



2022 Annual Benchmark Survey

FOCUS REPORT

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**IRENE BENNETTS**

President

Introduction

The Institute of Certified NZ Bookkeepers is proud to present its Focus Report for 2022.

This report is a summary of results from the Industry Benchmark Survey which was conducted earlier in 2022.

The report provides a point in time snapshot for Bookkeepers: how their businesses are operating, whether they are engaging employees or contractors, what types of clients they are representing 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 - it provides us with a valuable insight into what New Zealand's bookkeeping professionals are seeking support with.

I would like to personally thank those who participated in the survey – taking the time to provide our organisation with this data assists us in advocating for the profession, and continues to help us build awareness and the amazing work being done by Bookkeepers.

If you would like to see more detail on the salary and fee guide information, check out the Salary and Fee Guide 2022 report which is also on our website.

The next Annual Benchmark Survey will be open for responses in the first quarter of 2023 and I can't wait to see the results from that.

A handwritten signature in black ink, appearing to read 'Irene'.

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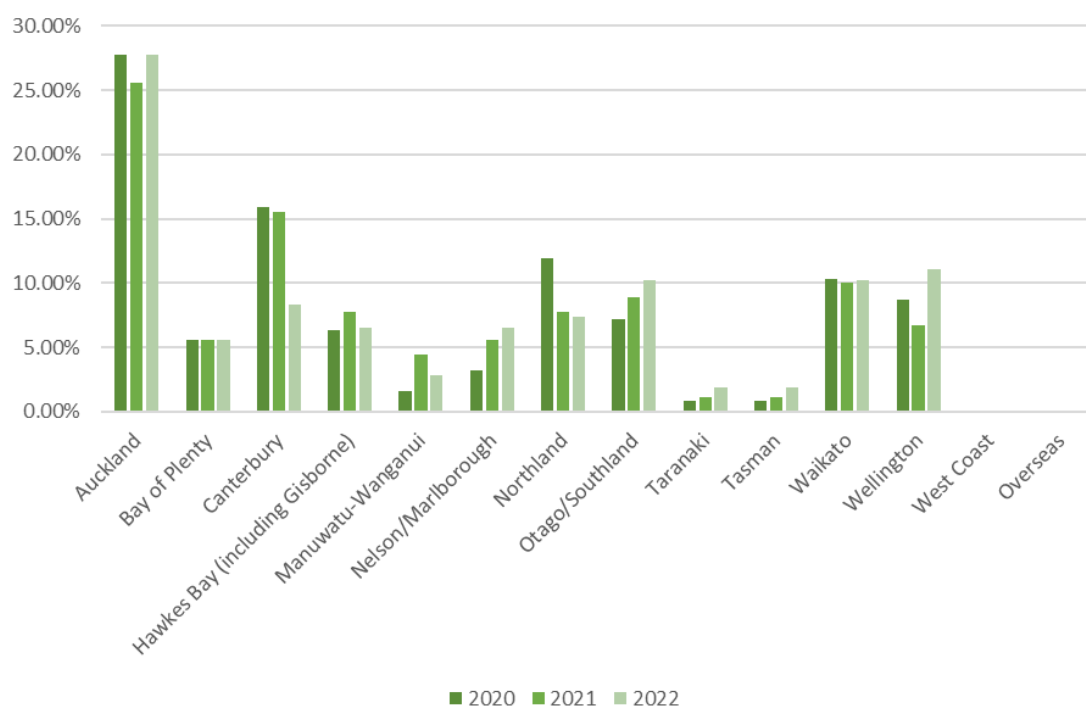
Focus 1

Demographics

Fast Facts:

- A total of 108 responses were received for the 2022 survey, in 2021 we received 90 responses. 2020 we had a total of 128 responses so its great to see these numbers increasing again.
 - 45% call themselves Bookkeepers
 - 30% call themselves Business Owners
- Over 70% of those surveyed work from a home office which equated to 68 responses received.
- Overwhelmingly, the number of responses still show, for the third year in a row – 90% are female.

