



Audit Integrity Updates Bankruptcy Risk WatchList

Audit Integrity's latest Bankruptcy Risk WatchList shows an increase in the number companies with a risk of bankruptcy greater than 1 in 10. While the likelihood of filing for bankruptcy protection is low on an absolute basis, Audit Integrity says a high Bankruptcy Risk score is an indication of severe financial distress.

On the the latest WatchList, eleven large-cap companies have a likelihood of bankruptcy greater that 10% in Audit Integrity's estimation:

Those include cruise company **Ambassadors International, Inc.** (AMIE) – 16.8%, , TV miniseries producer **RHI Entertainment, Inc.** (RHIE) – 16.2%, solar cell supplier **ARISE Technologies Corporation** (APV) – 15.3%, **Jackson Hewitt Tax Service Inc.** (JTX) – 13.7%, **Coalcorp Mining** (CCJ) – 13.2%, and trucker **YRC Worldwide** (YRCW) – 12%.

Last month the three highest risk companies were **Coalcorp Mining** (CCJ) – 14.32%, **Evergreen Energy** (EEE) – 11.35% and **YRC Worldwide** (YRCW) – 10.26%.



Stakeholders are encouraged to watch these companies closely

Companies on the WatchList rank in the bottom two deciles of Audit Integrity's Bankruptcy Risk Model (indicating a higher risk of bankruptcy than 80% of companies rated), have an AGR® rating of "Aggressive" or "Very Aggressive," and have recently experienced high-risk events associated with an increased likelihood of bankruptcy. These include Accounting issues, Divestitures, Insider Trading, Late Filings, Litigation, Regulatory issues, Negative Earnings Surprise, Officer or Director changes, Restructuring, and/or a price drop in excess of 20% during the four-week period.

Download the full list [here](#).

<http://www.researchrecap.com/index.php/2010/05/20/audit-integrity-updates-bankruptcy-risk-watchlist-2/>