

Top Audit and Actuarial Firms

Ranked by 2014 loss reserves.

These rankings focus on independent accountants that audit an insurer's annual financial statements and on third-party actuaries that provide an annual statutory actuarial opinion regarding an insurer's policy and claim reserves.

These listings of auditor and actuarial firms includes only insurance companies with statements that listed auditors or external actuaries. The insurer population includes U.S. and Canadian companies that file with A.M. Best.

A.M. Best found that 426 independent accounting firms were listed as auditors for 4,356 insurers. In the actuarial category, 97 firms were listed by 2,317 insurers. These figures are based on statements filed with companies; not all listed reserve amounts. Names of some firms were consolidated because the interrogatory portions of the National Association of Insurance Commissioners statements are free-form fields.

Unlike the annual statutory audit, for which the insurer must use an independent certified public accountant, the actuarial opinion may be provided by an actuary directly associated with the insurer, known as an internal actuary.

The data are derived from individuals or firms in the context of providing an annual audit or actuarial opinion.

Many of the individuals or firms listed in the tables are likely to have additional insurance clients for which they perform a variety of other services but such services are not reflected in this survey's data.

The primary task of audit firms working with insurance companies is to certify the audits of financial statements. That means they must understand statutory-based financial accounting. They also stay abreast of developments among regulatory bodies, particularly the NAIC in the United States, to ensure compliance with current standards.

Many auditors are part of larger financial consulting firms that provide guidance on risk management, profitability, capital allocation, product development and other insurance-specific topics. The U.S. Department of Labor forecasts that demand for accountants and auditors will rise 13% through 2022.

The scope of services provided for insurance organizations by internal and external actuaries continues to expand. In fact, the U.S. Department of Labor expects demand for actuaries to continue, rising 26% through 2022.

In addition to serving as an appointed actuary for purposes of defining liability reserves, actuaries have taken active roles in assessing solvency, corporate planning, developing enterprise risk management systems, measuring solvency, valuing portfolios and assets, determining embedded and other forms of value, financial reporting, determining pricing and profits, and developing loss evaluations.

Rankings for both the auditing and actuarial firms are based on the loss reserves held by their client insurance companies. Again as described in the methodology, not all insurers are included and not all client relationships between insurance

Auditors & Actuaries – Property/Casualty (USD 000)

Rank	Audit Firm	Count	P/C Loss Reserves
1	PricewaterhouseCoopers	486	195,178,665
2	KPMG	397	128,064,715
3	Ernst & Young	442	114,974,058
4	Deloitte	233	112,468,881
5	Eisner Amper	20	9,788,991
6	Johnson Lambert	120	8,236,583
7	BDO	118	4,925,591
8	McGladrey	52	3,363,257
9	WeiserMazars	32	2,668,549
10	Strohm Ballweg	35	1,594,093
11	State Auditor General PA.	1	1,593,946
12	Dixon Hughes Goodman	26	1,592,112
13	Grant Thornton	21	1,377,480
14	Crowe Horwath	15	1,232,606
15	Eide Bailly	7	1,204,494
16	ParenteBeard	11	1,172,199
17	BKD	24	1,102,426
18	Plante & Moran	25	893,838
19	Baker Tilly Virchow Krause	16	828,657
20	JKL Rosenberger	15	570,214
21	Dean Dorton Allen Ford	3	564,198
22	Saslow Lufkin & Buggy	63	512,163
23	Jaynes, Reitmeier, Boyd and Therrell	14	379,143
24	Brown Schultz Sheridan & Fritz	26	372,327
25	Postlethwaite & Netterville	10	315,434

Source: A.M. Best data and research

companies and their auditing and actuarial firms have been reflected.

For property/casualty insurers, loss reserves are the total of loss and loss adjustment expense reserves.

For health insurers, loss reserves are the sum of:

- (1) Claims unpaid, less reinsurance ceded.
- (2) Accrued medical incentive pool and bonus amounts.
- (3) Unpaid claims adjustment expense.
- (4) Aggregate health policy reserves.
- (5) Property/casualty unearned premium reserves.

- (6) Aggregate health claim reserves.

For life insurers, loss reserves are the sum of:

- (1) Aggregate reserves for life and for accident

and health.

- (2) Liabilities for deposit type contracts.

- (3) Life policy and contract claims.

Count for each sector (P/C, life and health) includes companies for which an auditor or actuary were listed on the statements of companies designated in that sector, plus where they were listed by other companies that also had reserves of that sector's type.

For example, some companies designated as health carriers report property/casualty loss reserves in addition to health reserves; those companies are also included in the count for the P/C sector, in addition to being included in the client count for the health sector.

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