



AECENSUS2016

THE NATIONAL CENSUS FOR ACCOUNTING ENTITIES
BY THE SINGAPORE ACCOUNTANCY COMMISSION

Supporting Partners:



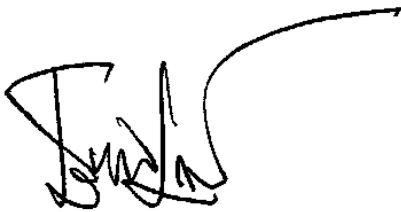
FOREWORD

Employing more than 17,000 accountancy professionals and generating total revenues of more than S\$1.9 billion in 2014¹, Accounting Entities (AE) play an important role in the growth and development of Singapore's economy. The inaugural census launched by the Singapore Accountancy Commission (SAC) in 2015 showed that the accountancy sector has grown significantly over the years with total receipts and total employment increasing about 60% and 45% respectively since 2008.

In 2016, a dedicated Working Group (WG) under the Committee on the Future Economy (CFE) was set up to develop strategies for positioning Singapore's Legal and Accounting Services for the future. The WG, chaired by Ms Indranee Rajah, Senior Minister of State (SMS), Ministry of Law and Ministry of Finance, and Mr Chaly Mah, Chairman of the Singapore Accountancy Commission, engaged both the legal and accountancy industry extensively. These efforts continue to signal the sector's importance to Singapore's economy.

The inaugural census of AEs in 2015 provided useful insights for the Working Group's deliberation and development of strategies to help AEs seize opportunities in an increasing uncertain global economy. To help AEs continue to tap on growth opportunities in Asia, stay relevant and prepare for the future, the 2016 census hopes that the insights gathered will help the CFE and SAC to better refine strategies that will enable AEs to grow and innovate, and strengthen Singapore's role as a leading professional services hub in Asia.

The SAC wishes to extend our sincere appreciation to AEs who responded to the census. We hope that the census report will be beneficial to AEs, and we will continue to work closely together with all stakeholders to achieve our aspirations to develop Singapore into the Global Accountancy Hub.



Mr. Evan Law
Chief Executive
Singapore Accountancy Commission

¹ Source: Singapore Accountancy Commission. 2015. AECensus2015. Total market revenue reported in AECensus2015 has also been revised upwards from S\$1.8billion to S\$1.9billion.

INTRODUCTION

AECensus2016 is a national census conducted by the Singapore Accountancy Commission (SAC) for Accounting Entities (AEs) registered under the Accountants Act (Chapter 2) and companies which provide accounting-related services.

The results of AECensus2016 will enable the SAC to recommend more effective policies to help AEs tackle talent and growth challenges.

AECensus2016 is supported by the Accounting and Corporate Regulatory Authority, the Ministry of Manpower and the Workforce Singapore (formerly the Singapore Workforce Development Agency).

ABOUT SINGAPORE ACCOUNTANCY COMMISSION

Established in April 2013 as a statutory body of the Singapore Government, the Singapore Accountancy Commission (SAC) is the lead agency in spearheading the development of the Accountancy Sector in Singapore. The SAC's Vision is for Singapore to be the Leading Global Accountancy Hub. This will be achieved through developing Singapore as a vibrant Accountancy Sector. In fulfilling this mission, the SAC seeks to uphold the values of being relevant, insightful, collaborative and advocative.

ACKNOWLEDGEMENT

SAC would like to extend our sincere appreciation to all respondents who contributed their time to complete the survey and participate in the interviews.

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SUMMARY OF FINDINGS

AUDIT & ASSURANCE

51%

BUSINESS ADVISORY

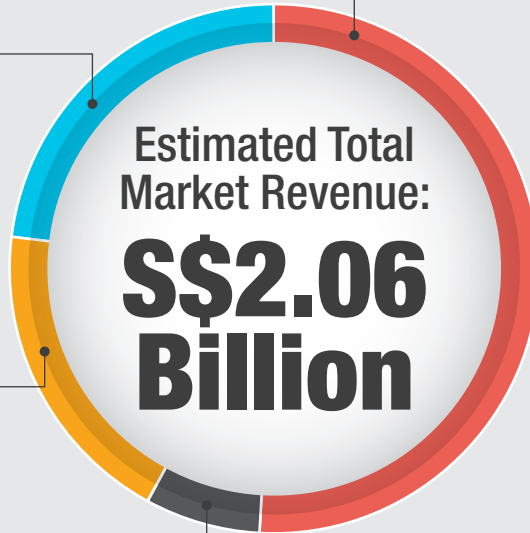
23%

TAX ADVISORY & COMPLIANCE

19%

CORPORATE SUPPORT SERVICES & OTHERS

7%



Growth in Audit & Assurance Revenues:

11%

Growth in Non-Audit & Assurance Revenues:

7%

Estimated Workforce Size:

17,812

Estimated Revenue Per Employee:

\$S\$116K

Estimated New Jobs Created:


400 

Percentage of Graduates:

83% 

Percentage of Workforce with Professional Qualifications:

43% 

64% of AEs with Positive Hiring Intentions 



Number of Accounting Entities in Singapore as at 31 March 2016:

689

ABOUT THE CENSUS

The AECensus2016 categorised AEs into five major groups based on the number of employees. These categories are:

Big 4 AEs: Headcount of at least 1000 employees

Large AEs: Headcount of between 101 to 999 employees

Medium AEs: Headcount of between 31 to 100 employees

Small AEs: Headcount of between 10 to 30 employees

Micro AEs: Headcount of less than 10 employees

The survey was conducted from 15th June to 15th July 2016. The AECensus2016 received a total of 170 responses and achieved an overall response rate of 43%. The census also saw a response rate of 100% from AEs in the Big 4 and Large categories.

Figure 1: Response Rates for the AECensus2016

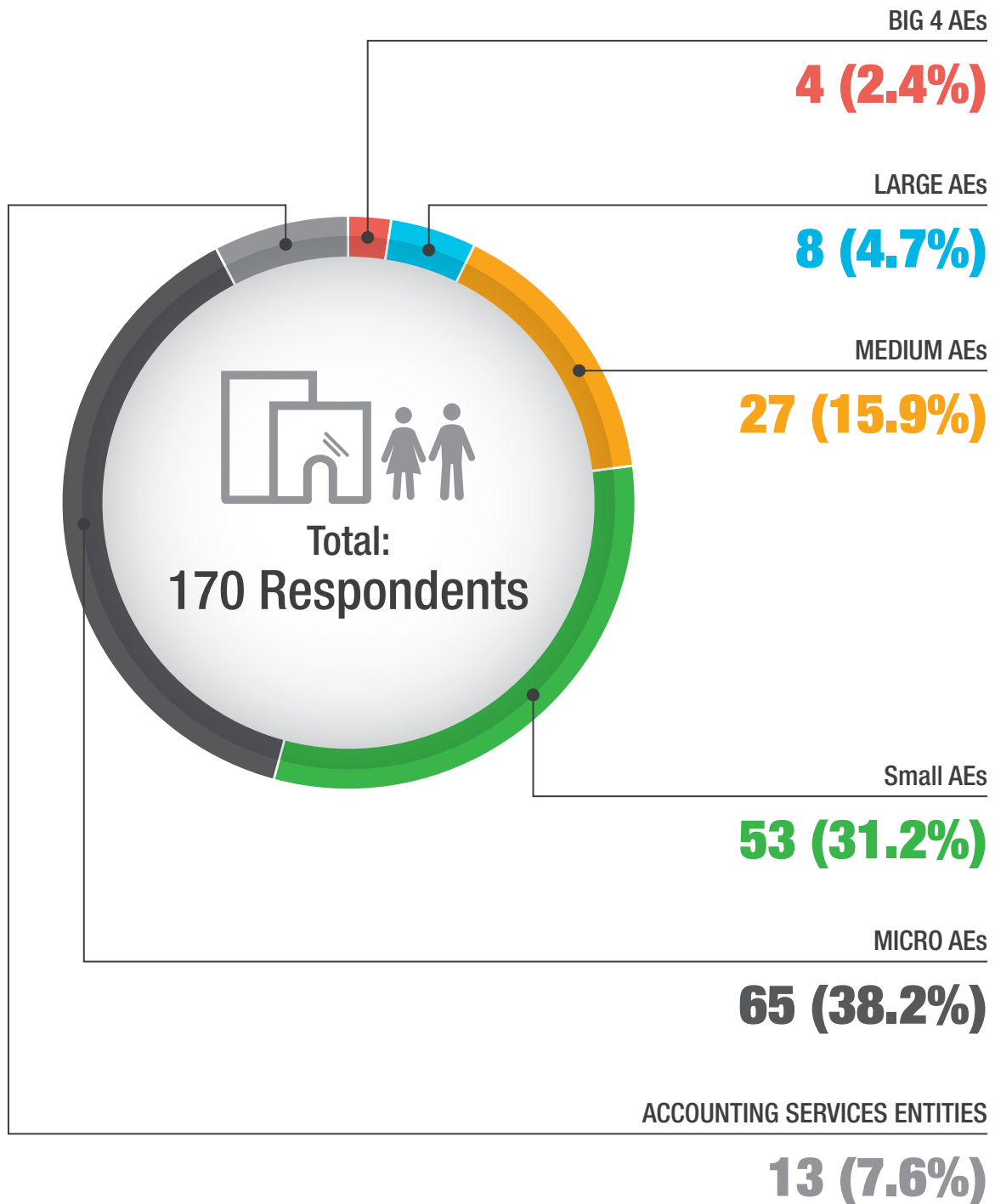
AE Size	Sample Population	Response Rate	Response Rate (%)
Big 4 (≥1000 staff)	4	4 out of 4	100%
Large (101-999 staff)	8	8 out of 8	100%
Medium (31-100 staff)	35	27 out of 35*	77%
Small (10-30 staff)	99	53 out of 99*	54%
Micro (<10 staff)	220	65 out of 220*	30%
Accounting Services Entities ²	34	13 out of 34	38%
Overall	400	170 out of 400	43%

* Estimated

² Source: AECensus2015. Total market revenue reported in AECensus2015 has also been revised upwards from S\$1.8billion to S\$1.9billion.

RESPONDENTS' PROFILE

Figure 2: Profile of Respondents



MARKET REVENUE

TOTAL MARKET REVENUE INCREASED

9%

The AE segment is estimated to have generated about \$2,062 million in 2015, an increase of \$169 million (9%) from the previous year. Of note, the Big 4 AEs are estimated to have generated combined revenues of \$1,367 million which accounted for 66% of the total market revenue for the AE segment. The other 685 AEs generated an estimated \$695 million in 2015.

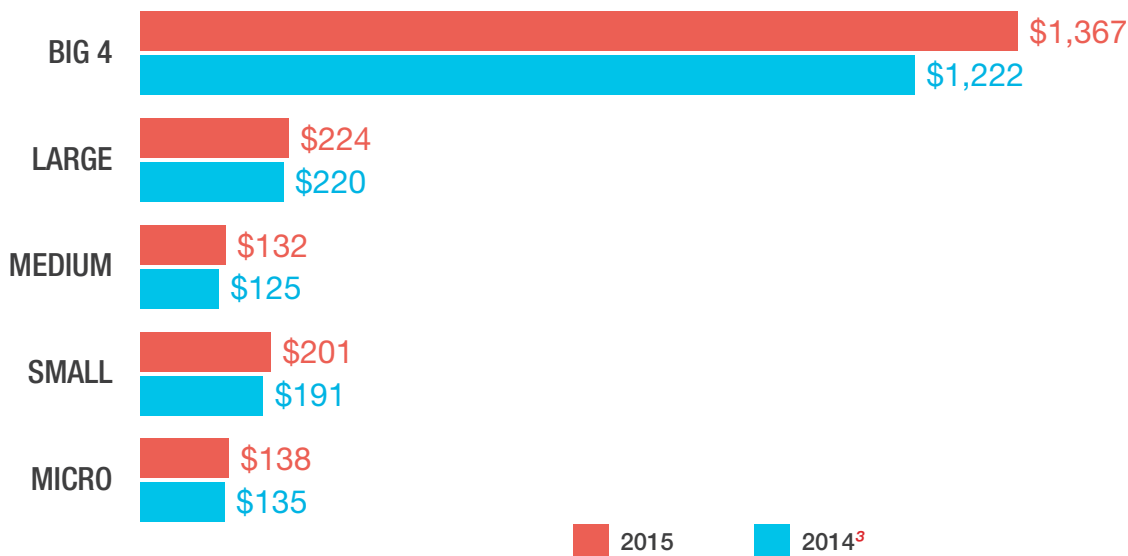
Revenue growth across the five AE tiers ranged from 2% to 12%. The Big 4 AEs experienced the highest growth of 12% - total revenues increased \$145 million in 2015. This is followed by the Small and Medium AEs where the estimated combined revenues increased about \$10 million (5%) and \$7 million (4%) respectively.

