Yerevan Audit consult CJSC
- PWC Armenia LLC
- TM Audit CJSC
- Trust Audit CJSC
- General Standard Consulting LLC
- G & Co Audit Group LLC
- Garant Audit LLC
- Hay Audit LLC
- AMH Audit CJSC
- AFG Audit LLC
- Audit Star LLC
- PHP Audit CJSC
- IFP LLC
- Glob Audit LLC
- Economics Audit LLC
- KPMG Armenia CJSC
- Baker Tilly Armenia CJSC
- 4 A Consulting LLC

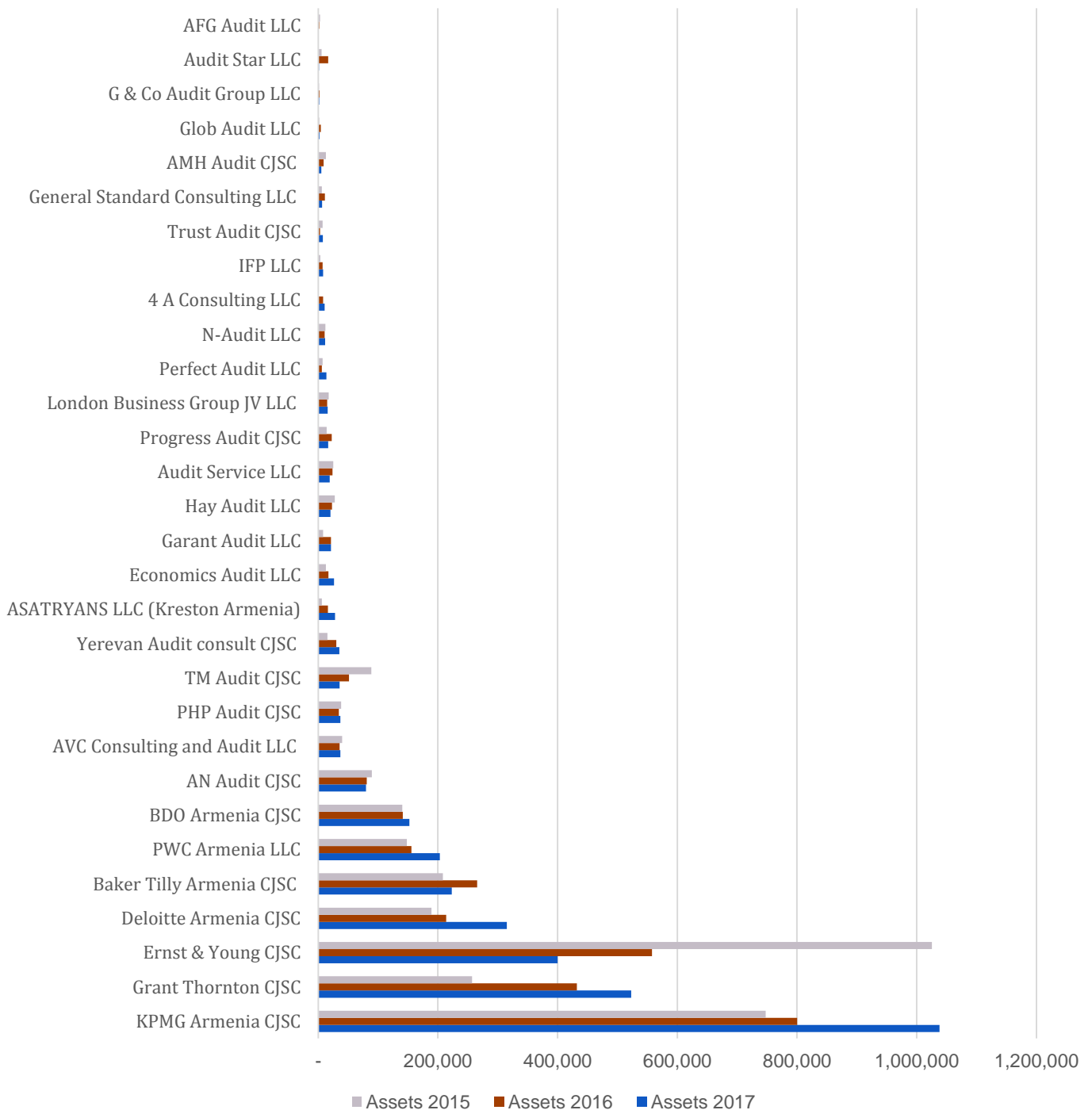
# COMPARISON OF REVENUE BY YEARS

## 2015, 2016, 2017



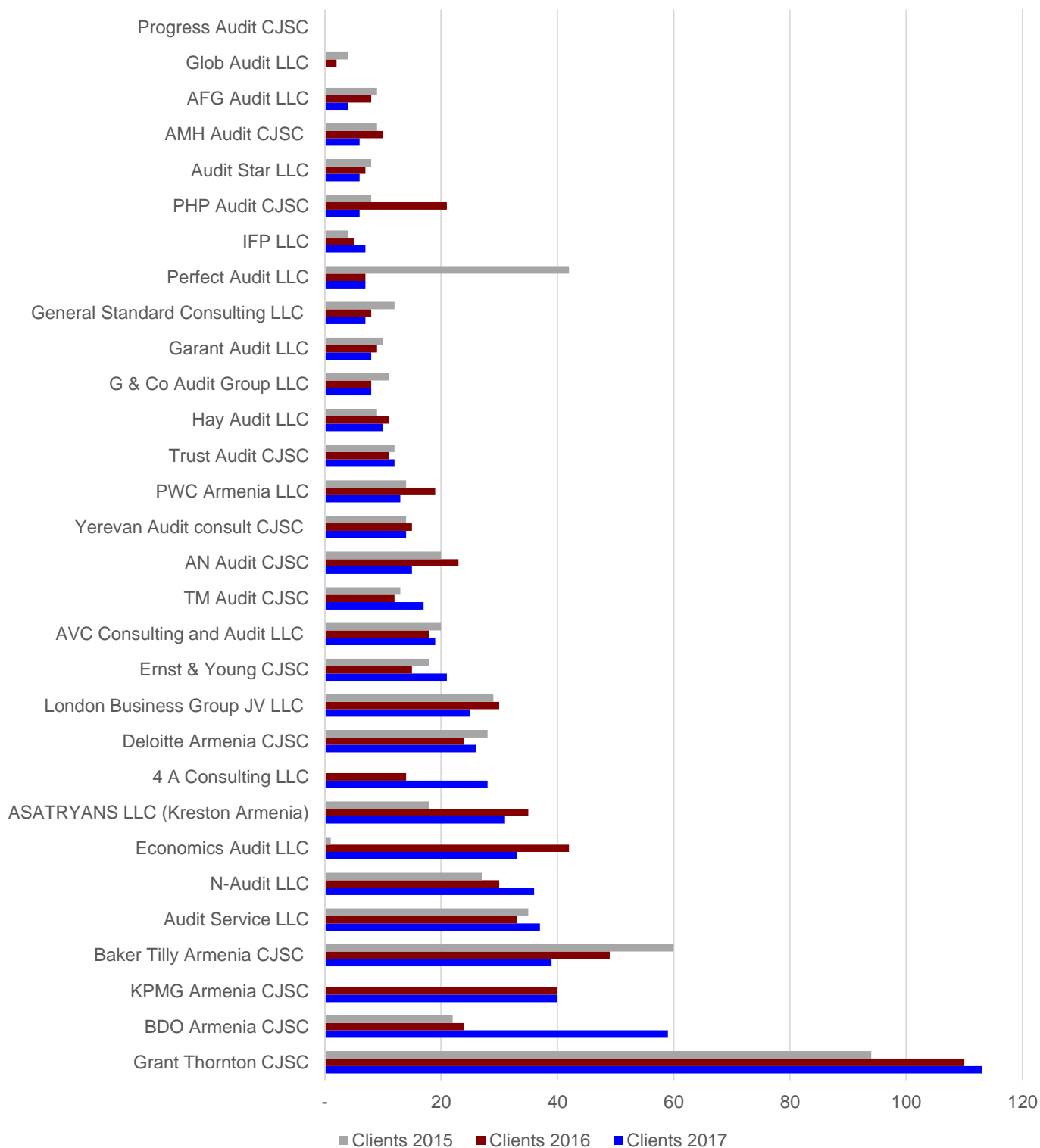
# COMPARISON OF ASSETS BY YEARS

## 2015, 2016, 2017



# COMPARISON OF CLIENTS BY YEARS

## 2015, 2016, 2017



## TOP 15 FIRMS BY REVENUE 2015 - 2017

Ran king	Audit firms	KAMD 2017	KAMD 2016	KAMD 2015
1	Grant Thornton CJSC	1,145,391	1,185,517	923,190
2	KPMG Armenia CJSC	1,056,354	855,409	917,645
3	Ernst & Young CJSC	745,872	620,384	938,852
4	PWC Armenia LLC	615,526	614,088	471,742
5	Deloitte Armenia CJSC	430,133	329,735	336,546
6	Baker Tilly Armenia CJSC	352,996	365,597	327,826
7	BDO Armenia CJSC	245,504	313,162	325,407