Regionally respondents confirmed similar results to the 2021 survey with over 25% reside in the Auckland region closely followed again with Canterbury 15%. We noted an increase to the Northland region which has nearly doubled in the last 12 months and over a 50% decline in the Manawatu/Marlborough region



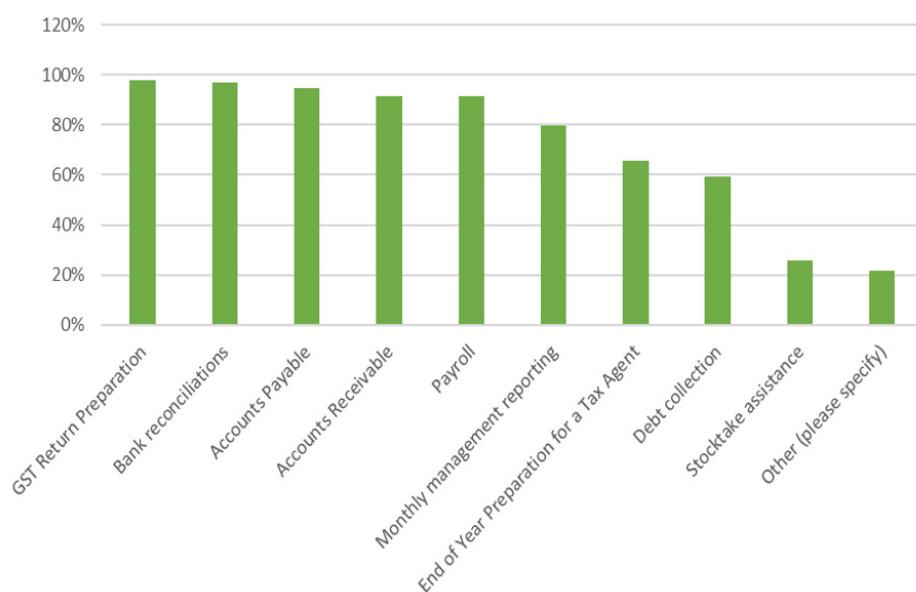
Focus 2

Bookkeeping Business

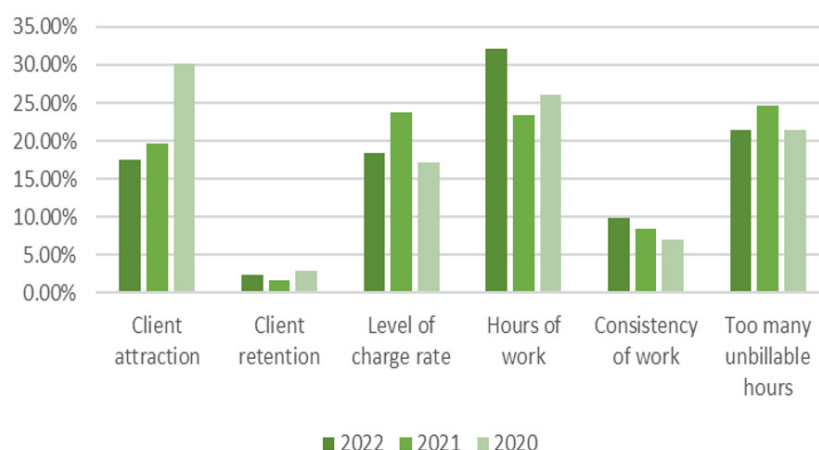
Fast Facts:

- 63% of respondents are not using the ICNZB Liability Scheme for Professional Indemnity Insurance cover
- 88% of respondents use a formal engagement letter to their clients with 38% of these using the ICNZB Engagement Pack

The bulk of services provided by respondents to clients are GST return preparation, bank reconciliations, accounts payable & receivable and lastly payroll.