The Large AEs, comprising 8 entities, also saw an increase of about \$3 million (2%) in their combined revenues. Likewise, the Micro-AEs generated an additional \$3 million (2%) in their combined revenues from the prior year.

Figure 3: Estimated Total Market Revenue Generated (\$'Million)



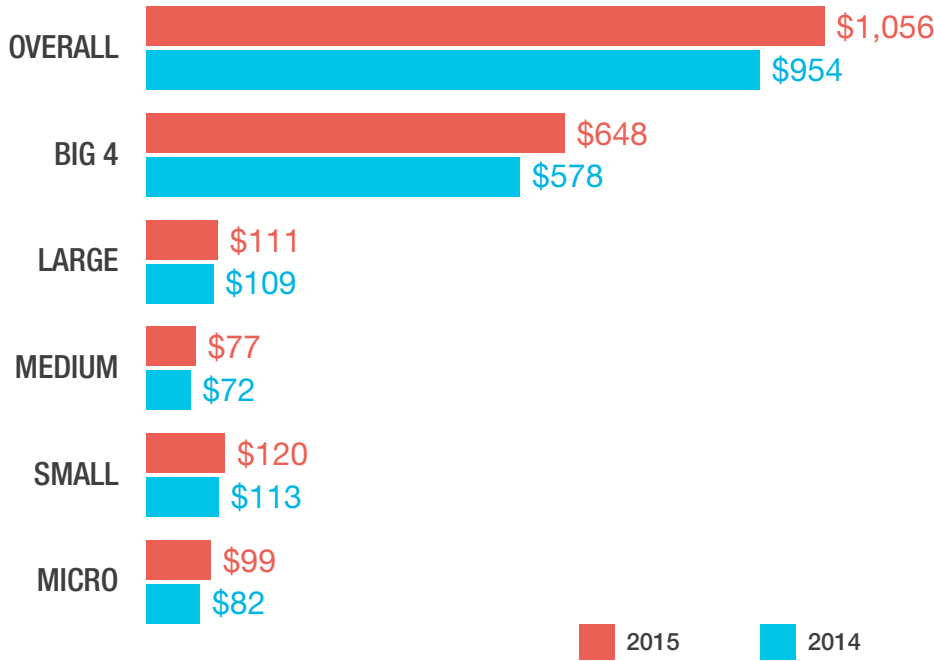
Figure 4: Estimated Revenue Contributed By AEs (\$'Million)



³ 2014 figures have been revised.

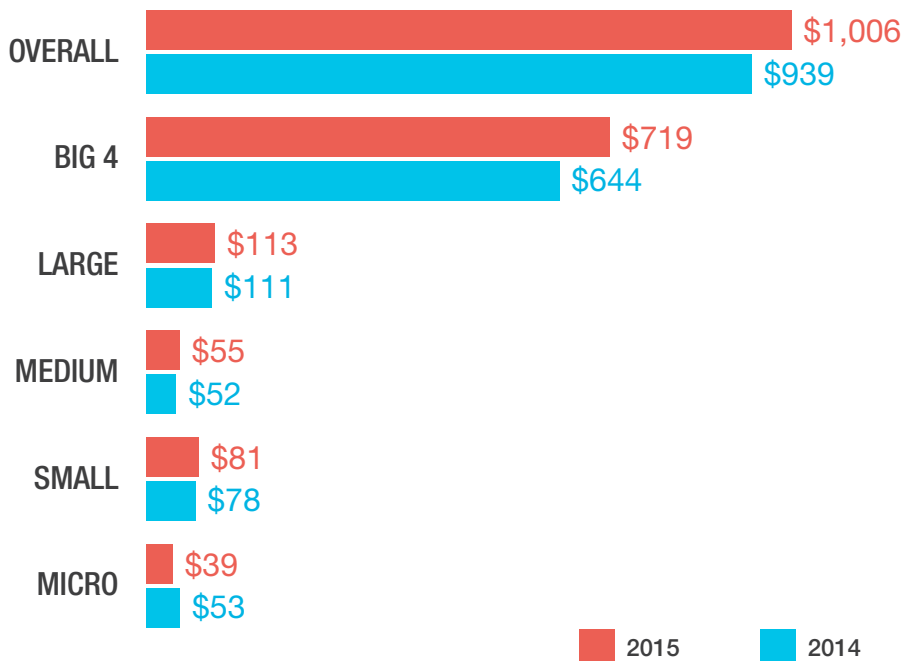
AEs continue to see strong growth in their audit and assurance revenues which increased by \$102 million (11%). The increase in such revenues was observed across AEs of different sizes which suggests the industry continues to see strong demand for assurance services. Audit and assurance revenues generated by the Big 4s increased \$70 million (12%). In comparison, the non-Big 4 AEs increased such revenues by \$32 million (8%).

Figure 5: Estimated Audit & Assurance Revenue (\$'Million)



The AEs also experienced strong growth in their non-audit and assurance revenues which rose by \$67 million (7%) in 2015 (see Figure 6). The increase is largely attributed to the Big 4 AEs which saw their non-audit and assurance revenues grow \$75 million (12%).

Figure 6: Estimated Non-Audit & Assurance Revenue (\$'Million)

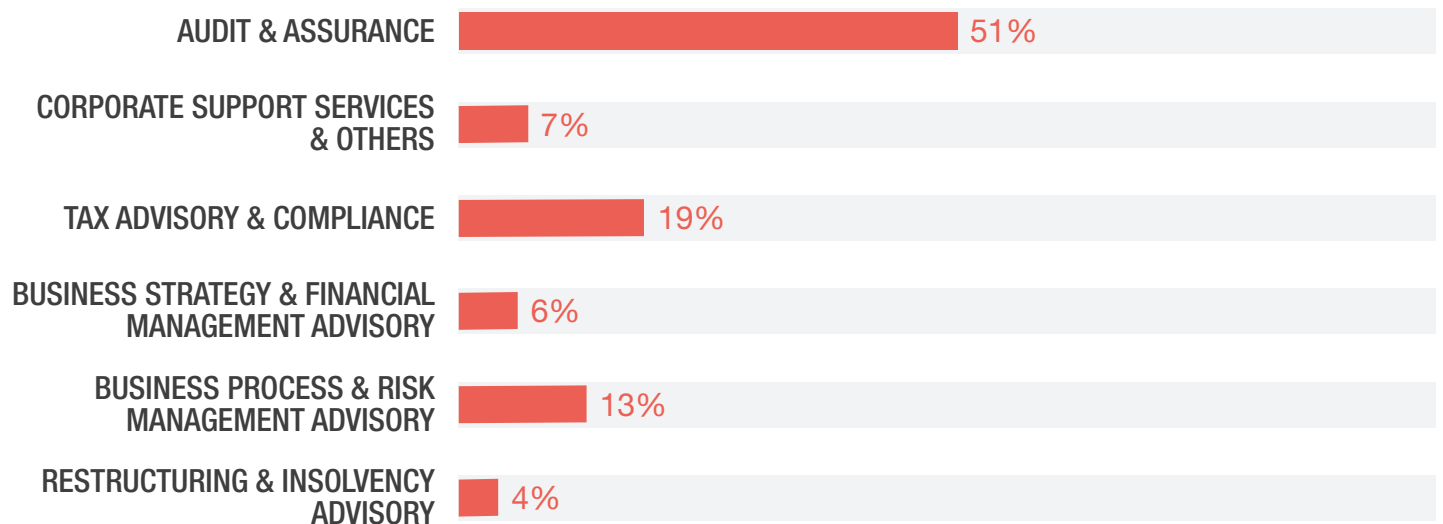


REVENUE COMPOSITION

51% OF TOTAL MARKET REVENUES GENERATED FROM AUDIT AND ASSURANCE SERVICES

Audit and assurance services continued to be the primary sources of revenue for accounting entities. Slightly over half of total market revenues are generated from the provision of these services (51%) (see Figure 7).

Figure 7: Breakdown of Market Revenue across Services



The census revealed that traditional services (audit and assurance, corporate support services and tax related services) contributed about 77% of the sector's revenue. The remaining 23% of the revenues were generated from varying types of advisory services, such as business valuation and risk management.

Big 4 AEs

While audit and assurance services remained the key source of revenue for AEs across the five different tiers, the Big 4 AEs' businesses appear to be the most diversified. Audit and assurance revenues accounted for less than half of their revenues (47%), while business advisory and tax related services contributed 52% (29% and 23% respectively).

Large AEs

Revenues from the audit and assurance services made up 50% of the total revenues contributed by the Large AEs. Similar to the Big 4 AEs, their businesses also appeared to be relatively diversified. Business advisory services made up 21% of their total revenues. Unlike the Big 4, the Large AEs rely on corporate support services as a core revenue stream (19%). Tax related services contributed another 11% to their turnover.

Medium AEs

Audit and assurance services made up 59% of their revenues, followed by corporate support services (21%). In comparison to the Big 4 and Large AEs, the Medium AEs provide limited business advisory services as these services make up only 8% of total revenues.

Small AEs

Similar to Medium AEs, audit and assurance services made up more than half of their revenues (60%). Corporate support services contributed nearly a quarter of their turnover (23%). Most Small AEs do not provide business advisory services which made up only 3% of their revenues.

Micro AEs

Micro AEs are the most dependent on audit and assurance services as their key revenue driver (72%). Corporate support and tax related services made up about a quarter of their revenues (15% and 10% respectively). Similar to Small AEs, they provide very limited business advisory services (3%).

Figure 8a: Revenue Generated from Audit & Assurance, By AE Size

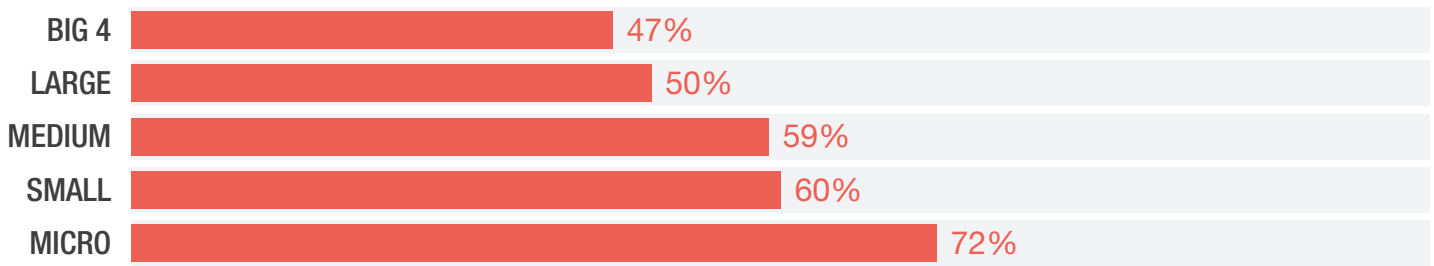


Figure 8b: Revenue Generated from Corporate Support & Other Services, By AE Size



Figure 8c: Revenue Generated from Tax Advisory & Compliance, By AE Size



Figure 8d: Revenue Generated from Business Advisory Services, By AE Size

(Includes Business Strategy & Financial Management, Business Process & Risk Management, and Restructuring & Insolvency Services)