8	AN Audit CJSC	143,376	140,304	132,891
9	Garant Audit LLC	88,472	75,397	16,342
10	TM Audit CJSC	81,759	96,591	141,488
11	Progress Audit CJSC	56,499	65,992	65,507
12	ASATRYANS LLC (Kreston Armenia)	51,348	39,622	25,089
13	PHP Audit CJSC	41,762	38,081	68,992
14	Hay Audit LLC	40,376	43,945	46,425
15	Yerevan Audit consult CJSC	40,346	42,508	32,363

## TOP 15 FIRMS BY ASSETS 2015-2017

Ranking	Audit firms	2017 KAMD	2016 KAMD	2015 KAMD
1	KPMG Armenia CJSC	1,038,093	800,110	747,580
2	Grant Thornton CJSC	522,795	432,310	256,942
3	Ernst & Young CJSC	399,795	557,563	1,025,616
4	Deloitte Armenia CJSC	315,346	213,855	189,300
5	Baker Tilly Armenia CJSC	223,316	265,526	208,187
6	PWC Armenia LLC	203,270	155,666	148,208
7	BDO Armenia CJSC	152,348	141,457	140,364
8	AN Audit CJSC	79,959	81,100	89,835
9	AVC Consulting and Audit LLC	37,243	35,707	39,907
10	PHP Audit CJSC	37,236	34,327	38,458
11	TM Audit CJSC	35,702	51,434	88,934
12	Yerevan Audit consult CJSC	35,396	30,391	15,493
13	ASATRYANS LLC (Kreston Armenia)	28,316	16,160	6,170
