

ANNUAL BENCHMARK SURVEY 2023



INTRODUCTION

The Institute of Certified NZ Bookkeepers is proud to present the findings of our Annual Benchmark Survey which was conducted in 2023.

It is my pleasure to present you with this snapshot from a point in time during the 2023 year. The report includes information on how bookkeeping businesses are operating, whether they are employers or engaging contactors, the types of clients they represent and how they are interacting with Government agencies.

Information gathered in this Annual Benchmark Survey is a vital component in the Association's Strategic Plan as it provides us with valuable insights into what support our New Zealand bookkeeping professionals are seeking and where our focus goes.

Personally, I would like to thank those who participated in the Annual Benchmark Survey which drives this report – taking the time to provide our organisation with data continues to help us build awareness of the bookkeeping profession and the amazing work being done by bookkeepers.

If you would like to see more data from the Annual Benchmark Survey, I recommend you check out the 2023 Bookkeeper Rate Guide on our website.



Di Crawford-Errington
President



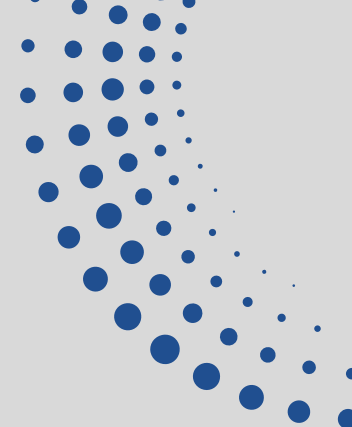
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FOCUS 1

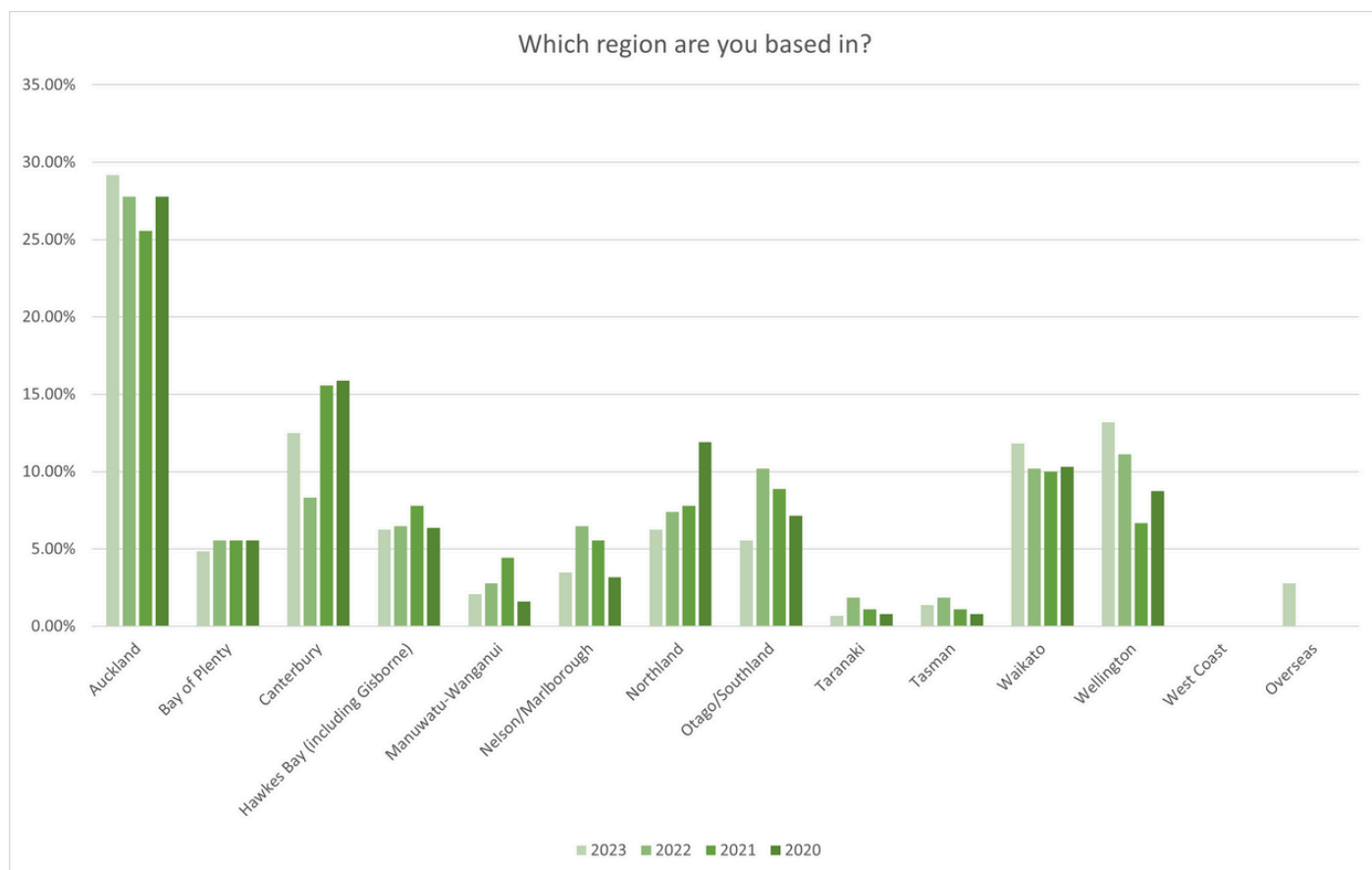
DEMOGRAPHICS



Fast Facts:

- A record number of responses were received with a total of 145 completed for the 2023 Survey. In comparison to 108 in 2022 and 90 responses in 2021. Seeing these statistics increasing year on year is very gratifying.
- In 2023 we saw a change to the roles respondents identified as with a total of 49% calling themselves Bookkeepers, 14% identifying as Accountants and an 8% decrease in those identified as Business Owners at 24%.
- 70% of respondents are members of ICNZB and we observed an increase to 16% of those not connected to any professional membership organisations.
- Limited liability companies are still the most popular business structure respondents chose.

Regional membership remained consistent with previous survey data. Canterbury, Waikato, and Wellington saw an increase in memberships and for the first time we have had members move overseas who wish to continue to remain part of the Association.



FOCUS 2

BOOKKEEPING BUSINESS

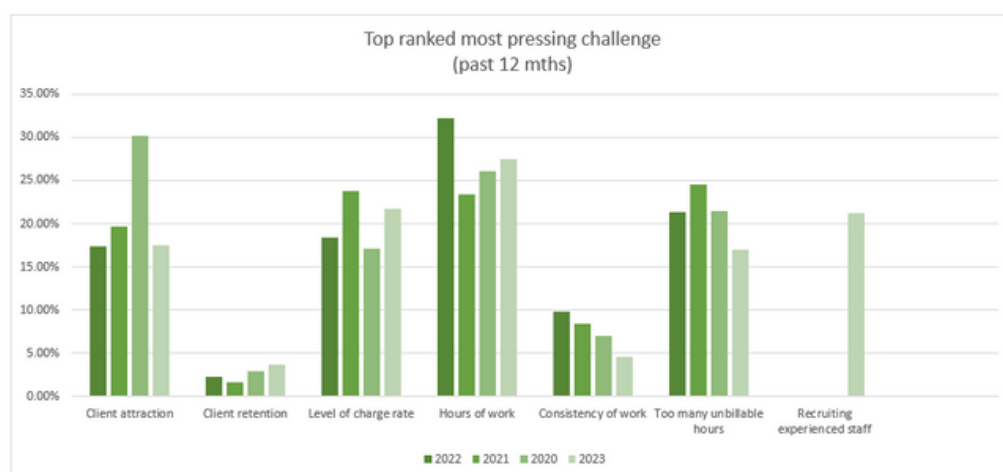
Fast Facts:

- Home offices continue to be the most popular working location for respondents at 67%.
- Average years in operation is between 8-15 years of trading, 95% of respondents are female and the average age of respondents was between 45-54 years. All this remains consistent with previous surveys.

2023 saw significant changes within the bookkeeping services offered to clients with a 30% uptake in Payroll, a 30% decrease in end of year preparation and a 10% decline in debt collection services.

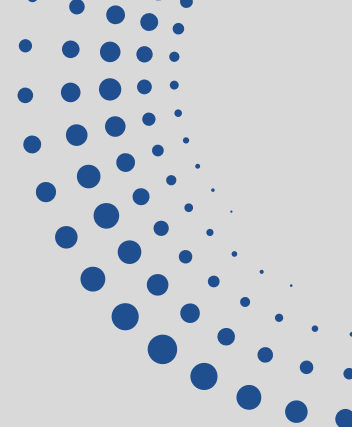


In the latest survey data we included a new option for the top ranked most pressing challenges businesses have experienced in the last 12 months - Recruiting experienced staff. This rated at 21% with the hours of work continuing to be a challenge respondents face.