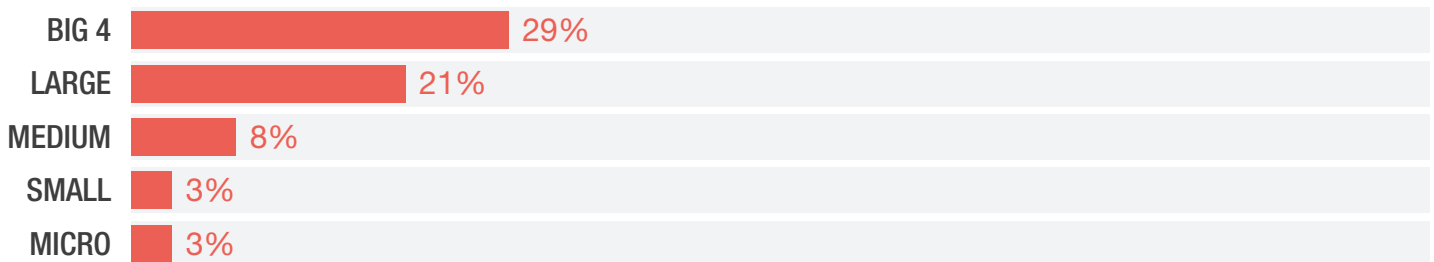


Figure 9a: Revenue Breakdown of Big 4 AEs

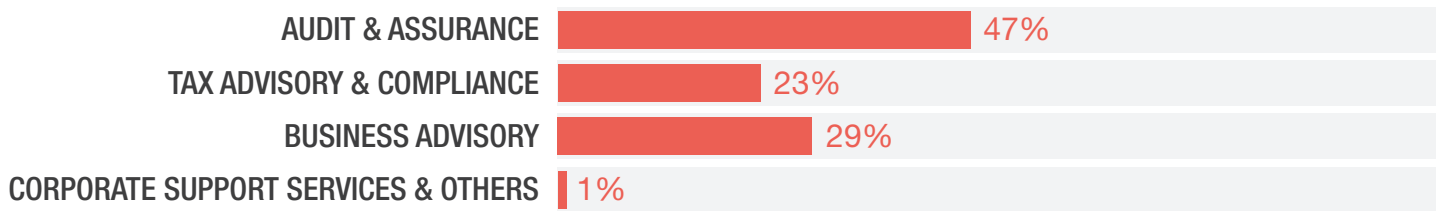


Figure 9b: Revenue Breakdown of Large AEs

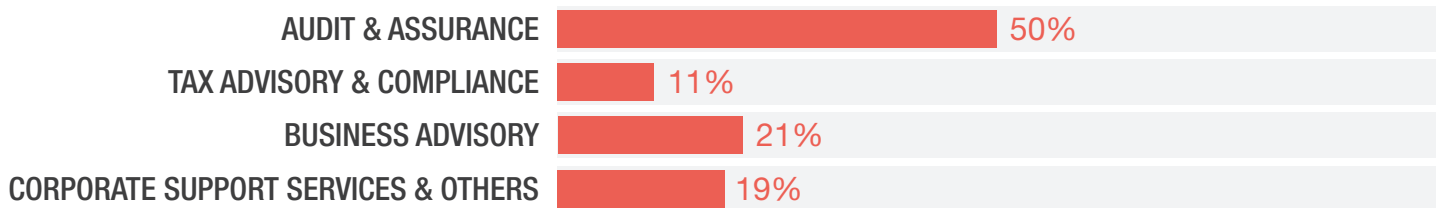


Figure 9c: Revenue Breakdown of Medium AEs

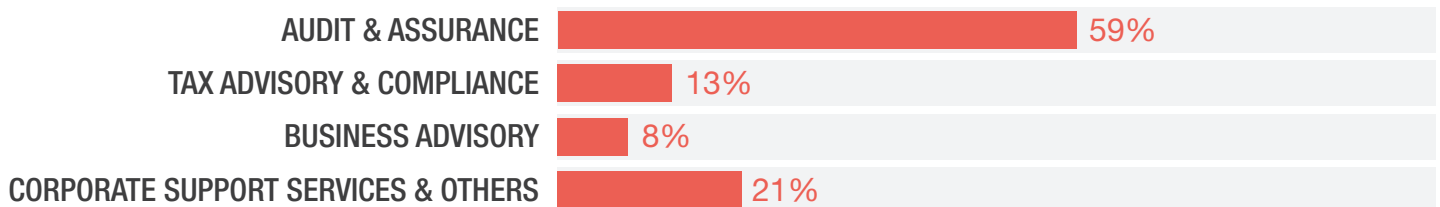


Figure 9d: Revenue Breakdown of Small AEs

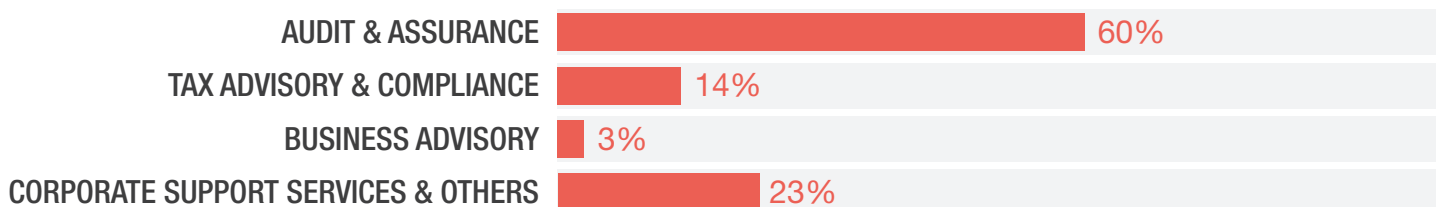
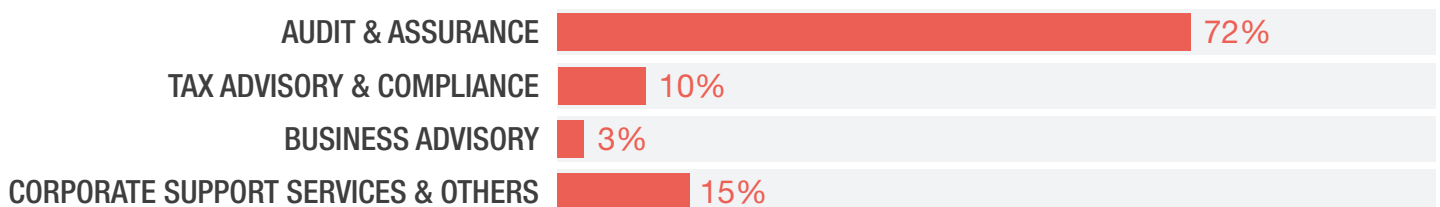


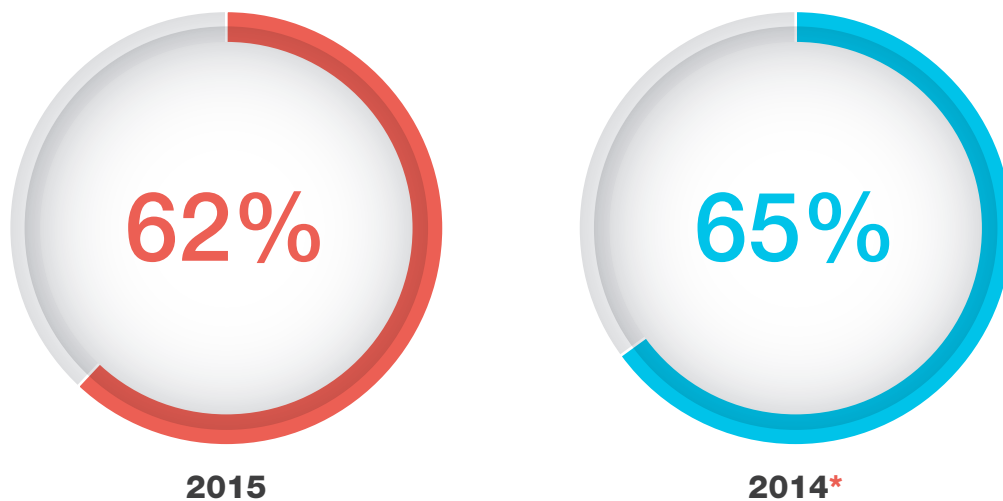
Figure 9e: Revenue Breakdown of Micro AEs



REVENUE FROM AUDIT AND ASSURANCE SERVICES

62% OF ACCOUNTING ENTITIES RELY ON AUDIT AND ASSURANCE SERVICES AS KEY REVENUE DRIVER

Figure 10: Estimated Percentage of AEs with More Than 50% Revenue from Audit Services



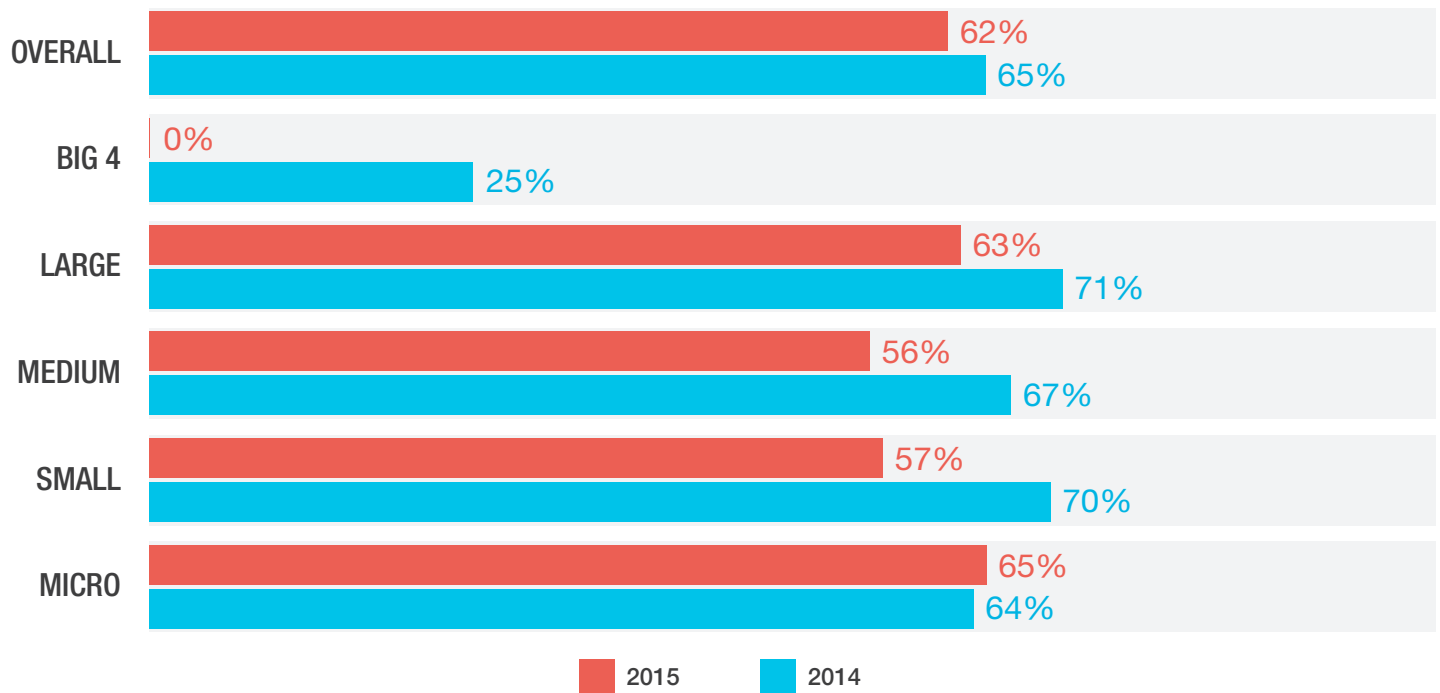
**Revised due to rounding up differences*

The census revealed a slight decline in the proportion of AEs relying on audit services as their main revenue driver (i.e. over 50% of total revenue), from 65% in 2014 to 62% in 2015.

Figure 5 shows the sector, as a whole, generated more revenue from audit services. However, Figure 11 indicates that a large percentage of Large, Medium and Small AEs have diversified their services and decreased their reliance on audit services.

Interestingly, despite the increase in audit exemption thresholds, an estimated 10% of Micro AEs generated a higher percentage of revenue from audit services. Such AEs provide little or no additional services.

Figure 11: Estimated Percentage of AEs Generating More than 50% of Revenue from Provision of Audit⁴



⁴ None of the Big 4 AEs generated more than 50% of their revenue from audit and assurance services.