14	Economics Audit LLC	26,320	17,106	12,747
15	Garant Audit LLC	21,438	21,171	8,384



## TOP 15 FIRMS BY AUDIT CLIENTS 2015-2017

Ranking	Audit firms	Number of Audited Clients 2017	Number of Audited Clients 2016	Number of Audited Clients 2015
1	Grant Thornton CJSC	113	110	94
2	BDO Armenia CJSC	59	24	22
3	KPMG Armenia CJSC	40	40	-
4	Baker Tilly Armenia CJSC	39	49	60
5	Audit Service LLC	37	33	35
6	N-Audit LLC	36	30	27
7	Economics Audit LLC	33	42	1
8	ASATRYANS LLC (Kreston Armenia)	31	35	18
9	4 A Consulting LLC	28	14	-
10	Deloitte Armenia CJSC	26	24	28
11	London Business Group JV LLC	25	30	29
12	Ernst & Young CJSC	21	15	18
13	AVC Consulting and Audit LLC	19	18	20
14	TM Audit CJSC	17	12	13
15	AN Audit CJSC	15	23	20

## ABOUT ASATRYANS LLC (KRESTON ARMENIA)

The Firm was registered in May 2013. Since 2016 ASATRYANS LLC is a full member of Kreston International PLC. Kreston International is a global network of independent accounting firms. Founded in 1971 and currently ranking as the 12<sup>th</sup> largest accounting network in the world.