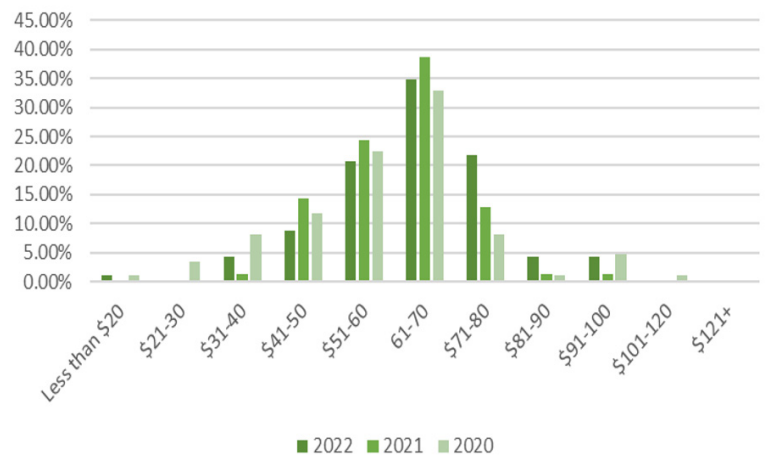
When considering the most pressing challenges faced over the last 12 months, a clear leap in comparison with 2020 and 2021 data, hours of work were seen as the highest challenge. In comparison to 2021 feedback, rankings for client attraction, level of charge rate and too many unbillable hours all reduced slightly.



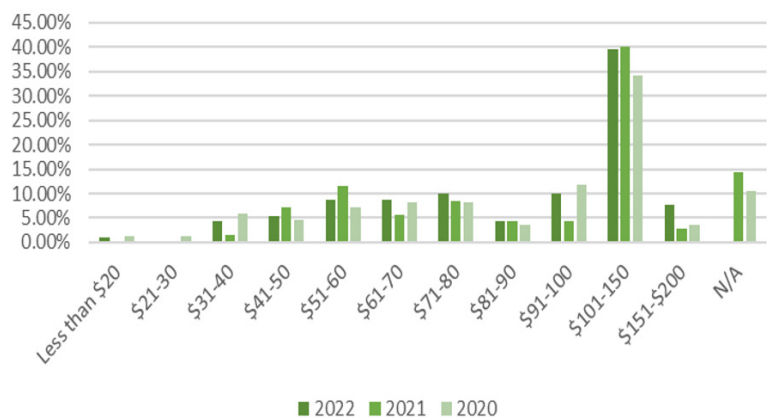
Focus 2

Bookkeeping Business

When reviewing the Average hourly rate for bookkeeping services, there was a 50% increase in those charging between \$71 - \$80 per hour and a reduction in those charging between \$61 - \$70 per hour. It's reassuring to see that overall, more bookkeepers are charging higher rates than previous years.



In review of the average hourly rate for high end, trouble shooting or consulting services we saw a dramatic increase in over 50% for rates in the \$91 - \$100 area and significant increase in the \$151 - \$200 range going from 2.86% to 7.69% in 12 months, this is exceptional and in comparison, the biggest growth in this area.



For more information on charge rates, also refer to the 2022 Bookkeeper Charge/Pay Rate Guide on our website.

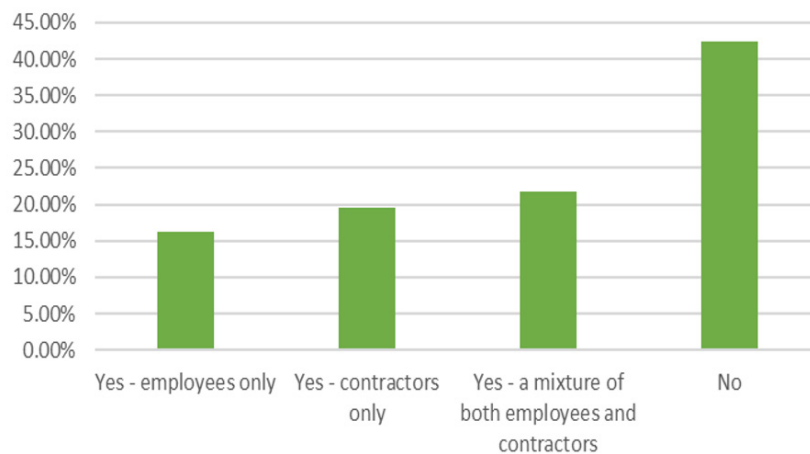
Focus 3

Employees and Contractors

40%
do not engage
contractors or have
employees

Fast Facts:

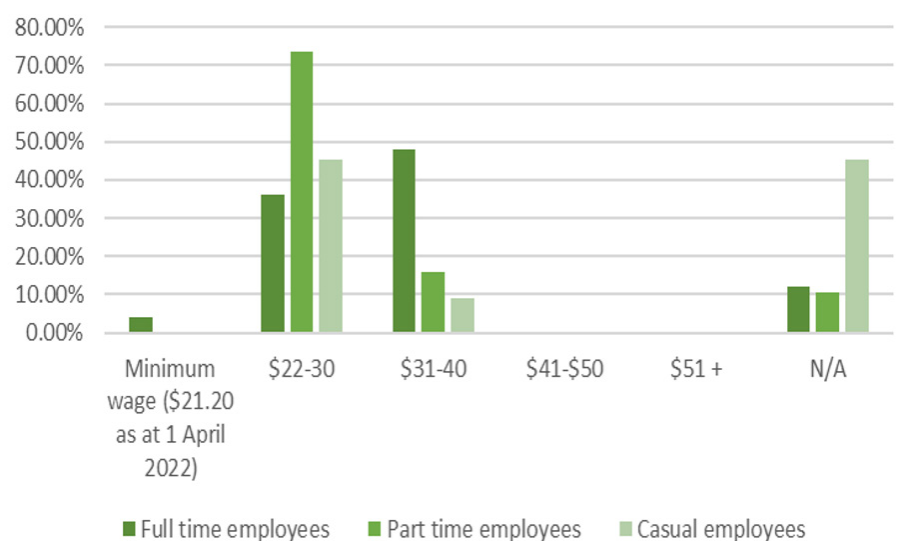
- 40% of responses received, shared that they don't have any employees or contractors.
- Over the last 12 months:
 - 17 responses employed between 1-3 new full time employees
 - 15 have employed between 1-3 new part time employees
 - 18 have engaged with contractors



In regards to the average hourly rate employees are paid, 73% of part time employees are paid between \$22 - \$30 per hour and 48% of full time staff are paid between \$31 - \$40 per hour.



More pay rate information can be found in the Bookkeeper Charge/Pay Rate Guide for 2022 on our website



