

## Who We Are

At MaloneBailey, LLP, our mission is to be a market-leading full-service accounting firm delivering high-quality small and middle-market private and public company audit and tax services. Our vision is to change the way auditing and accounting are done for small and middle-market private and public companies.

Our public company audit practice is built around the reality that small public companies have unique debt and equity transactions that neither private nor larger public companies have. Such transactions are frequently complex, requiring an in-depth knowledge of the attendant rules that only comes from frequent practice and study. Ours is the only firm in North America that combines such a focus on the smaller U.S. public companies with multiple audit partners dedicated to this specialty area.

With substantial direct partner involvement in each engagement, we work to reduce our clients' regulatory headaches and fees, allowing them to focus on the fundamentals of running their businesses while we handle the sometimes complex mechanics of SEC and IRS processes.

### *Our Values*

At MaloneBailey, LLP, we value:

- Engaging in **challenging** and engaging **work, balanced with real life** outside of the office
- Balancing **client satisfaction** with regulatory requirements
- Committing to achieve **excellence** in the services we deliver by adopting stringent quality control processes, thorough staff skills development and proactive client communication
- Capitalizing on our talented resources and those of our clients to foster an environment of **teamwork**
- Demonstrating **leadership** by being on the forefront of our profession, challenging the norm
- Maintaining **integrity** in every decision and commitment we make
- Experiencing and providing **enjoyment and fulfillment** by making a difference in the lives of our clients and our staff
- Achieving our vision and the goals of our clients by identifying and acting on opportunities for **growth**

### *Our History*

MaloneBailey, LLP was formed in 1996 as a merger of each of the practices of John C. Malone and Sterling L. Bailey, Jr. Both John and Sterling had general practices including a mix of audit, tax, bookkeeping and consulting services – the standard 'full service' mix that the majority of local CPA firm practices have today. In 1996, we had two SEC clients.

By early 2001, John and Sterling had 13 SEC clients and 1 non-partner employee. We then hired a third partner specifically to serve our growing SEC practice niche and instituted a number of changes to the standard CPA firm practice model to maximize the efficiencies that the smaller SEC companies require: lower costs, faster service and more competent work product.

Our remarkable SEC audit growth has come from referrals from satisfied clients and other professional service providers. These people tell us repeatedly that the number one and two reasons for changing auditors remain as

poor service and high fees. Today, we have 7 SEC-qualified audit partners serving smaller public companies in our single office, more than any competitor. We use the latest in technology and practice aids to create a quality SEC audit practice refined by the above attributes. We have modified the traditional CPA firm approach to more efficiently and productively serve the specialized requirements of our smaller public companies. We believe our approach sets us apart from our competitors as our laser focus on SEC auditing enables us to provide the increased quality that SEC and PCAOB demand, and still maintain our fees and turn-around time at the lowest reasonable levels.

In 2008, we significantly enlarged our tax department by merging the practice of Wesley Middleton, a partner and tax department chairman from a large tax firm in Houston. The addition of his team and clients has morphed our practice from that of a single large niche practice to that of a full-service audit and tax advisory firm with a large SEC practice niche. We have expanded our service offering to include the full range of services offered to private companies and their owners and the tax compliance and advisory services for our SEC clients.

Our vision is to change the way auditing and accounting are done for small and middle-market private and public companies. It is our feeling that there are still some structural changes necessary in the regulatory environment to maximize the quality of service and minimize related costs, in a very cost-sensitive industry.

Our mission is to be a market-leading full service accounting firm delivering high-quality small and middle-market private and public company audit and tax services. So far, our clients have rewarded us with enough referrals to rank among the top firms nationally in size of SEC audit practice ([click here](#) for a listing of our public clients and [click here](#) for a listing of our main SEC audit competitors). Our practice structure is scalable and we have added qualified potential audit partners as needed. In general, our competitors reached saturation in their SEC practice years ago, and now they trade up by discontinuing their least profitable SEC client audit when they land a larger or more profitable new SEC engagement. Because they haven't been adding SEC partners commensurate with their growth, they tend to be short-staffed and overcommitted, resulting in lower quality service.

The integrity, competence and commitment of our people and our client loyalty are our number one and two assets. We look forward to a bright future ahead.

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