*The firm provides the following services:*

Audit and Other Assurance

Outsource Accounting

Tax

Advisory

*Our values are:*

**Leadership:** We operate in a way that is exemplary to environment: companies, people, etc. surrounding us.

**Reliability:** Reliability to our work done and to the ASATRYANS.

**Fairness:** We keep fairness to our partners and the community surrounding us.

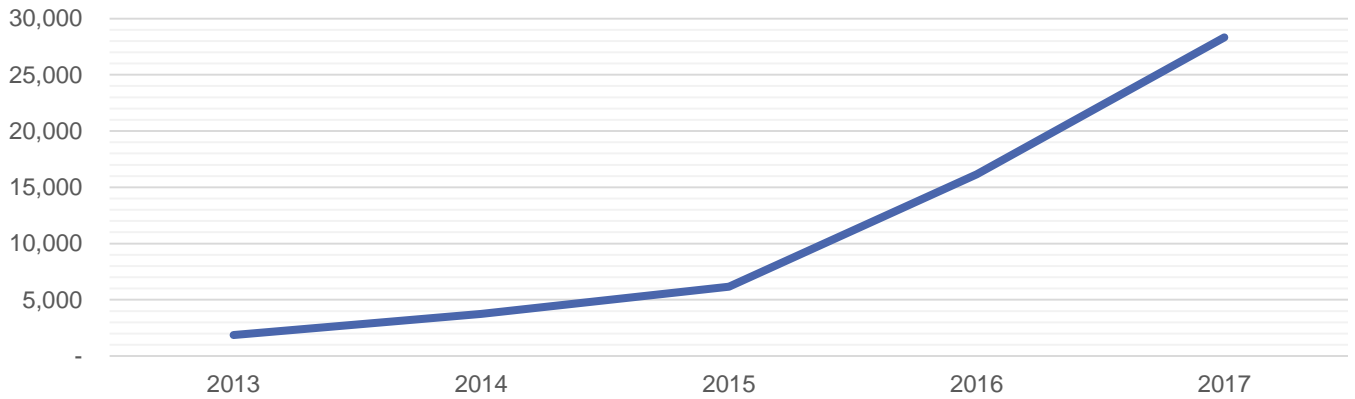
ASATRYANS LLC is 12<sup>th</sup> by revenue in 2017

ASATRYANS LLC is 13<sup>th</sup> by assets in 2017

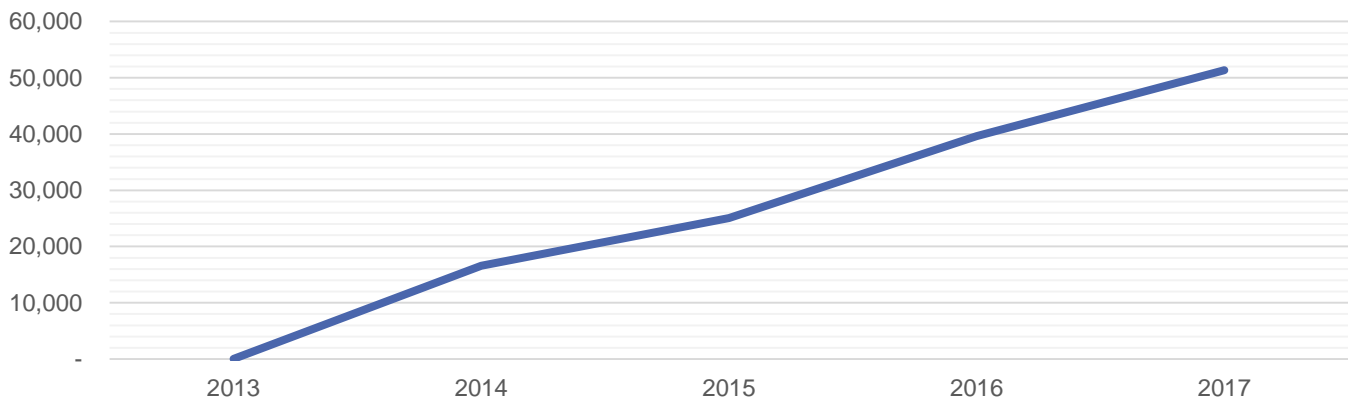
ASATRYANS LLC is 8<sup>th</sup> by clients in 2017