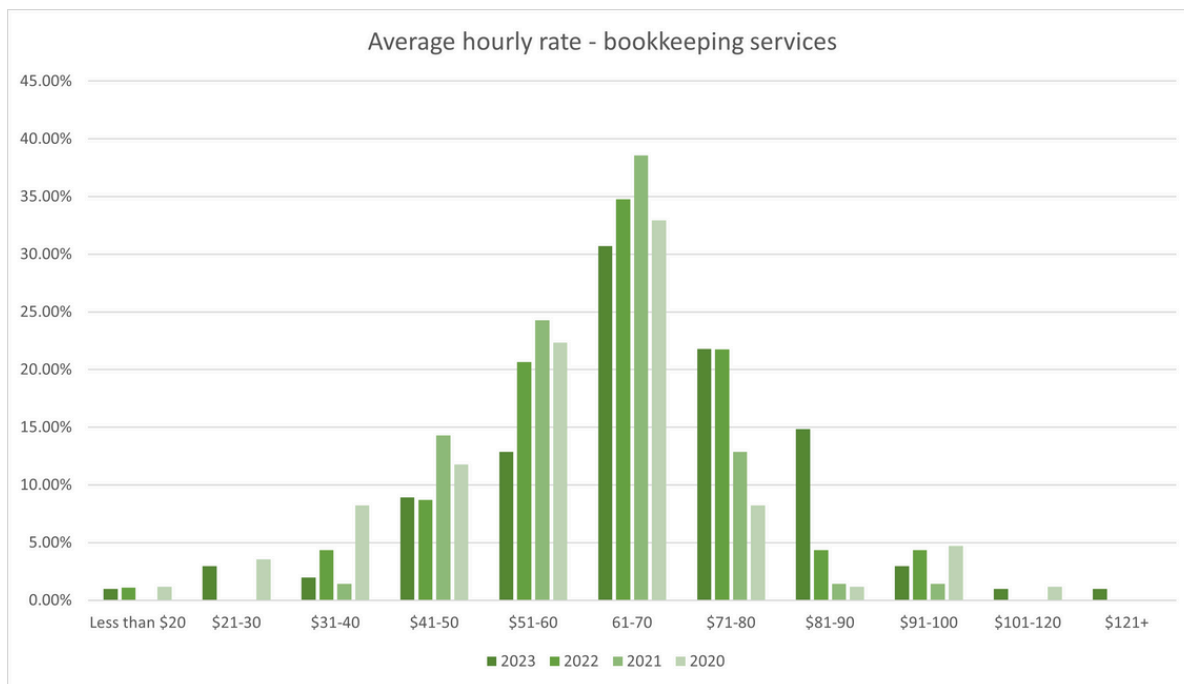


FOCUS 2

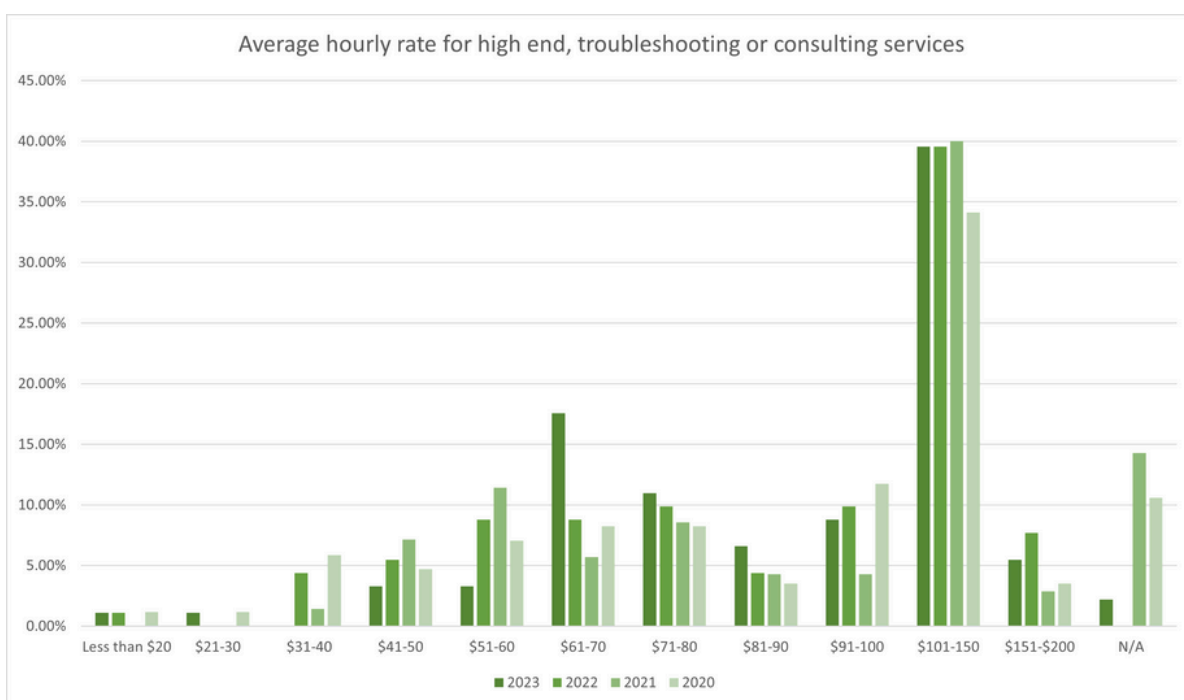
BOOKKEEPING BUSINESS



A review of the average hourly rate for bookkeeping services remains relatively consistent to previous years. However, one standout was a 10% increase for the \$81 – \$90 hourly rate.



For high end, troubleshooting or consulting services, this data remains consistent with 2022 with the exception of a spike in those offering \$61 – \$70 per hour with a increase by 8%.