Focus 4

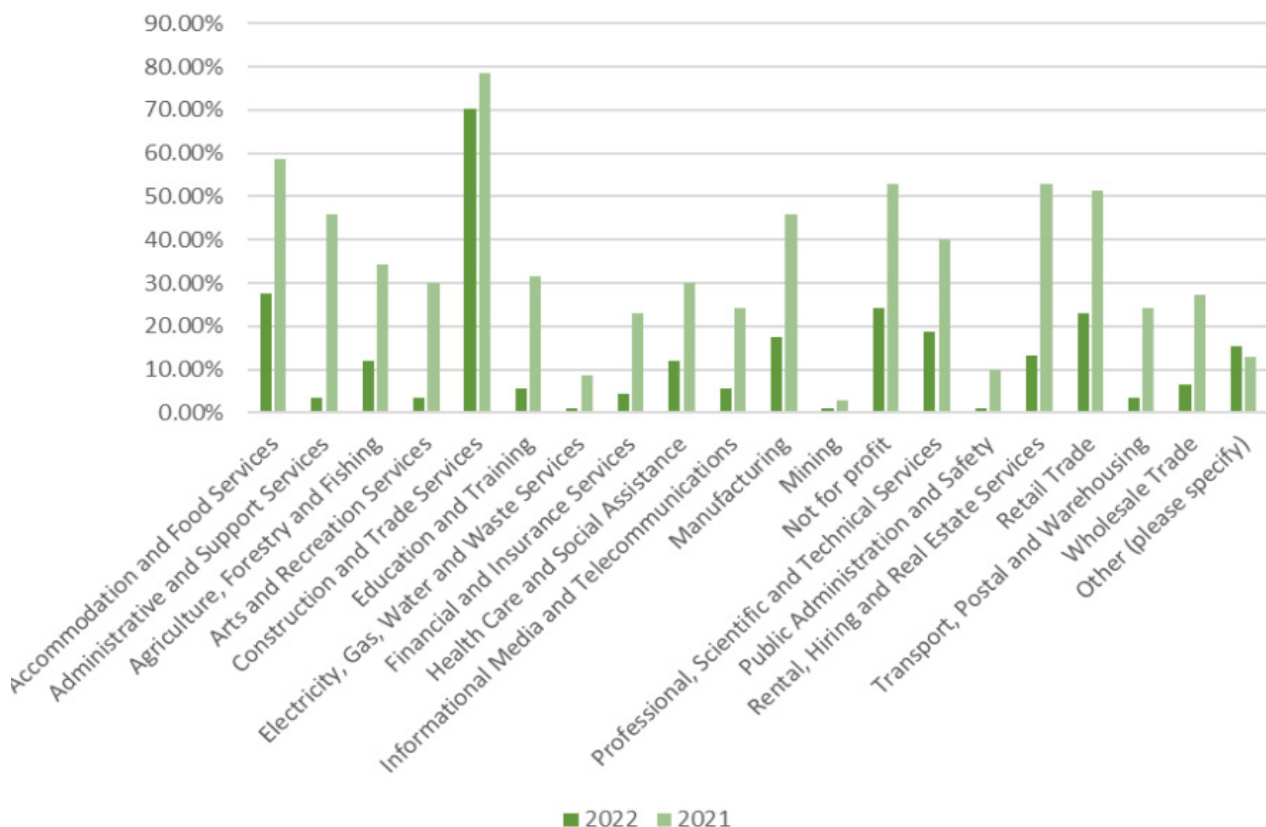
Client information

Fast Facts:

- Over 80% of respondents are currently taking on new clients
- Only 15% always charge travel to clients, 35% of respondents do not
- 57% of clients pay by bank deposit and only 1% pay by Worldline
- 73% of clients receive software subscription invoices monthly

80%
taking on new
clients

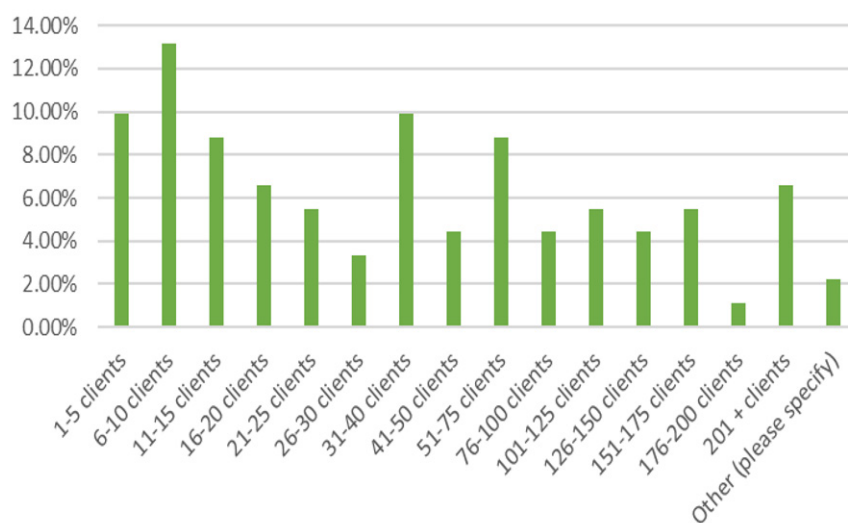
A significant change in responses from 2021 to 2022 for the top three industries clients are represented, whilst most remain within the construction and trade services category, there are also three tied for second place – Accommodation and food services, Not for profit and Retail trade. The biggest reduction is in Administration and support services with a 42% drop.