## ASATRYANS LLC - GOALS IN 5 YEARS

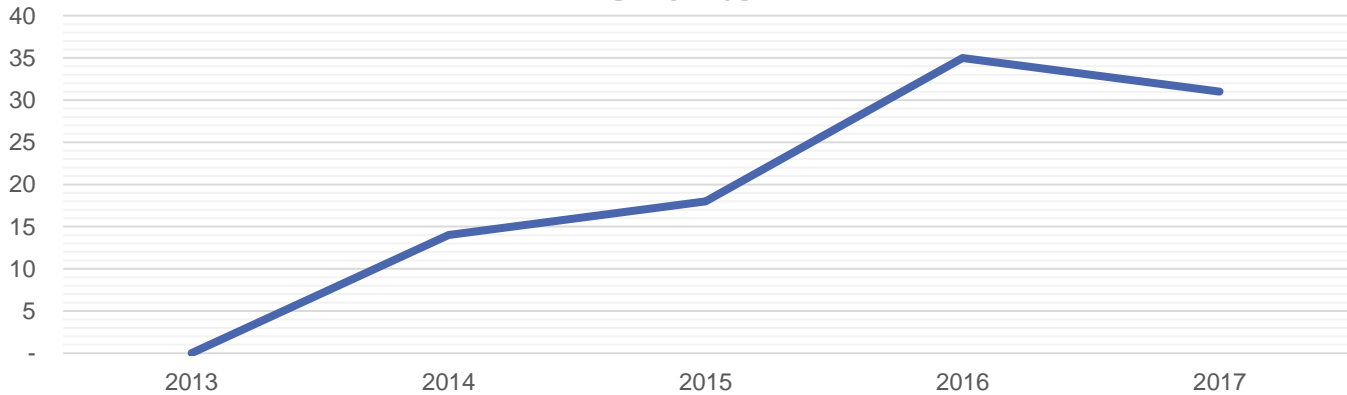
### Assets



### Revenue



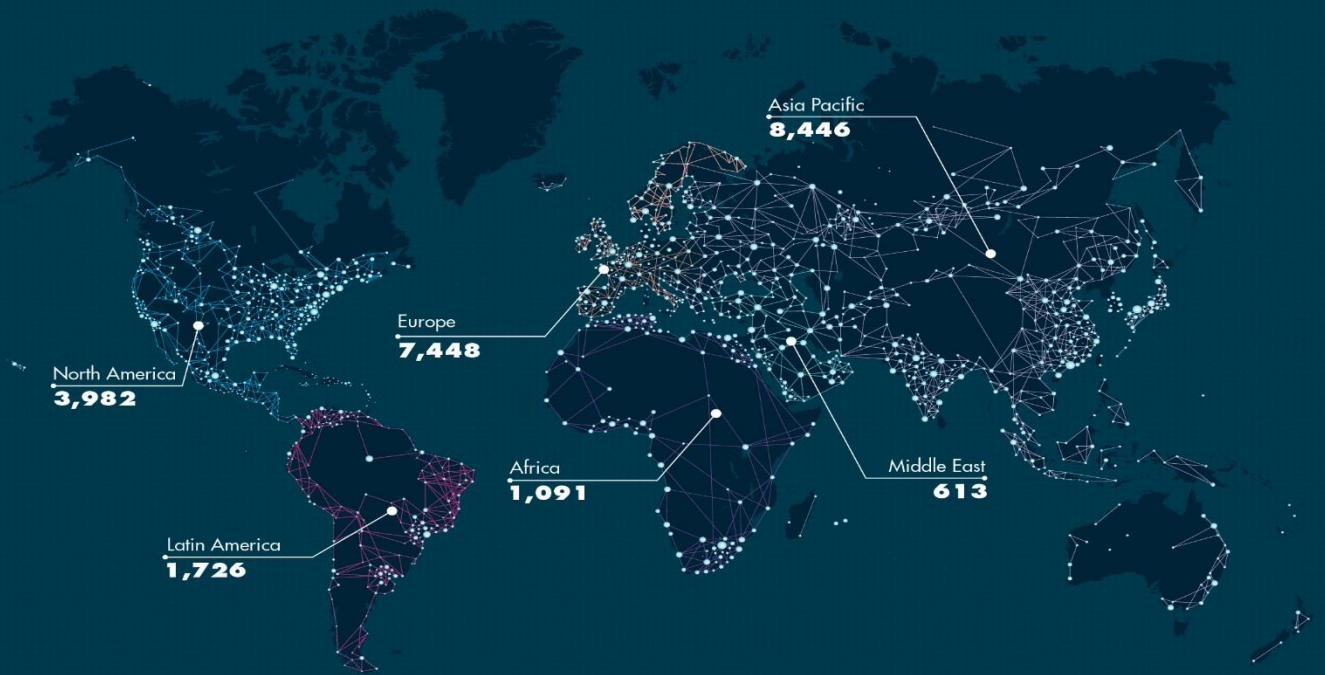
### Clients



## ASATRYANS (KRESTON ARMENIA): A – Z SERVICES

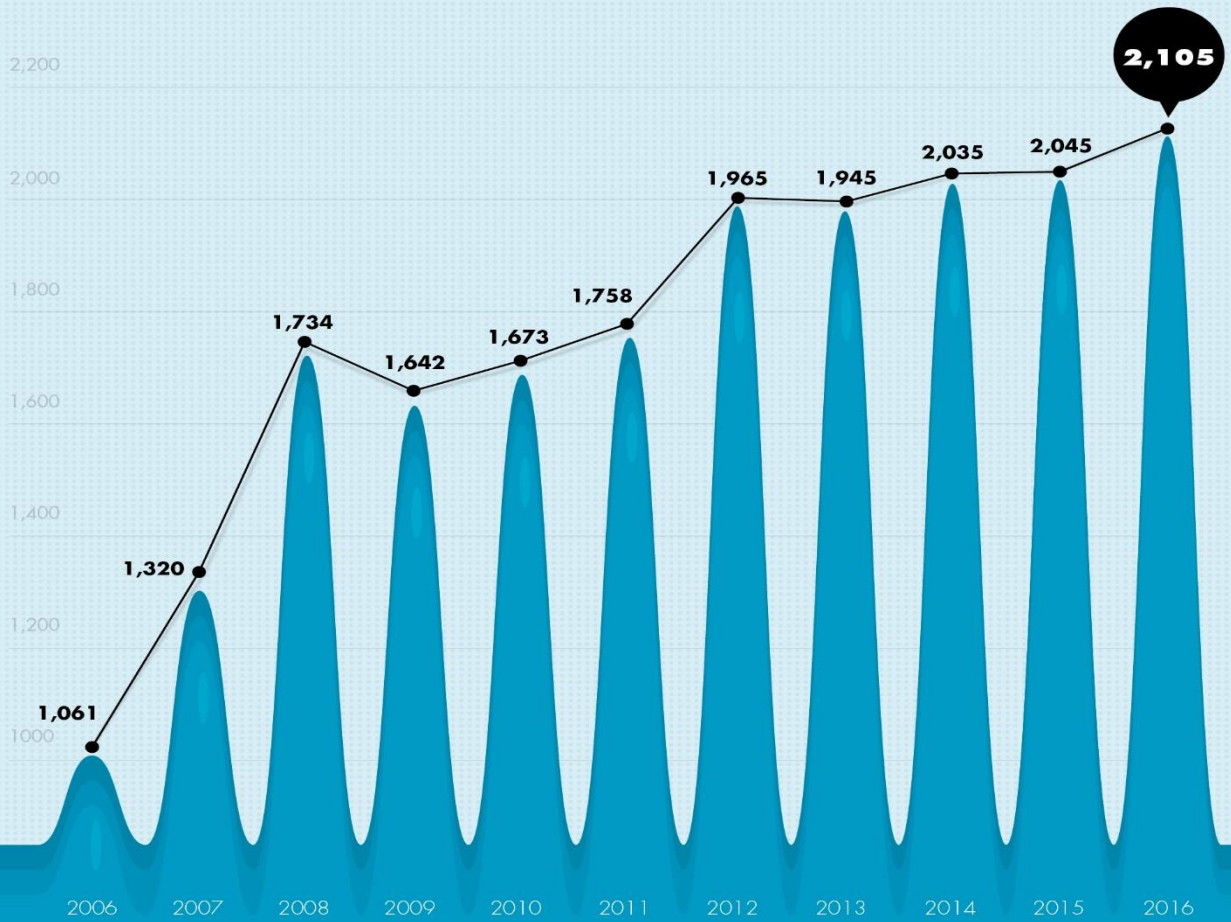
Accounting Advisory Services	Excise Tax	Inventorisation	Performance Assessment and Management
Advisory on Transactions	Expenses verification (EU, UN, World Bank, UNDP Grants and Projects, etc.)	Investment Advisory	Personal Tax
Agriculture Development	Export	ISMS (Information Security Management System) Outsourcing	Program Evaluation
Budgeting	Feasibility Study	ISO 22000:2015: Food Safety Management System	Program Monitoring
Business Analysis	Financial Advisory and Investment	ISO 27001:2015: Information Security Management System	Public Relations and Communication
Business Development	Financial Management	ISO 9001:2015: Quality Management System	Quantity and quality researches
Business law	Financial Services	ISO14001:2015: Environmental Management Systems	Ratio Analysis
Business Planning	Financial Statements Audit (by IFRS)	Management Discussion and Analysis (MD & A)	Research and Survey
Business Process Design	Financial Statements Audit (by US GAAP Audit, etc.)	Market Entry	Risk Consulting and Risk Management
Business Process Review	Forensic Audit	Merger & Acquisitions	Royalty