REVENUE FROM WORK PERFORMED OUTSIDE SINGAPORE

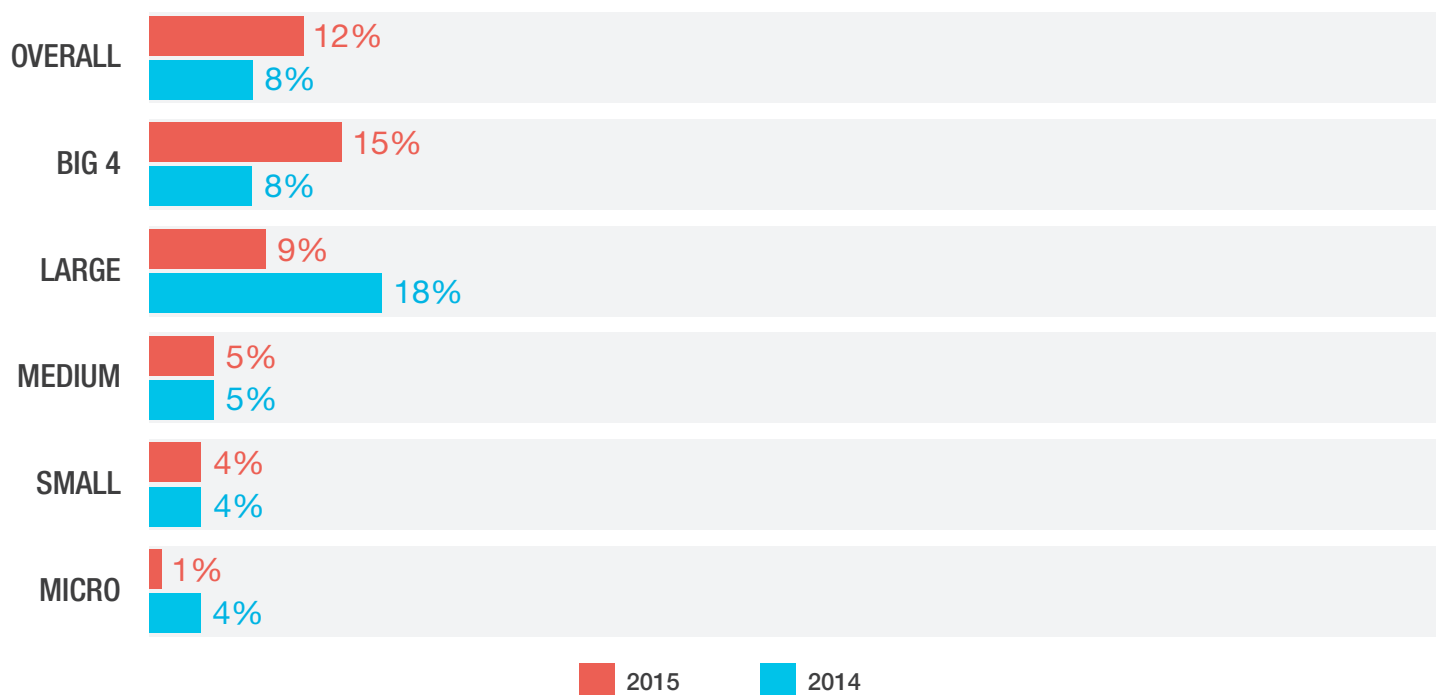
12% OF REVENUES ATTRIBUTED TO WORK PERFORMED OUTSIDE SINGAPORE

The census showed that AEs generated about 12% of their annual revenue from work performed outside Singapore, an increase from 8% reported in 2014⁵. The data indicated that such incomes represented about 15% of the Big 4 AEs' income in 2015, higher than the 8% reported in 2014.

In contrast, such revenues contributed only 9% to the revenues of the Large AEs in 2015, falling from the 18% reported in 2014.

The Medium and Small AEs reported similar proportions of revenue derived from overseas work, while Micro AEs cited that such revenues only made up 1% of their total income.

Figure 12: Estimated Percentage of Annual Revenue from Work Performed Outside Singapore



⁵ Total exports of accounting services in 2015 is reported to be \$307.3 million. Source: Department of Statistics Singapore.

PRODUCTIVITY

**AVERAGE REVENUE
PER EMPLOYEE
INCREASED**

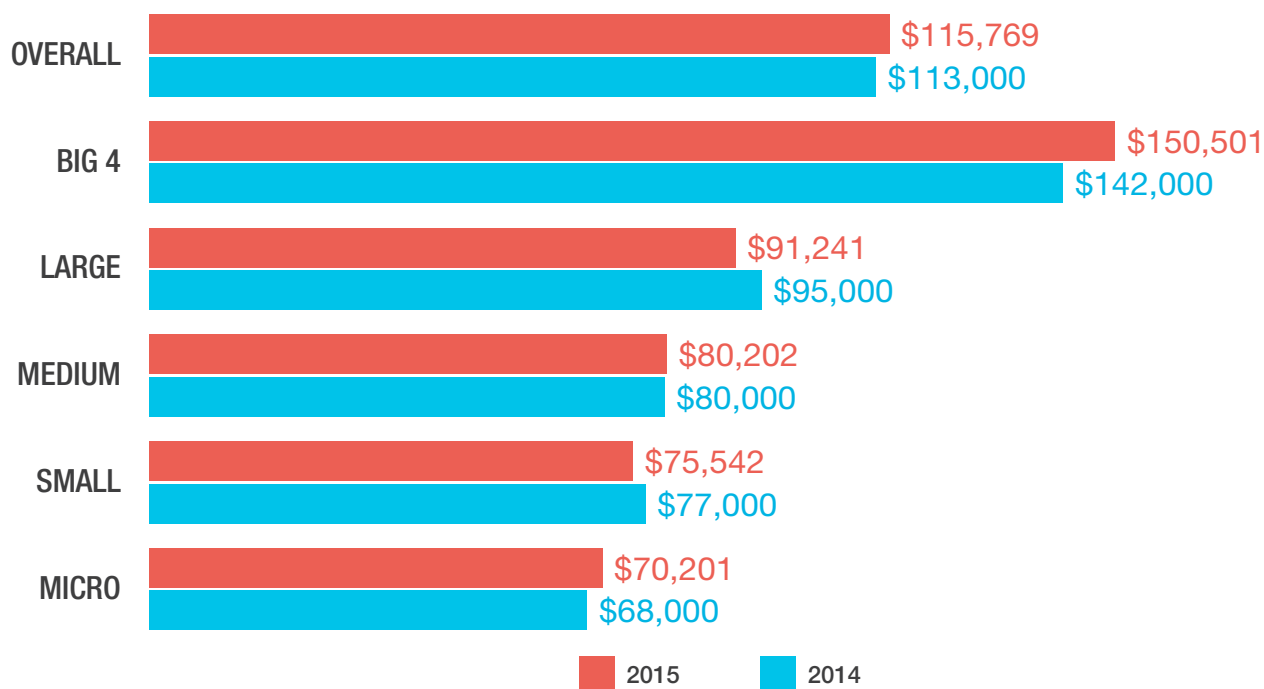
2.5%

The average productivity of the AE segment improved marginally from \$113,000 in 2014 to \$115,769 (2.5% increase) in 2015. The larger AEs were also found to have higher levels of productivity compared to Small and Micro AEs.

The Big 4 AEs reported improvements in productivity of about 6%, with revenue per employee increasing from \$142,000 to \$150,501. This could be due to an increased emphasis on the use of technology, as well as the provision of higher value accounting services.

In comparison, the Large AEs and Small AEs reported a slight decline in productivity of about 4% and 2% respectively, with revenue per employee decreasing to \$91,241 and \$75,542 respectively in 2015. Interestingly, the Micro AEs reported a slight improvement of 3.2% in revenue per employee in 2015.

Figure 13: Average Annual Revenue per Employee, By AE Size



ACCOUNTANCY WORKFORCE

TOTAL WORKFORCE
IN ACCOUNTING
ENTITIES GREW

2.4%

Based on the census, the total number of people working in accounting entities is estimated to be about 17,812, an increase from the previous year. It is estimated that 412 jobs were created in 2015 (2.4% growth).

Although the Big 4 AEs reported a slight decline in their employment numbers of about 2.7%, they continue to employ the highest number of people in the AE segment (51%). In comparison, the non-Big 4 AEs reported an increase in their hiring numbers of about 8%, mainly attributable to Large, Small and Micro AEs.

The census also showed that an estimated 37% of the workforce are Associates, typically employees with not more than 3 years of experience. On the other hand, experienced professionals who are in the middle management or leadership roles such as Managers, Directors or Partners, made up about one-third of the workforce (32%).