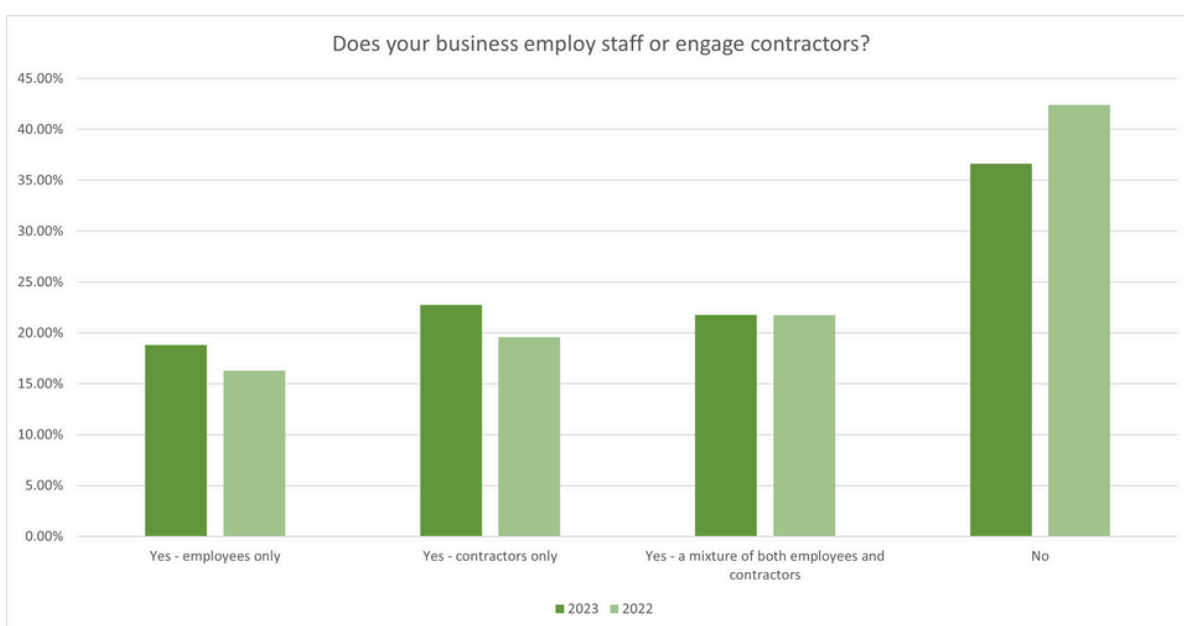


FOCUS 3

EMPLOYEES & CONTRACTORS

Fast Facts:

- A continuation of the 2023 survey data saw a mixture of employees and contractors being used within a practice.
- 75% of all respondents engage with employees or contractors.
- A 2.5% increase was observed for both employees and contractors only being utilised.

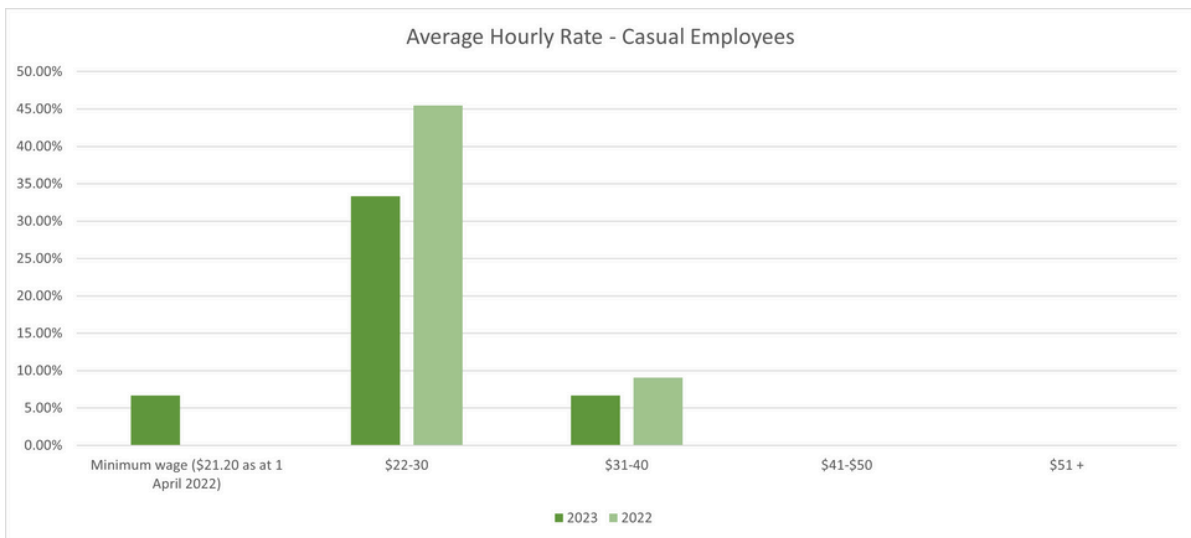
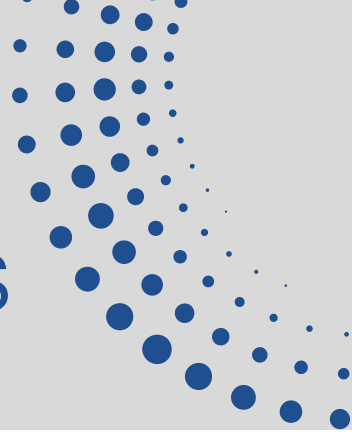


2023 saw an increase in hourly rates being offered to full time employees between \$31-\$40 with 7% of respondents paying the higher rate of \$41-\$50 for the first time since survey data has been collected.