Capacity Development	HALAL: HALAL Certification is often used in reference to foods and drinks, i.e. foods that are permissible for Muslims	Mystery buyer	Sales volume forecast
Change Management	HR	Monitoring, Evaluation and Survey	Strategy
Conduct marketing strategies	Human and Institutional Capacity Development (HICD)	Municipal Infrastructure	Tax Audit
Corporate Development and Consulting	Human Resource Management	Non-Resident Taxes (by VAT)	Tax Optimization
Corporate Strategy Preparation (Development and Reporting)	Hydro Power Plant Development	OHSAS 18001:2015: Occupational Health & Safety Management Systems	Tax planning
Corporate Tax (Profit Tax)	IFRS practice Statement Management Commentary	Other Legal Services	Transfer Pricing (Consulting and support)
Creating a firm (Company)/Running a Business, etc.	Implementation marketing strategies	Outsource Accounting	Transformation
Creating a firm in offshore places and outsource accounting	Infrastructure Development	Outsourcing Internal Audit Department	Turnover Tax
Cross Border Tax Advisory	Internal Auditing	Patent tax	Valuation services (Assets' Valuation, PPE Valuation, Business valuation, etc.)
Customs Tax	International Consulting	Payroll	Value Added Tax (VAT)
Data Quality Review	International Taxes	Pensions contributions	Winery and Wine Production

