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Client accounting services has become an important line of business for CPA firms in all size segments, even as overall client fees are growing, according to a survey sponsored by the AICPA Private Companies Practice Section and CPA.com.

One trend is growing penetration of the client accounting services/virtual CFO services category for larger firms. The slice of net client fees represented by that service area, which includes outsourced finance and accounting services and other back-office support for clients, more than doubled to nine percent for the largest firms with annual revenue of $10 million or more who are active in this area,

according to the

one and number two revenue categories, but client accounting demonstrates growing significance to the profession."

Client Accounting Services/Virtual CFO Services as Percentage of CPA Firm Revenue

Revenue Segment	2016	2014	Change in Median
Less than $200K	20%	27%	-26%
$200,000 < $500,000	18%	17.3%	4%
$500,000 < $750,000	15%	15%	No change_
$750,000 < $1.5M	12%	14.5%	-17%
$1.5M < $5M	10%	9%	11%
$5M < $10M	8.5%	6%	41%
$10M and up	9%	3.9%	131%

Note: Percentages represent median values for segments from firms that indicate revenue from this service area.

On another front, CPA firms use of cloud services has grown since 2014. Some 56 percent of all firms surveyed said they use cloud-based software, up 17 percent from two years ago. Six of seven CPA firm revenue segments reported increases, with only

the largest category ($10 million in revenue and up) reporting a slight decline (minus

Among other findings of the survey:

- Some 38 percent of firms provide staffers with tablets or mobile monitors to work remotely, with 91 percent of the largest firms ($10 million in revenue and up) doing so
- Some 49 percent of firms are using social media for business development, while 29 percent are using it for recruitment, although the latter is far more common for larger firms
- Some 43 percent of firms text clients to obtain information, although the practice is far less common in larger firms with more formal client communications.
- Some 30 percent of firms use Skype to communicate with colleagues and clients, compared to 10 percent in 2014
- Only seven percent of firms indicate that they do not operate in a paperless environment

The AICPA PCPS/CPA.com National Management of an Accounting Practice Survey is conducted every two years by the AICPA's Private Companies Practice Section and CPA.com, the AICPA's technology subsidiary. Representatives from 1,537 CPA firms were asked details about their latest fiscal year financial results. Responses were gathered from May through July this year. The poll's main sponsor is Aon.

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