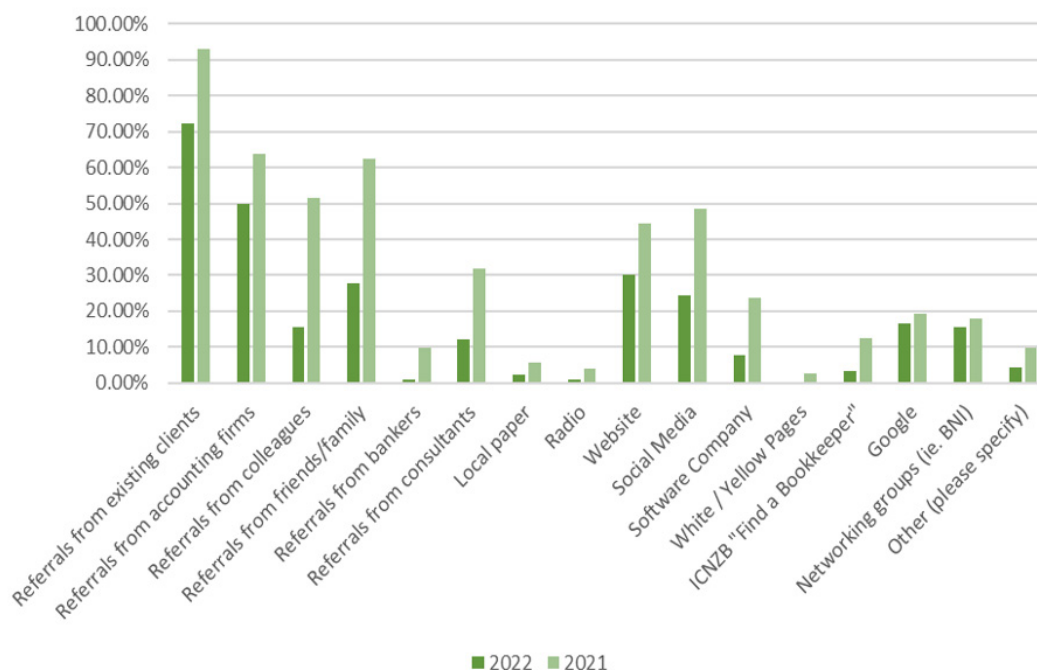
Focus 4

Client information

When comparing total active clients, the data primarily shows three top client categories, those with 6-10, 26-30 clients and finally 51-75.



Overall we saw a slight decline in referral sources, however client referrals and referrals from other accounting firms still remained the highest.



■ 2022 ■ 2021

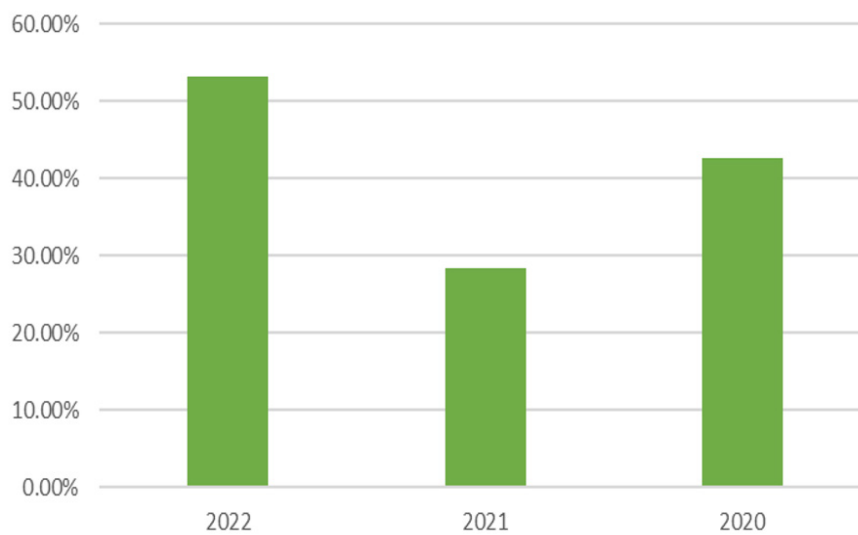
Focus 5

Government interaction

Fast Facts:

- In 2022, 95% of respondents use Inland Revenue (IR) online services
- 56% found filing / lodging returns to IR very easy, yet 29% of respondents found registering as a bookkeeper difficult.
- A total of 15 respondents are using eInvoicing in their own business, with 14 respondents advising they are using eInvoicing with clients. The data does not specify the technology being used to deliver the eInvoicing.
- 24% of respondents advised that they are an AML reporting entity

Seeing 50% of respondents confirmed as registered bookkeepers with Inland Revenue is an excellent result given the current recognition of bookkeepers within the Inland Revenue Agency status. This is a 25% increase on last years (2021) respondents.



Respondents noted in 2022 that the biggest barrier they experienced in lodging returns to IR by due date was clients not providing timely information.

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- Ability to grow your skills through our annual conference and webinar programme.
- Gain access our exclusive discount app for members at major retailers.
- Take up regular networking opportunities in your local region.
- Have the support of the NZ Bookkeeping community.
- Access to discounted payroll courses through NZPPA.



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