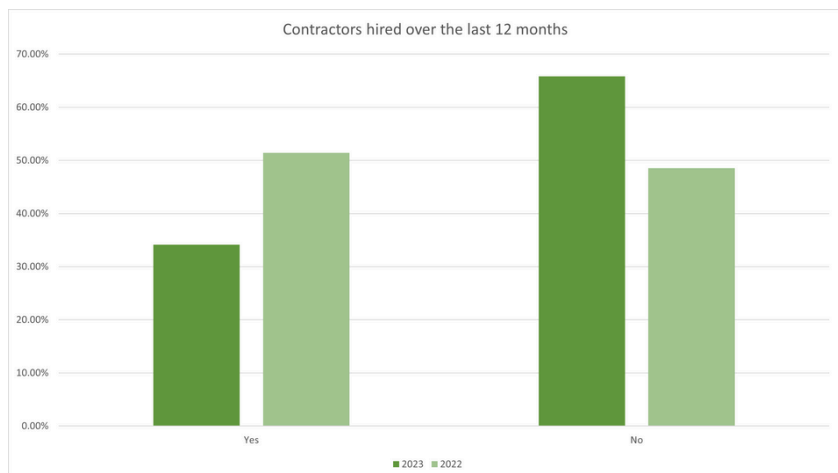


FOCUS 3

EMPLOYEES & CONTRACTORS

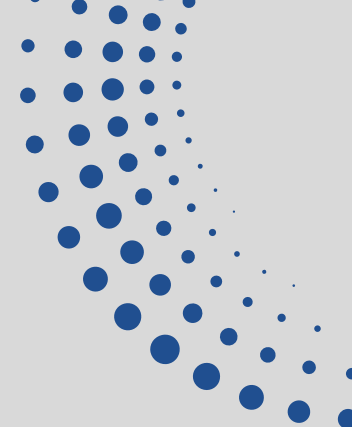


Survey data from 2023 for Contractors shows that fewer Contractors are being hired within Bookkeeping Practices with a 17% decrease in new opportunities offered over the last 12 months.



FOCUS 4

CLIENT INFORMATION

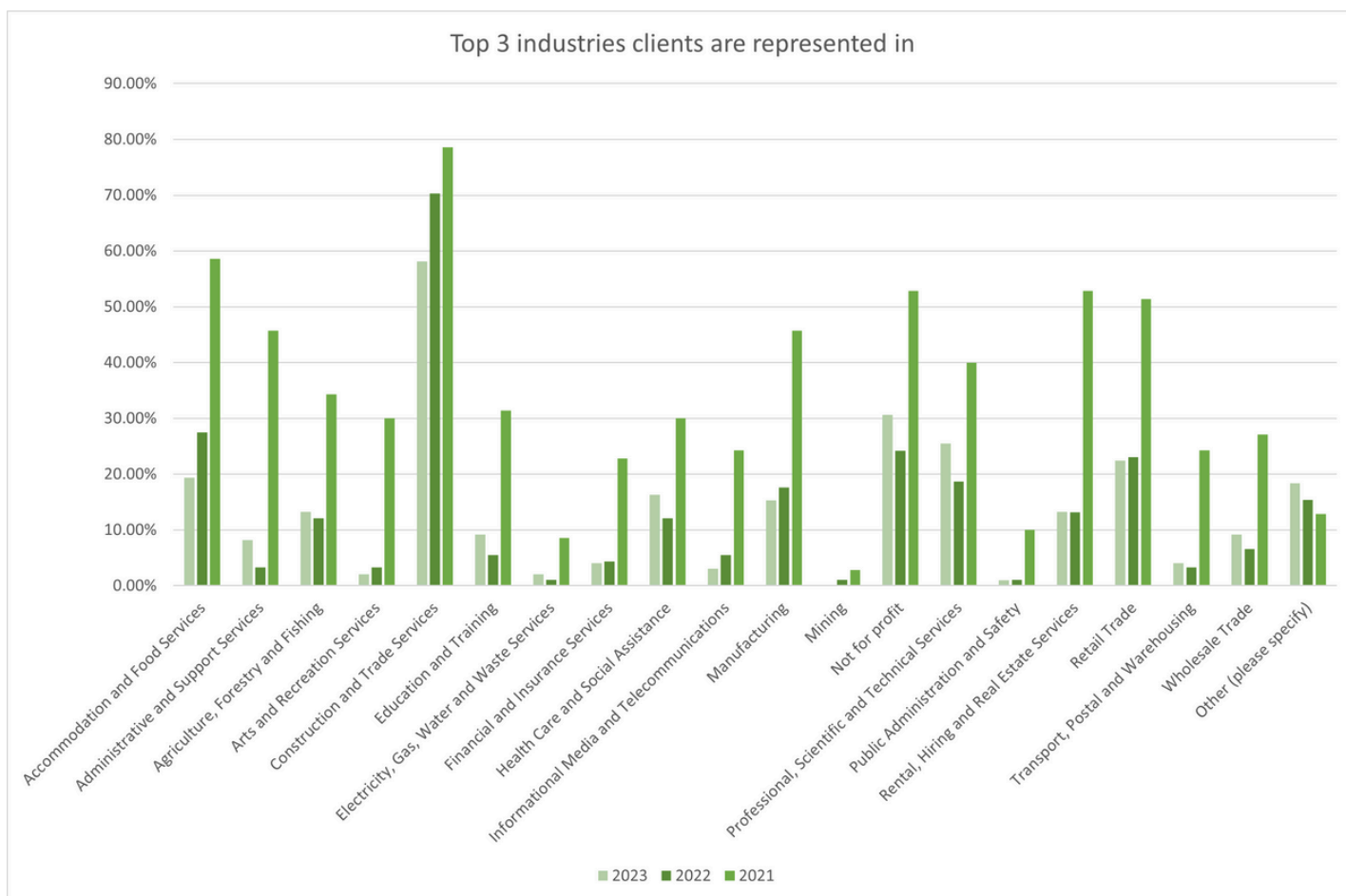


Fast Facts:

- 15% of clients are using invoicing and this remains consistent with 2022 data.
- AML reporting entity registrations declined by 7.5% in bookkeeping practices.
- Only 12% of bookkeepers offer International services with 20% of those servicing between 6-20 International clients.
- Over 72% of respondents are currently taking on new clients.
- 17% of bookkeepers access over 100+ of their clients remotely with 30% of respondents never visiting client premises during their contract.