Figure 14: Estimated Manpower Distribution, By AE Size

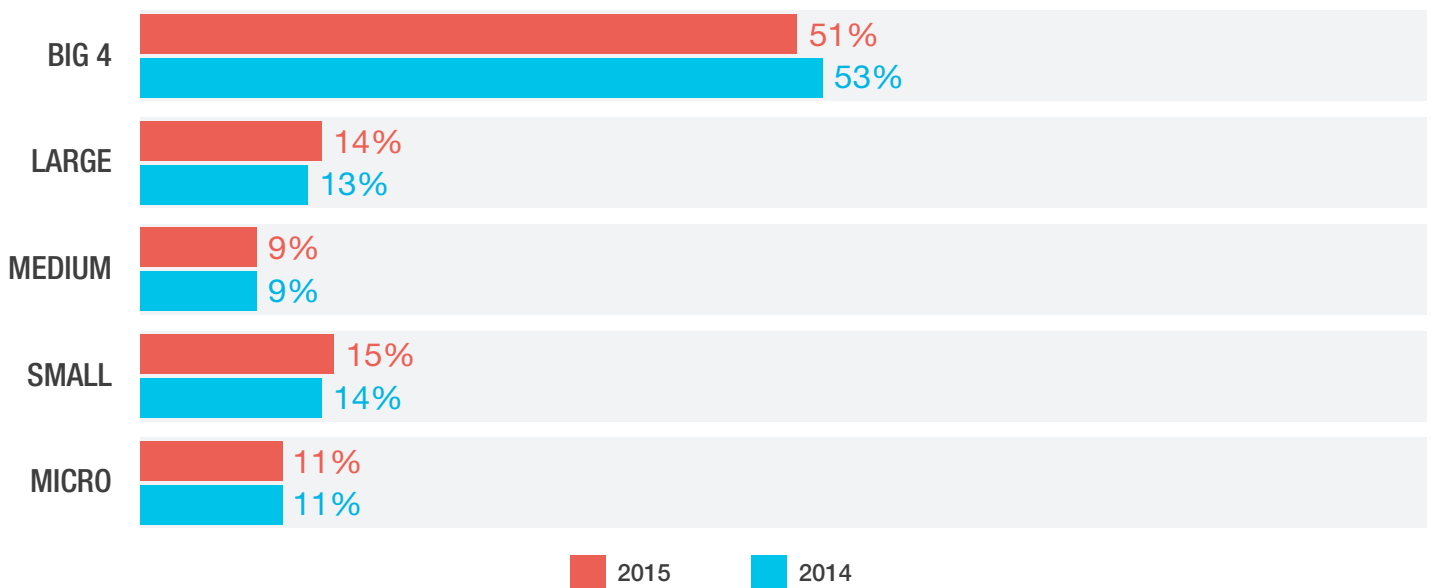


Figure 15: Estimated Manpower, By AE Size

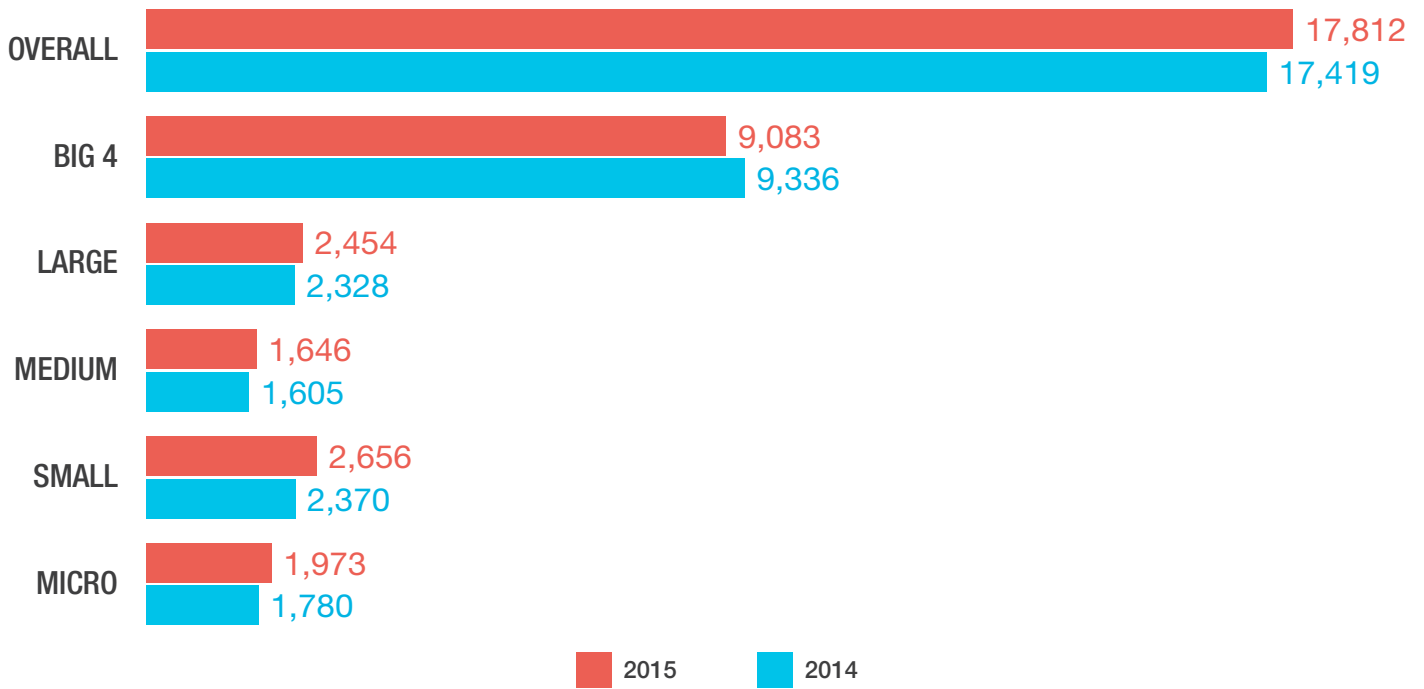
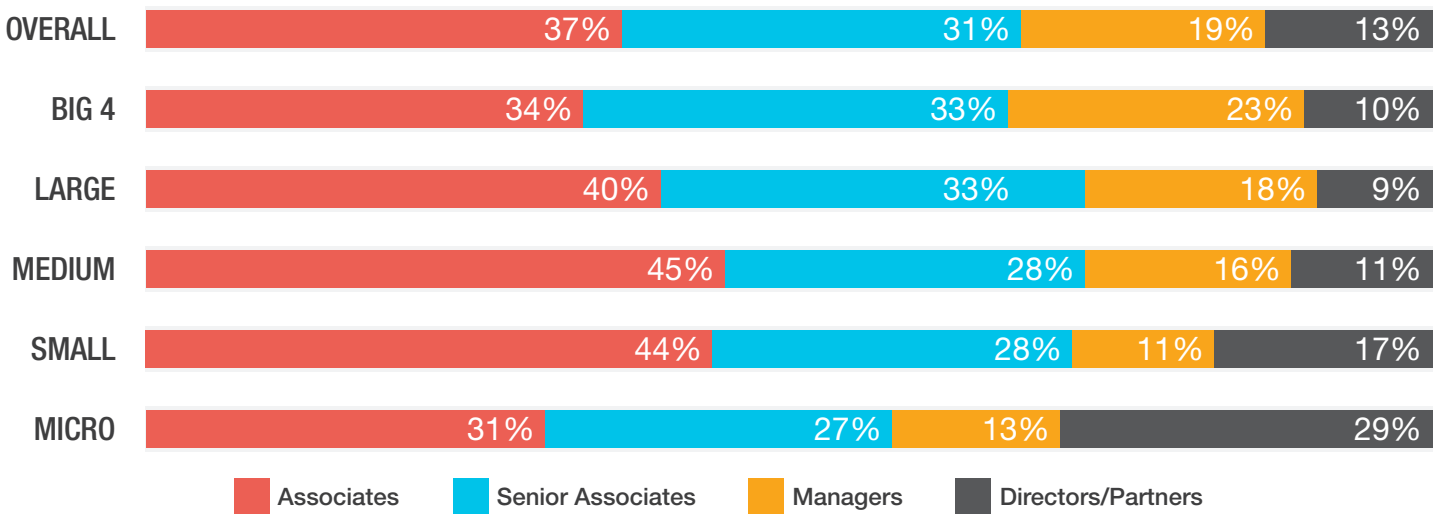


Figure 16: Estimated Manpower Distribution, By Seniority



LOCAL WORKFORCE

EMPLOYMENT OF SINGAPOREANS AND PRs GREW 7%

The census revealed that the percentage of locals in the AE workforce is about 74%, a slight improvement from 71% reported in the previous year. This suggests the total number of Singaporeans and Permanent Residents employed by accounting entities increased about 840 (7%). The improvement is observed in the Big 4, Large, Medium and Micro AEs.

The Big 4 and Micro AEs reported the highest percentage of locals amongst their employees (78% and 77% respectively). In comparison, the workforce of Small AEs comprised only 62% of locals.

The census revealed that Medium AEs were able to hire more locals as compared to a year ago. The percentage of locals in the Medium AEs increased from 56% in 2014 to 66% in 2015.

Figure 17 shows that localisation differs significantly between AEs of different sizes. The Big 4 AEs appear to be strong in attracting new talent and graduates into their workforce with localisation among associates at 90%. This is significantly higher than non-Big 4 AEs (ranging 40% to 75%). In contrast, the Big 4s' leadership team is more diverse (64%) while non-Big 4 AEs appear to have a strong Singaporean core in their leadership ranks (over 90%).

Figure 17: Percentage of Locals in AEs, By AE Size

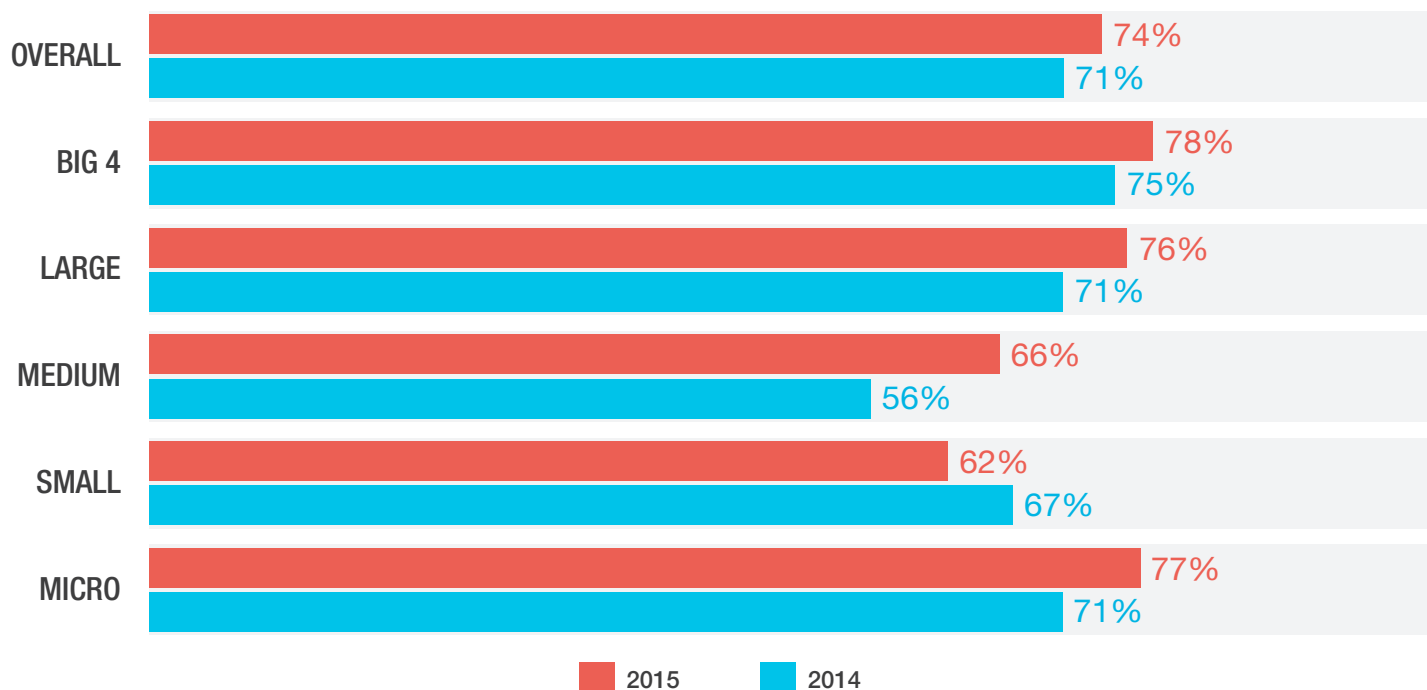
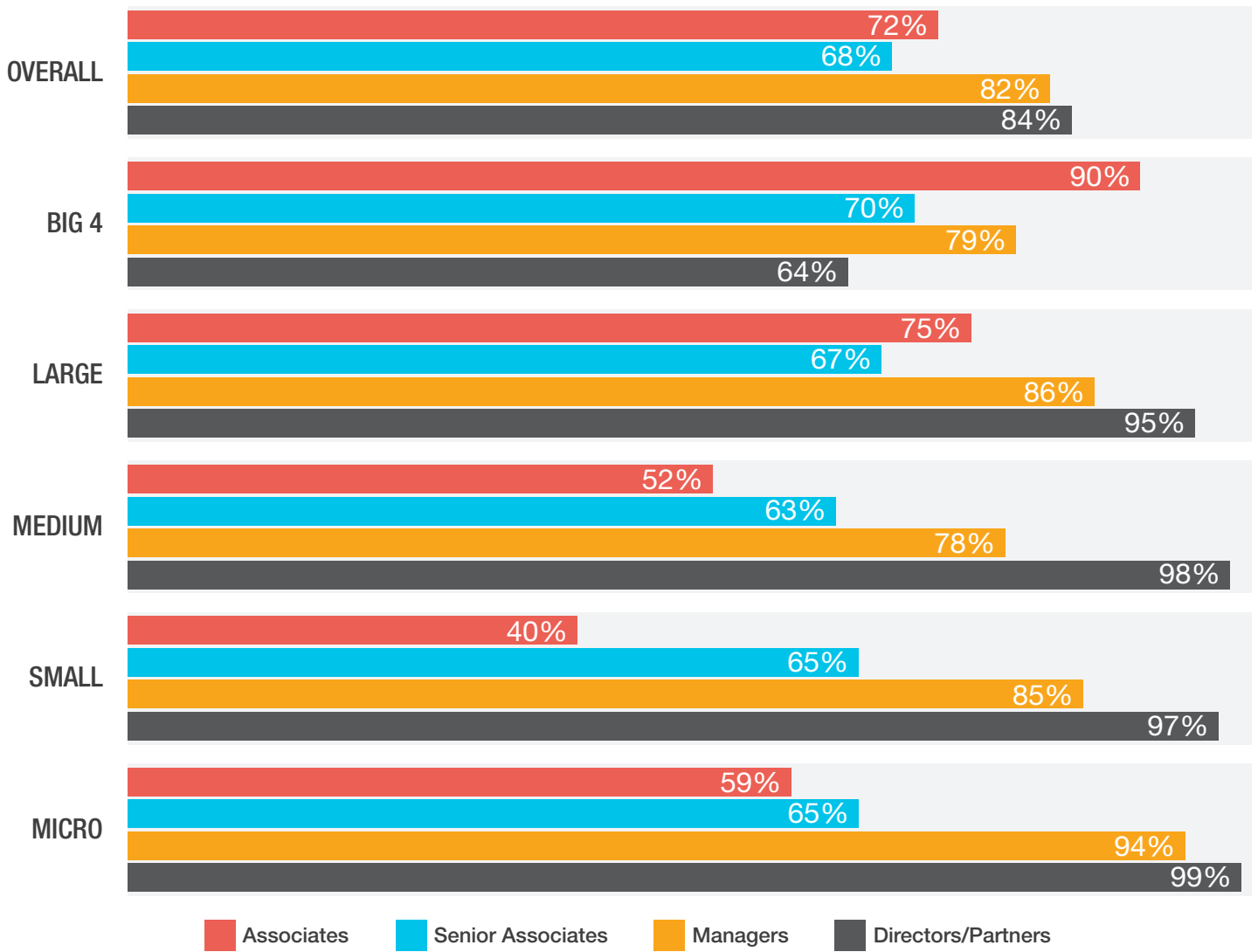