Global resource of  
**OVER 23,000 PROFESSIONAL**  
and support staff:



Kreston International ▾ Aggregate fees

# AGGREGATE FEES US\$M



# KRESTON INTERNATIONAL'S FIRMS ALL OVER THE WORLD

Kreston International ▾ Our Coverage

## LATIN AMERICA

Argentina  
Bolivia  
Brazil  
Cayman Islands  
Chile  
Colombia  
Costa Rica  
Dominican Republic  
Ecuador  
El Salvador  
Guadeloupe  
Guatemala  
Honduras  
Martinique  
Mexico  
Nicaragua  
Panama  
Paraguay  
Peru  
Puerto Rico  
Uruguay  
Venezuela

## NORTH AMERICA

British Virgin Islands  
Canada  
USA

## EUROPE

Albania  
Andorra  
Austria  
Belarus  
Belgium  
Bulgaria  
Croatia  
Cyprus  
Czech Republic  
Denmark  
Estonia  
France  
Georgia  
Germany  
Greece  
Hungary  
Ireland  
Isle of Man  
Italy  
Jersey  
Liechtenstein  
Lithuania  
Luxembourg  
Malta  
Netherlands

Norway  
Poland  
Portugal  
Romania  
Russia  
Serbia  
Spain  
Sweden  
Switzerland  
Turkey  
Ukraine  
United Kingdom

## MIDDLE EAST

Israel  
Jordan  
Kuwait  
Lebanon  
Oman  
Palestine  
Qatar  
Saudi Arabia  
United Arab Emirates

## AFRICA

Algeria  
Benin  
Burkina Faso  
Burundi  
Chad  
Egypt  
Ethiopia  
Gabon  
Ghana  
Ivory Coast  
Kenya  
La Réunion  
Mali  
Mauritania  
Mauritius  
Morocco  
Niger  
Nigeria  
Rwanda  
Senegal  
Seychelles  
South Africa  
Sudan  
Tanzania  
Togo  
Tunisia  
Uganda

## ASIA PACIFIC

Afghanistan  
Armenia  
Australia  
Azerbaijan  
Bangladesh  
China  
Hong Kong  
India  
Indonesia  
Japan  
Kazakhstan  
Korea  
Kyrgyzstan  
Malaysia  
Nepal  
New Zealand  
Pakistan  
Philippines  
Singapore  
Sri Lanka  
Taiwan  
Tajikistan  
Thailand  
Uzbekistan  
Vietnam

# OUR COVERAGE

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