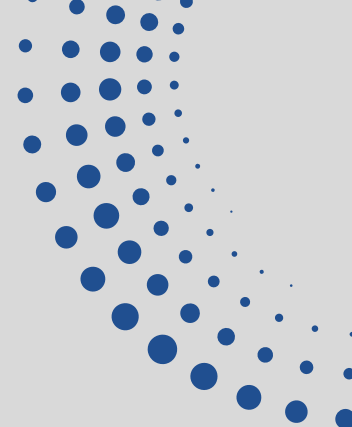
In comparison to the 2021 and 2022 survey, results show a decline in Accommodation and Food Services dropping 40% since 2021, Construction and Trades continues to have the highest client base, however it did experience a 12% decline in representation over the last 12 months.

Top 3 industries clients are represented in

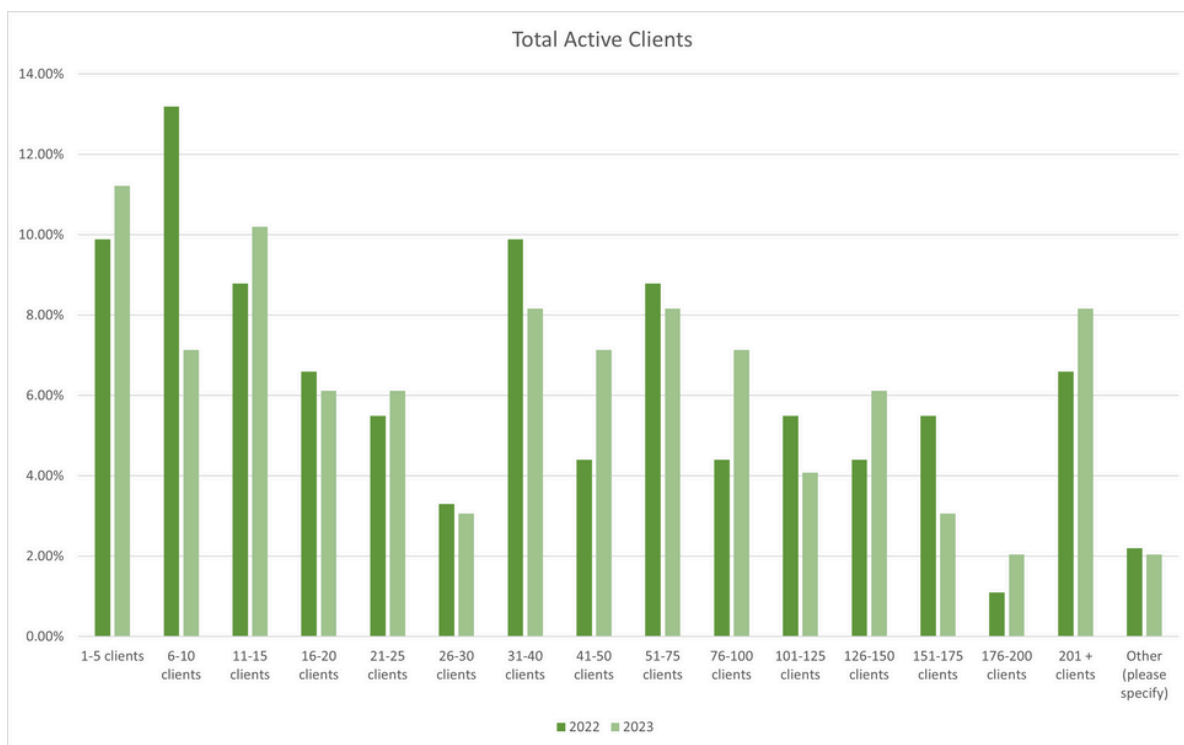


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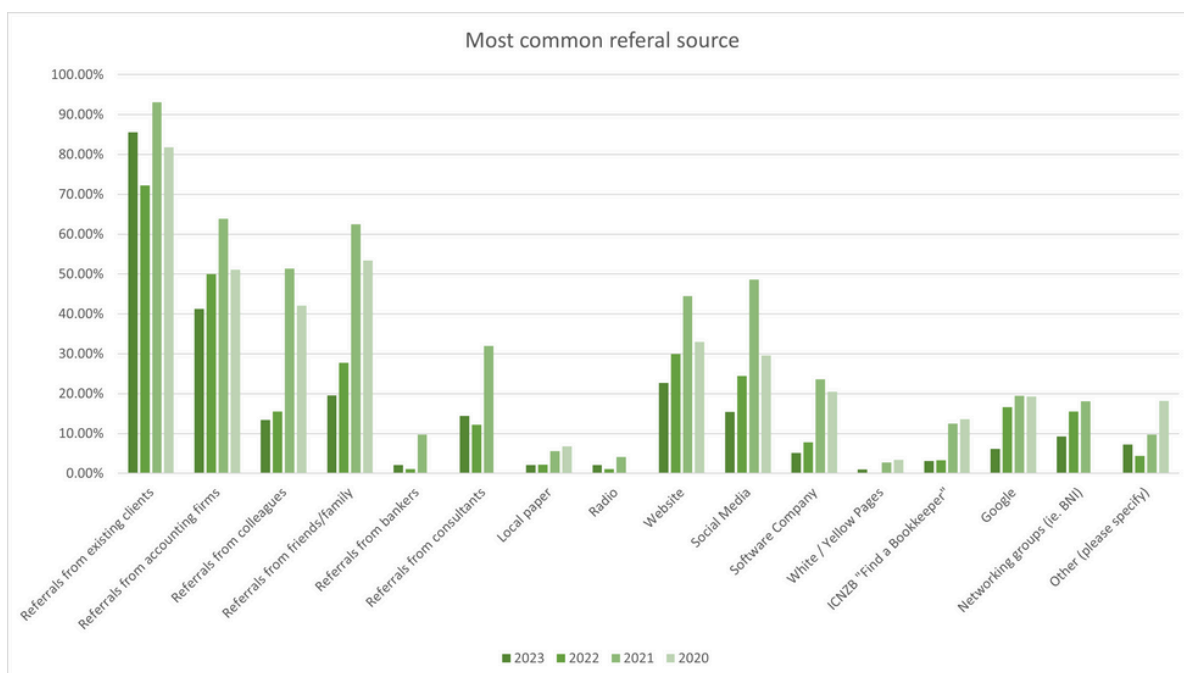
CLIENT INFORMATION



Total Active clients show an overall increase in comparison to 2022 data. This shows that bookkeepers continue to expand their client base of regular bookkeeping services as availability allows.



Consistently for the second year, we have observed an overall decline in referrals. Existing client referrals are recovering with a 14% increase as has a 2% increase in referrals from consultants. Referrals from accountants continued to decline by 10% in the last 12 months.