Figure 18: Percentage of Locals in AEs, By Seniority



HIGHER EDUCATION AND QUALIFICATIONS

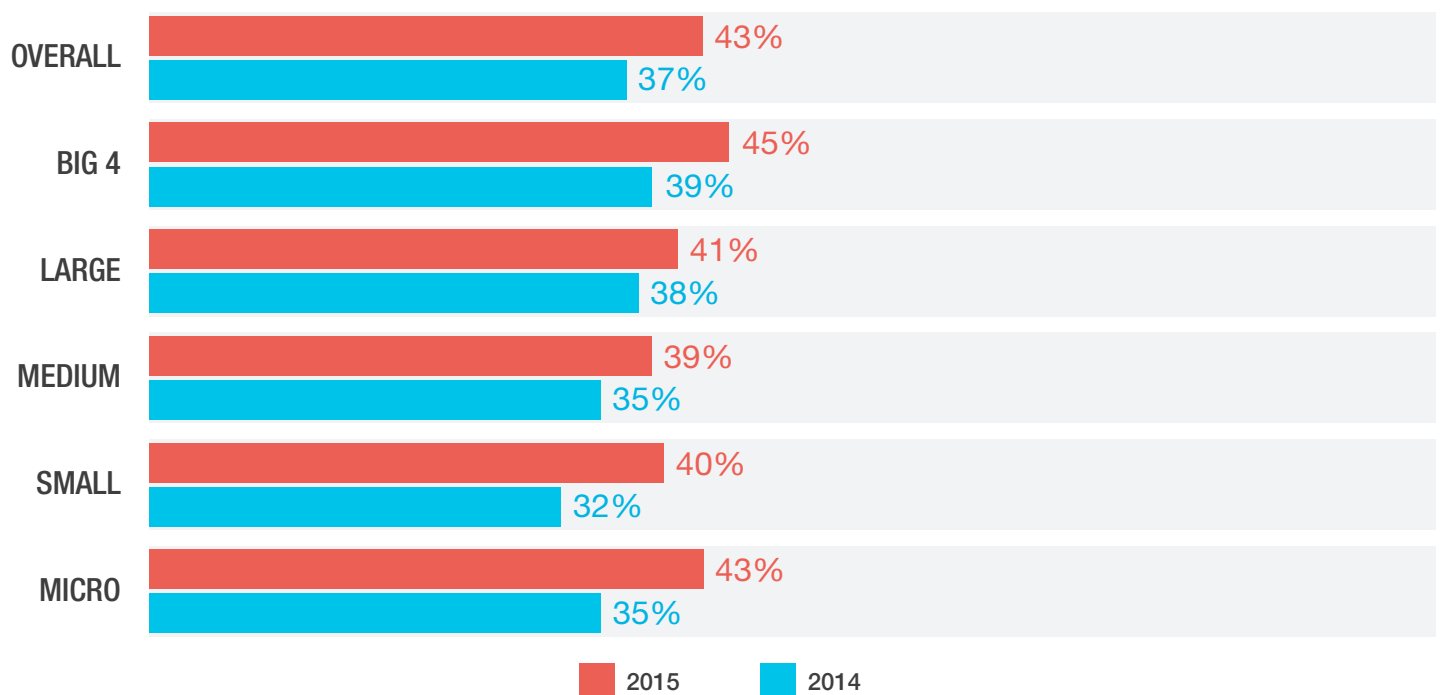
43% OF ACCOUNTANCY WORKFORCE ARE PROFESSIONALLY QUALIFIED

Human capital is one of the most important assets for accounting entities. Having a highly skilled and experienced talent pool is critical to ensure the success of accounting entities in providing quality accounting services to their clients.

The census indicated that 43% of the accountancy workforce have accountancy professional qualifications. This is higher than the 37% reported in the previous year.

Across the different AE tiers, the Big 4 AEs have the highest percentage of employees (45%) with accountancy professional qualifications. The employees of non-Big 4 AEs have also close to or more than 40% of their employees possessing accountancy professional qualifications.

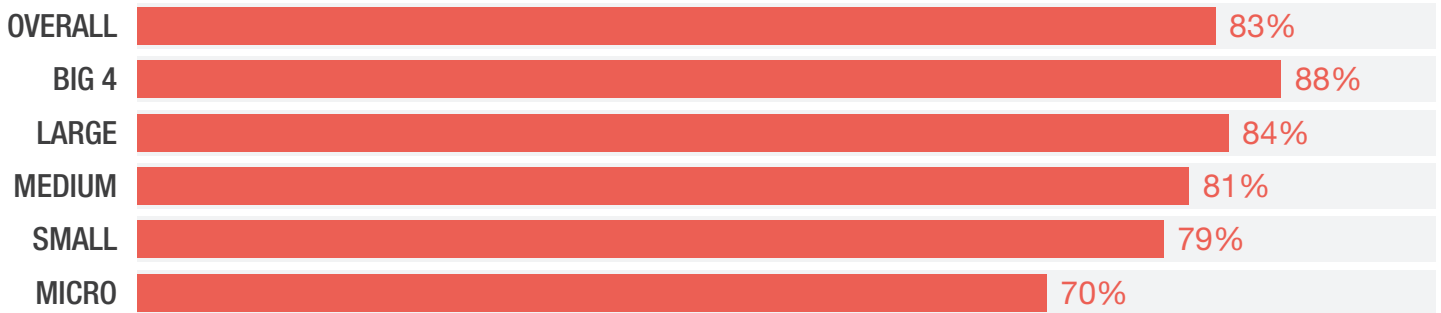
Figure 19: Percentage with Professional Accountancy Qualification, By AE Size



The census showed over 80% of the workforce are graduates (83%).

The Big 4 AEs tend to have the highest proportion of graduates in their workforce (88%), followed by Large (84%), Medium (81%), Small (79%) and Micro AEs (70%). The data also indicated that career pathways into accounting entities can be quite diverse as accounting entities, including the Big 4s, are open to hiring non-graduates with diplomas and accountancy related qualifications.

Figure 20: Percentage of Graduates Employed, By AE Size



TALENT ATTRACTION AND RETENTION

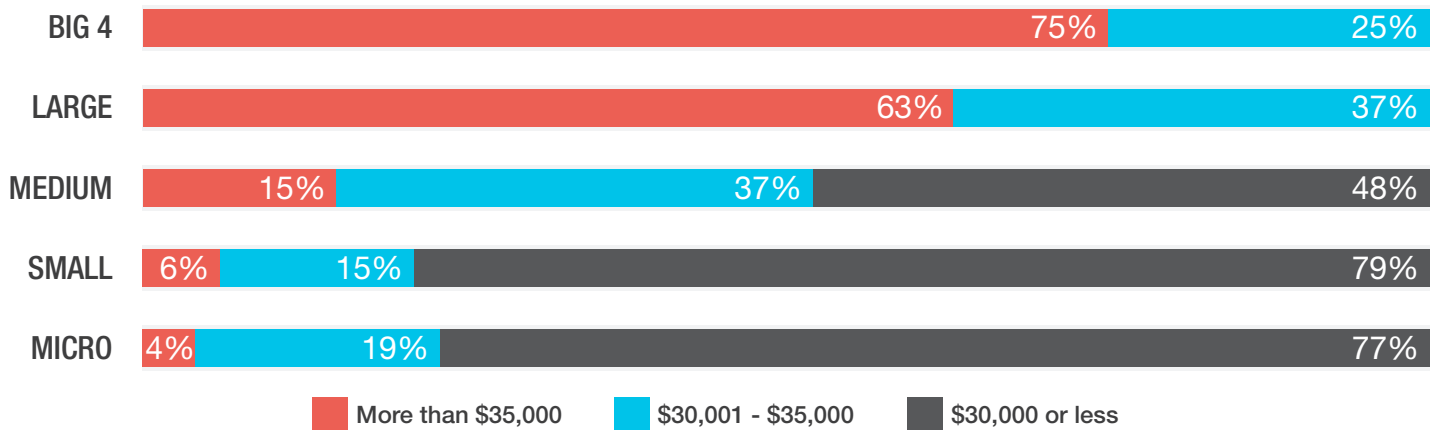
ONLY 6% OF ACCOUNTING ENTITIES PAY FRESH GRADUATES ANNUAL SALARIES OF MORE THAN \$35,000

Fresh Graduates

It is estimated that the median annual salary of accountancy graduates from the local universities is about \$37,000⁶. However, the census showed that only an estimated 6% of accounting entities offered annual salaries of more than \$35,000. This is even lower than the previous year which saw only 10% of accounting entities offering annual salaries of more than \$36,000 to fresh graduates.

The findings indicated that the majority of Big 4 and Large AEs paid more than \$35,000 to fresh graduates (75% and 63% respectively). In comparison, the majority of Medium, Small and Micro AEs paid fresh graduates \$30,000 or less (48%, 79% and 77% respectively).

Figure 21: Annual Salary Range for Fresh Graduate⁷



⁶ The median gross monthly starting salary of accountancy graduates from NTU, NUS and SMU is \$2,875 [Ministry of Manpower, Singapore Yearbook of Manpower Statistics 2016]

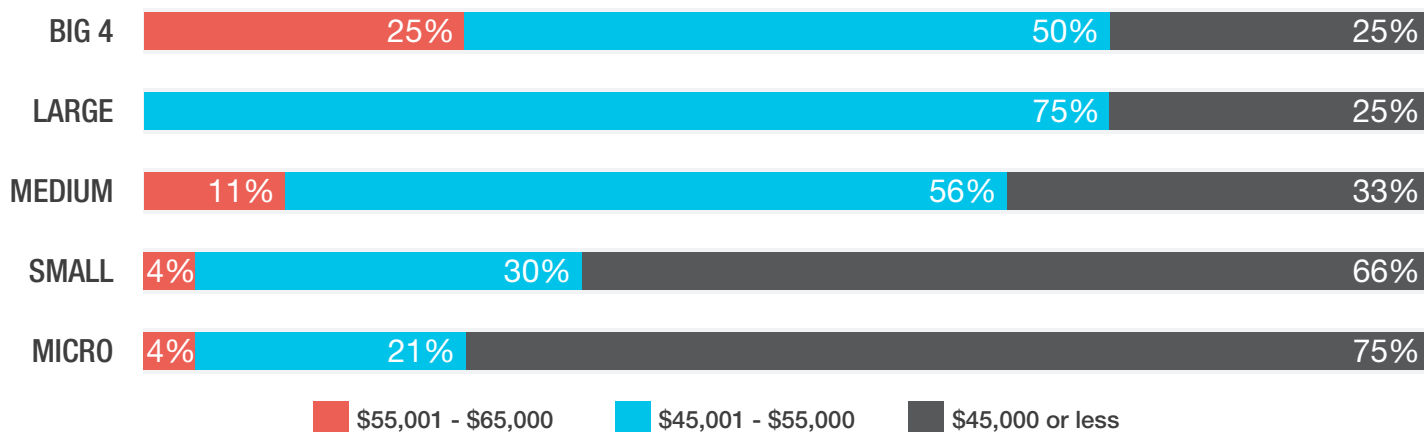
⁷ Includes bonus, profit share, annual wage supplement but exclude employer CPF

First Year Seniors

Only an estimated 4% of accounting entities pay first year seniors (i.e. at least 3 years of experience) annual salaries exceeding \$55,000⁸. The majority of Big 4, Large and Medium AEs pay first year seniors only \$45,001 to \$55,000 annually (50%, 75% and 56% respectively).