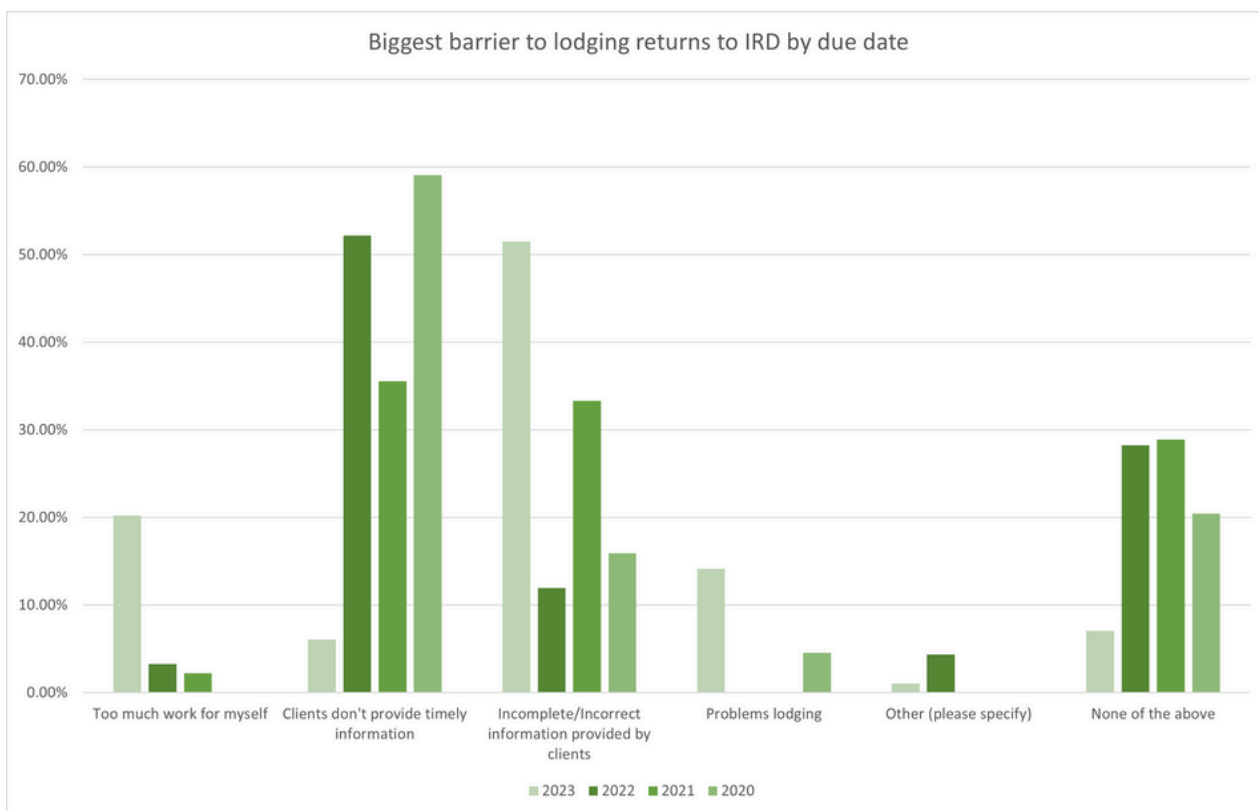


FOCUS 5

GOVERNMENT INTERACTION

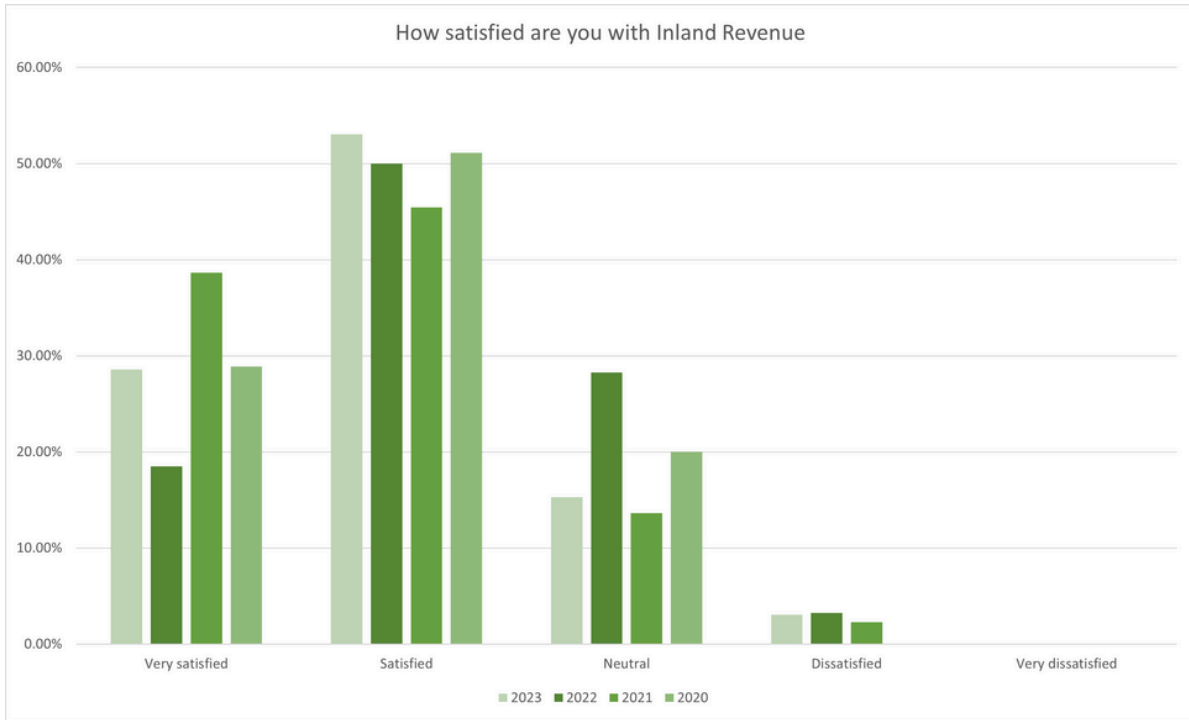
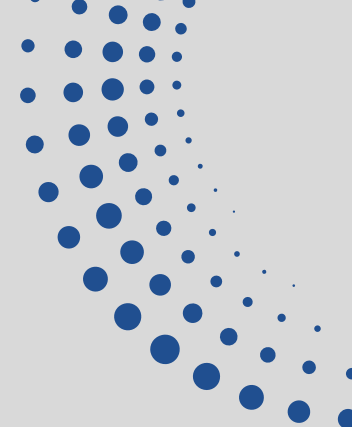
Fast Facts:

- Overwhelmingly 82% of respondents are either very satisfied or satisfied with Inland Revenue, a 12% increase from 2022.
- A 7% increase in registered bookkeepers with Inland Revenue shows continued growth and support for the IRD Agency status.
- 2023 saw a shift in respondents' biggest barriers to filing returns to IRD by due date. Clients not providing timely information declining by 46% and incomplete/incorrect information provided by clients increasing by 40%.



FOCUS 5

GOVERNMENT INTERACTION



JOIN ICNZB TODAY

We are champions for New Zealand's bookkeeping professionals!

The NZ Bookkeepers Association Incorporated, known as the Institute of Certified NZ Bookkeepers (ICNZB) is a Not-for-Profit Incorporated Society whose mission is to empower bookkeepers to be trusted and valued business professionals.

ICNZB was founded in 2010, and since then has been committed to developing a professional Association, providing a dedicated support system for Bookkeepers throughout NZ and making the public aware of its existence.

Being a member of a professional body like ICNZB provides businesses with the reassurance that they are working with Bookkeepers whose skills have been tested by the Association and who is required to comply with our strict Code of Ethical Conduct which defines our obligations as bookkeeping professionals, and the responsibilities we have to others.

Acknowledgements

This data was collated from the 2023 Annual Benchmark Survey the and information is intended as a guide only.

Thank you to the members of the public as well as our valued ICNZB members for submitting their responses to continue to inform and maintain the Bookkeeping Professional standards within New Zealand.