In comparison, majority of Small and Micro AEs pay their first year seniors annual salaries of less than \$45,000 (66% and 75% respectively).

Figure 22: Annual Salary Range for First Year Senior



⁸ The median gross monthly income of professionals aged between 25-29 is \$4,229 (excluding employer CPF) [Ministry of Manpower, Labour Force in Singapore 2015].

First Year Managers

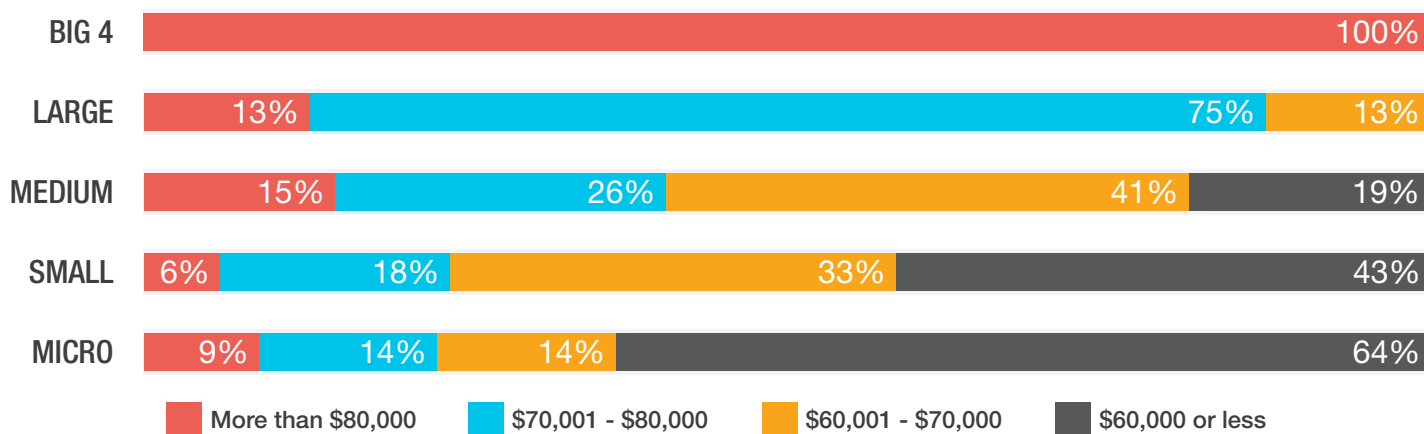
It is estimated that a typical manager in Singapore aged between 25 to 29 years will earn about \$70,000⁹. However, only 25% of accounting entities are estimated to pay their first year managers annual salaries of more than \$70,000.

The Big 4 AEs are the best pay masters for first year managers. All the Big 4s pay their first year managers annual salaries exceeding \$80,000. In comparison, only 13% of Large AEs pay similarly.

The majority of Large AEs pay their first year managers annual salaries of \$70,001 to \$80,000 (75%) while Medium AEs tend to pay annual salaries ranging from \$60,001 to \$80,000 (67%).

In contrast, most Small and Micro AEs pay their first year managers less than \$60,000 (43% and 64% respectively).

Figure 23: Annual Salary Range for First Year Manager



⁹ The median gross monthly income of managers aged between 25-29 is \$5,150 (excluding employer CPF) [Ministry of Manpower, Labour Force in Singapore 2015].

EMPLOYMENT OUTLOOK

64% OF ACCOUNTING ENTITIES EXPECT POSITIVE GROWTH IN THEIR HEADCOUNT

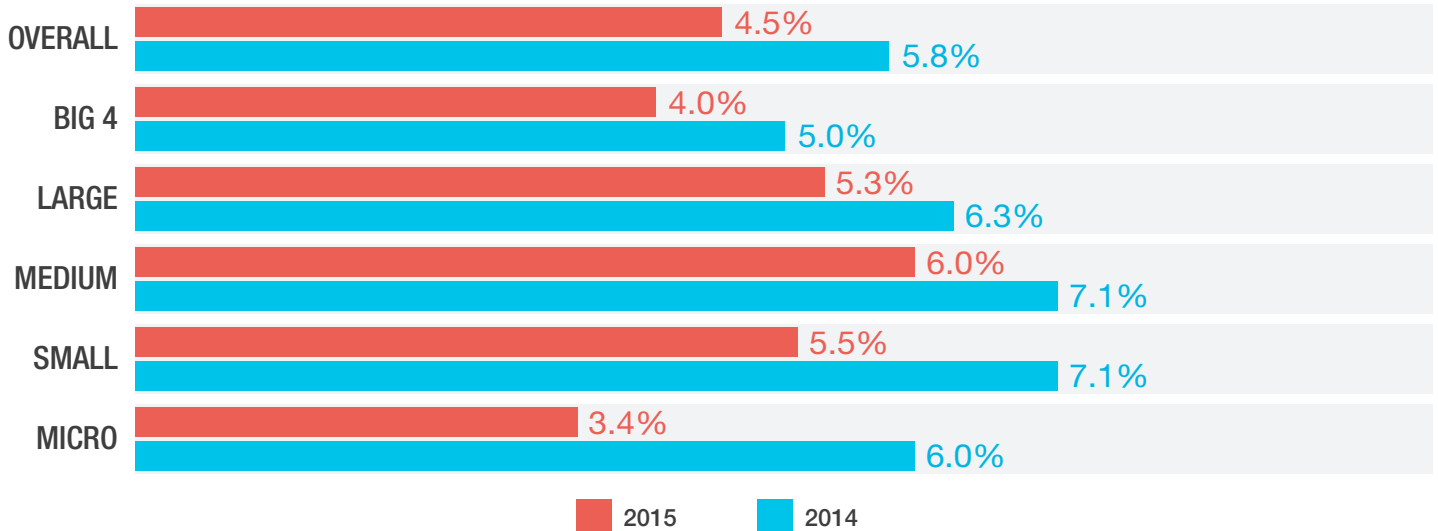
64% of AEs that responded to the census expect positive growth in their headcount in 2017. This is slightly lower than the previous year's employment outlook whereby 67% of the AEs were expecting positive headcount growth.

Based on the AEs' responses, the accountancy workforce will increase 4.5% in 2017, lower than the 5.8% estimated for 2016. Large, Medium and Small AEs are generally more positive about headcount growth in 2017 (5.3%, 6.0% and 5.5% respectively) as compared to the Big 4 and Micro AEs (4.0% and 3.4% respectively).

Figure 24: Percentage of AEs with Positive Hiring Intentions, By AE Size



Figure 25: Expected Headcount Growth in the Next 12 Months, By AE Size



ACCOUNTING SERVICES ENTITIES

HIGHER AVERAGE PRODUCTIVITY OBSERVED IN ACCOUNTING SERVICES ENTITIES

Apart from the 689 accounting entities that are approved under the Accountants Act (Chapter 2), the accounting sector also comprises other entities that provide non-audit related services. Such entities do not perform audit related work and are not regulated by ACRA. However, they provide valuable accounting-related services and contribute significantly to Singapore's economy.

13 Accounting Service Entities (ASE) responded to the census. 4 of them employ more than 30 employees, with the biggest entity employing 304 people. The remaining 9 entities employ an average of 12 people.

The census indicated that revenues of ASEs are mainly generated from the provision of corporate support services and other services (55%). The average percentage of tax related and business advisory services are also fairly significant at 18% and 17% respectively.

The average productivity of ASEs are fairly comparable to AEs. Of note, the Big 4 AEs generated revenue per employee of \$150,501. Revenue per employee of Large and Medium AEs are about \$91,241 and \$80,202 respectively. In comparison, ASEs with more than 30 employees generated an average of about \$111,977 which is 23% higher than Large AEs. The smaller ASEs also were able to generate \$98,869 per employee, 8% higher than Large AEs.

The estimated average employee wages in ASEs are also fairly comparable to Medium and Small AEs for fresh graduates and first-year seniors. However, Large ASEs appear willing to pay higher wages to their first year managers – the annual salary is \$75,000 which is similar to Large AEs.

Figure 26: Average Revenue Composition of Accounting Services Entities

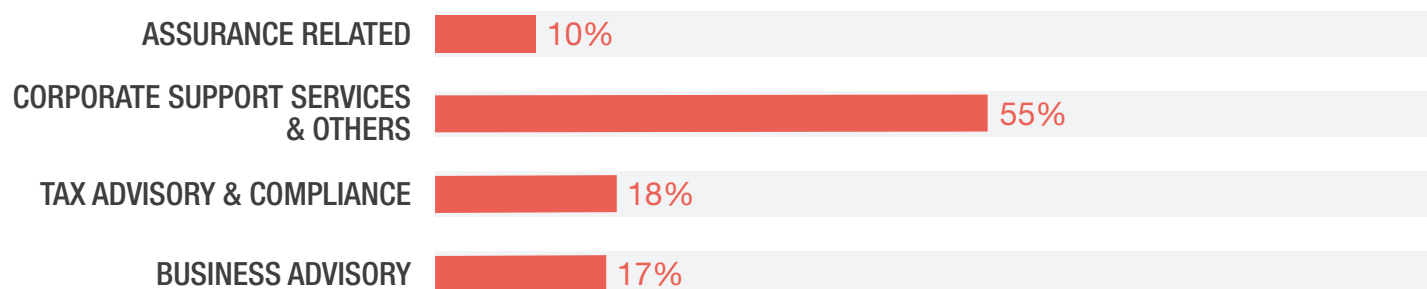


Figure 27: Average Annual Revenue per Employee of Accounting Services Entities



Figure 28: Average Percentage of Locals in Accounting Services Entities

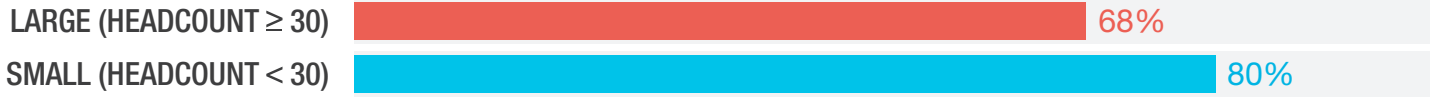


Figure 29: Average Percentage of Graduates in Accounting Services Entities



Figure 30a: Average Annual Wage – Fresh Graduates in Accounting Services Entities

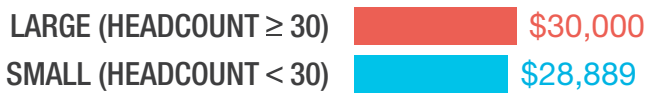


Figure 30b: Average Annual Wage – First Year Senior in Accounting Services Entities



Figure 30c: Average Annual Wage – First Year Manager in Accounting Services Entities



CONCLUSION

As a key enabler for the economy, the continuous growth in organisational capabilities and innovation efforts is a strategic imperative for Accounting Entities. While 2016 has been a challenging year for most businesses, many AEs have defied the challenging market conditions to improve their productivity and performance. The five tier categorisation also enabled the SAC to generate a better understanding of the performances and challenges of AEs in the respective tiers.

The 2016 census showed that despite a slow-growth business environment, the sector is estimated to have increased their total revenues to S\$2.06 billion in 2015, an increase from S\$1.9 billion a year ago. Many Non-Big 4 AEs have also intensified capability building efforts to move up the value chain to diversify into new services while moving away from relying on audit as the main revenue driver.

The 2016 census also generated important insights about the different accounting services provided by AEs. Revenues from audit and assurance services contributed to only half or less for majority of the Big 4 and Large AEs. Beyond audit, the Big 4 and Large AEs also focus a large part of their businesses on providing tax advisory and compliance services (23% and 11% respectively), as well as other business advisory services (29% and 21% respectively). In comparison, a large percentage of Medium, Small and Micro AEs' revenues are generated from audit and assurance services (59%, 60% and 72% respectively), as well as corporate support services (19%, 21% and 14% respectively).

Overall, the sector created more than 400 jobs amidst the challenging business and employment conditions. The percentage of locals being employed in AEs also improved to 74%. The development and acquisition of skills remain an important aspect of the AEs' business with 83% of the workforce being graduates and 43% having the relevant professional qualifications.

Going forward, the SAC will leverage on some of the key findings generated from this report to develop the growth strategies and roadmaps for the Accountancy Sector. We are heartened to see that many AEs have been making efforts to transform themselves and branch out to include new services. However, there is increasing impetus for them to accelerate their transformation, particularly as regional forces and technological disruptions change the accountancy landscape. As corporates continue to look towards growth beyond Singapore shores, AEs should also consider growing and strengthening partnerships within and across their networks to support their clients as effective business advisors.

The Committee on the Future Economy has also completed its work and proposed 7 strategies to keep Singapore competitive. These will provide further strategic impetus and support to help AEs capture valuable growth opportunities in the region and keep Singapore competitive. Together, the SAC hopes to continue working closely with our stakeholders to achieve our vision of positioning Singapore to be the global accountancy hub.

TOP 50 ACCOUNTING ENTITIES*

BY HEADCOUNT

BIG 4

HEADCOUNT ≥ 1000

Deloitte & Touche LLP
Ernst & Young LLP
KPMG LLP
PricewaterhouseCoopers LLP

LARGE

HEADCOUNT 101-999

Baker Tilly TFW LLP
BDO LLP
Crowe Horwath First Trust LLP
Foo Kon Tan LLP
Mazars LLP
Moore Stephens LLP
Nexia TS PAC
RSM

MEDIUM

HEADCOUNT 31-100

A Garanzia LLP
 Akber Ali & Co
 Ardent Associates LLP
 Audit Alliance LLP
 Auditor PAC
 CA Trust PAC
 C.C. Yang & Co.
 CSI & Co. PAC
 Cypress Singapore PAC
 Ecovis Assurance LLP
 Fiducia LLP
 Grant Thornton Audit LLP
 Helmi Talib & Co
 HLB Atrede LLP
 Infinity Assurance LLP
 Kong, Lim & Partners LLP
 Kreston David Yeung PAC
 Liew Keow Seng PAC
 Lo Hock Ling & Co.
 MGI Menon & Associates
 Ng, Lee & Associates - DFK
 P G Wee Partnership LLP
 PKF-CAP LLP
 Precursor
 Reanda Adept PAC
 RT LLP
 UHY Lee Seng Chan & Co.

SMALL

HEADCOUNT 10-30

Koh Swee Tian & Co
 Loke Lum PAC
 L W Ong & Associates LLP
 Phillip Liew & Co
 Pinebridge LLP
 P K Loke & Partners LLP
 Steven Tan Russell Bedford PAC
 Thong & Lim
 TKNP International
 Verity Partners
 Yong Fan Kiong & Co

*Based on responses to the AECensus 2016.

GLOSSARY OF TERMS

Accounting Entity (AE)	<p>An Accounting Corporation, Accounting Firm, or Accounting Limited Liability Partnership, approved under the Accountants Act (Chapter 2). An accounting entity provides audit and assurance services - regulated by ACRA - as well as other non-audit related services such as basic accounting services, tax preparations, corporate advisory services and consultancy services.</p>
Accounting Services Entity (ASE)	<p>An entity that does not provide audit and assurance services that are regulated by ACRA, but provide non-audit related accounting services such as basic accounting services, tax preparations and corporate advisory services.</p>
Audit and Assurance	<p>Comprises:</p> <ul style="list-style-type: none"> • Statutory audit; and • Other audit services
Business Process & Risk Management Advisory	<p>Comprises:</p> <ul style="list-style-type: none"> • Business valuation; • Fraud and forensic accounting; • Internal audit; • IT solution business; • Process improvement; • Risk management; and • Sustainability / Corporate social responsibility reporting services
Business Strategy & Financial Management Advisory	<p>Comprises:</p> <ul style="list-style-type: none"> • Budgeting; • Financial management; • Initial Public Offers (IPO) / capital markets activity; • Merger & Acquisition and due diligence; • Personal wealth management; and • Strategy formation and implementation services
Restructuring and Insolvency Advisory	<p>Comprises:</p> <ul style="list-style-type: none"> • Human resource compliance; • Judicial management; • Restructuring & change management; and • Succession planning/business transfer services
Tax Advisory & Compliance	<p>Comprises:</p> <ul style="list-style-type: none"> • Corporate & personal income tax; • Cross-border advisory; • Goods & Services Tax (GST); • Tax planning; and • Transfer pricing advisory tax services
Work Performed in Singapore	<p>Income received by all entities based in Singapore which is sourced locally. An example is as follows:</p> <ul style="list-style-type: none"> • Income received from the provision of professional accounting services in Singapore <p>However, it excludes non-operating income, such as sale/disposal of fixed assets, grants and gross receipts collected on behalf of others.</p>
Work Performed outside Singapore	<p>Income received by all entities based in Singapore which is sourced overseas. Some examples are as follow:</p> <ul style="list-style-type: none"> • Revenue from work performed outside Singapore • Revenue from the provision of cloud-based services to clients based outside Singapore

ANNEX: DATA TABLES

BASED ON RESPONSES RECEIVED

TABLE 1

ANNUAL REVENUE DERIVED FROM WORK PERFORMED IN SINGAPORE

	S\$1 Million or less	S\$1.1 Million - S\$5 Million	S\$5.1 Million - S\$10 Million	S\$10.1 Million - S\$25 Million	S\$25.1 Million - S\$50 Million	More than S\$50 Million
OVERALL	55%	33%	4%	4%	1%	3%
BIG 4	0%	0%	0%	0%	0%	100%
LARGE	0%	0%	0%	75%	13%	13%
MEDIUM	4%	74%	22%	0%	0%	0%
SMALL	40%	60%	0%	0%	0%	0%
MICRO	100%	0%	0%	0%	0%	0%

TABLE 2

ANNUAL REVENUE DERIVED FROM WORK PERFORMED OUTSIDE SINGAPORE

	S\$1 Million or less	S\$1.1 Million - S\$5 Million	S\$5.1 Million - S\$10 Million	S\$10.1 Million - S\$25 Million	S\$25.1 Million - S\$50 Million	More than S\$50 Million
OVERALL	94%	4%	1%	1%	0%	1%
BIG 4	0%	0%	25%	25%	0%	50%
LARGE	0%	100%	0%	0%	0%	0%
MEDIUM	100%	0%	0%	0%	0%	0%
SMALL	100%	0%	0%	0%	0%	0%
MICRO	100%	0%	0%	0%	0%	0%

TABLE 3

ANNUAL REVENUE PER EMPLOYEE

	S\$60,000 or less	S\$60,001 - S\$80,000	S\$80,001 - S\$100,000	S\$100,001 - S\$125,000	More than S\$125,000
OVERALL	30%	28%	26%	9%	7%
BIG 4	0%	0%	0%	0%	100%
LARGE	0%	14%	71%	14%	0%
MEDIUM	11%	37%	41%	7%	4%
SMALL	27%	31%	27%	12%	4%
MICRO	45%	26%	15%	8%	6%

TABLE 4

PERCENTAGE OF REVENUE FROM AUDIT AND ASSURANCE SERVICES

	30% or less	31% - 40%	41% - 50%	51% - 60%	61% - 70%	More than 70%
OVERALL	11%	10%	20%	12%	11%	35%
BIG 4	0%	0%	100%	0%	0%	0%
LARGE	0%	12%	25%	13%	38%	12%
MEDIUM	7%	0%	37%	15%	22%	19%
SMALL	9%	13%	21%	23%	9%	25%
MICRO	17%	11%	8%	3%	6%	55%

TABLE 5

PERCENTAGE OF REVENUE FROM CORPORATE SUPPORT SERVICES & OTHERS

	20% or less	21% - 30%	31% - 40%	41% - 50%	More than 50%
OVERALL	58%	18%	12%	5%	8%
BIG 4	100%	0%	0%	0%	0%
LARGE	86%	0%	14%	0%	0%
MEDIUM	52%	26%	11%	7%	4%
SMALL	47%	30%	13%	2%	8%
MICRO	63%	8%	11%	8%	11%

TABLE 6

PERCENTAGE OF REVENUE FROM TAX ADVISORY & COMPLIANCE SERVICES

	10% or less	11% - 20%	21% - 30%	More than 30%
OVERALL	46%	36%	15%	3%
BIG 4	0%	50%	50%	0%
LARGE	25%	75%	0%	0%
MEDIUM	44%	52%	4%	0%
SMALL	40%	40%	19%	2%
MICRO	57%	22%	15%	6%

TABLE 7

PERCENTAGE OF REVENUE FROM BUSINESS ADVISORY SERVICES

	10% or less	11% - 20%	21% - 30%	More than 30%
OVERALL	83%	8%	7%	2%
BIG 4	0%	0%	75%	25%
LARGE	29%	43%	29%	0%
MEDIUM	70%	15%	15%	0%
SMALL	87%	11%	2%	0%
MICRO	95%	0%	2%	3%

TABLE 8

PERCENTAGE OF EMPLOYEES WITH PROFESSIONAL ACCOUNTANCY QUALIFICATIONS

	20% or less	21% - 40%	41% - 60%	More than 60%
OVERALL	23%	29%	20%	29%
BIG 4	0%	50%	50%	0%
LARGE	13%	50%	13%	25%
MEDIUM	7%	52%	22%	19%
SMALL	25%	25%	28%	23%
MICRO	31%	18%	11%	40%

TABLE 9

ANNUAL SALARY RANGE - FRESH GRADUATE

	S\$25,000 or less	S\$25,001 - S\$30,000	S\$30,001 - S\$35,000	S\$35,001 - S\$40,000	More than S\$40,000
OVERALL	22%	44%	22%	11%	1%
BIG 4	0%	0%	25%	50%	25%
LARGE	0%	0%	38%	63%	0%
MEDIUM	4%	44%	37%	15%	0%
SMALL	19%	60%	15%	6%	0%
MICRO	38%	38%	19%	4%	0%

TABLE 10

ANNUAL SALARY RANGE - FIRST YEAR SENIOR

	\$45,000 or less	\$45,001 - \$55,000	\$55,001 - \$65,000
OVERALL	60%	35%	6%
BIG 4	25%	50%	25%
LARGE	25%	75%	0%
MEDIUM	33%	56%	11%
SMALL	66%	30%	4%
MICRO	75%	21%	4%

TABLE 11

ANNUAL SALARY RANGE - FIRST YEAR MANAGER

	\$60,000 or less	\$60,001 - \$70,000	\$70,001 - \$80,000	\$80,001 - \$90,000	\$90,001 - \$100,000
OVERALL	41%	26%	21%	9%	3%
BIG 4	0%	0%	0%	75%	25%
LARGE	0%	13%	75%	13%	0%
MEDIUM	19%	41%	26%	11%	4%
SMALL	43%	33%	18%	4%	2%
MICRO	64%	14%	14%	7%	2%

TABLE 12

NUMBER OF PARTNERS

	2 or less	3 - 5	6 - 10	11 - 20	21 - 50	More than 50
OVERALL	61%	25%	6%	3%	1%	3%
BIG 4	0%	0%	0%	0%	0%	100%
LARGE	0%	0%	13%	63%	25%	0%
MEDIUM	15%	63%	22%	0%	0%	0%
SMALL	55%	40%	6%	0%	0%	0%
MICRO	97%	3%	0%	0%	0%	0%

TABLE 13

NUMBER OF DEDICATED FULL-TIME HUMAN RESOURCE STAFF

	0	1	2	3 - 5	More than 5	Mean
OVERALL	52%	30%	8%	8%	3%	2
BIG 4	0%	0%	0%	0%	100%	34
LARGE	0%	0%	25%	63%	13%	4
MEDIUM	30%	41%	22%	7%	0%	1
SMALL	42%	53%	4%	2%	0%	1
MICRO	78%	12%	3%	6%	0%	0

TABLE 14

EXPECTED GROWTH IN NUMBER OF EMPLOYEES

	Negative Growth	0%	1% - 5%	6% - 10%	11% - 20%	More than 20%
OVERALL	3%	32%	34%	17%	8%	5%
BIG 4	0%	0%	73%	23%	0%	4%
LARGE	0%	0%	63%	25%	13%	0%
MEDIUM	4%	0%	59%	22%	11%	4%
SMALL	0%	25%	43%	17%	11%	4%
MICRO	6%	59%	10%	14%	5%	6%

Note: Some data does not add up to 100% due to rounding differences.

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