

AEcensus **2022**

The National Census For Accounting Entities

AEcensus 2022

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FOREWORD

Singapore's accountancy sector recovered from the COVID-19 pandemic to grow 5.0% in 2021, with total revenue increasing to \$2.61 billion, in line with the 7.6% growth in the Singapore's economy and 4.4% growth in Singapore's professional services sector in 2021.

DEMAND FOR SERVICES

Revenue increased across the four broad service categories. Audit and assurance services remained a key source of revenue for the Accounting Entities ('AEs'), accounting for 48% of the sector's operating receipts and contributing over \$1.2 billion in revenue.

Other key sources of revenue include business advisory services and tax advisory and compliance services which jointly contributed to 45% of the sector's operating receipts.

We expect firms to continue diversifying their service offerings beyond audit as companies resume their growth activities in the post COVID-19 economy. One of these areas include sustainability-related services, with more firms intending to provide such services by 2025.

ACCOUNTANCY WORKFORCE

Despite the strong recovery of the accountancy sector, employment by the AEs shrank by 5.2% with an estimated decrease of 1,071 in 2021, bringing the workforce size to 19,444. In line with Singapore's strong economic recovery in 2021, the labour market showed broad recovery in 2021. However, there were labour shortages in some sectors, including the accountancy sector which saw elevated levels of job vacancies. It was estimated that there were more than 2,300 unfilled positions within the accounting entities, particularly in audit and assurance which accounted for 51% of the unfilled positions.

PRODUCTIVITY

Productivity increased by 10.7% in 2021. Average revenue per employee was \$134,315. The growth in productivity is observed in audit & assurance (7.1%), tax advisory and compliance (10.0%), and business advisory (27.6%) service categories due to the growth in demand of these services. Improvements in average revenue per employee were also observed across AEs of all sizes, particularly among Big 4 (11.2%), Large (10.4%) and Micro AEs (10.5%).

DIGITALISATION

The year saw a decline in the adoption of nine out of the twelve digital solutions listed in the census. Technologies such as Know Your Customer (KYC) and Anti-Money Laundering (AML) screening tools and on-premise accounting software saw a notable decline in adoption, with adoption of KYC/AML tools declining from 64% to 57% and on-premise accounting software declining from 38% to 33%. On the other hand, adoption of data analytics for advisory increased from 19% to 34%, primarily due to increased uptake among Medium and Small AEs.

OUTLOOK FOR 2023

The majority of AEs are optimistic of their growth prospects and have indicated growth in their annual revenue and headcount for 2023, particularly in business advisory services and tax advisory and compliance services.

IN APPRECIATION

The ACRA team would like to thank all the respondents for making AECensus 2022 possible. We hope that AEs will find the report useful in charting their future plans and use the findings to benchmark themselves against the rest of the industry in their pursuit for growth and transformation.



Mr Evan Law

Assistant Chief Executive

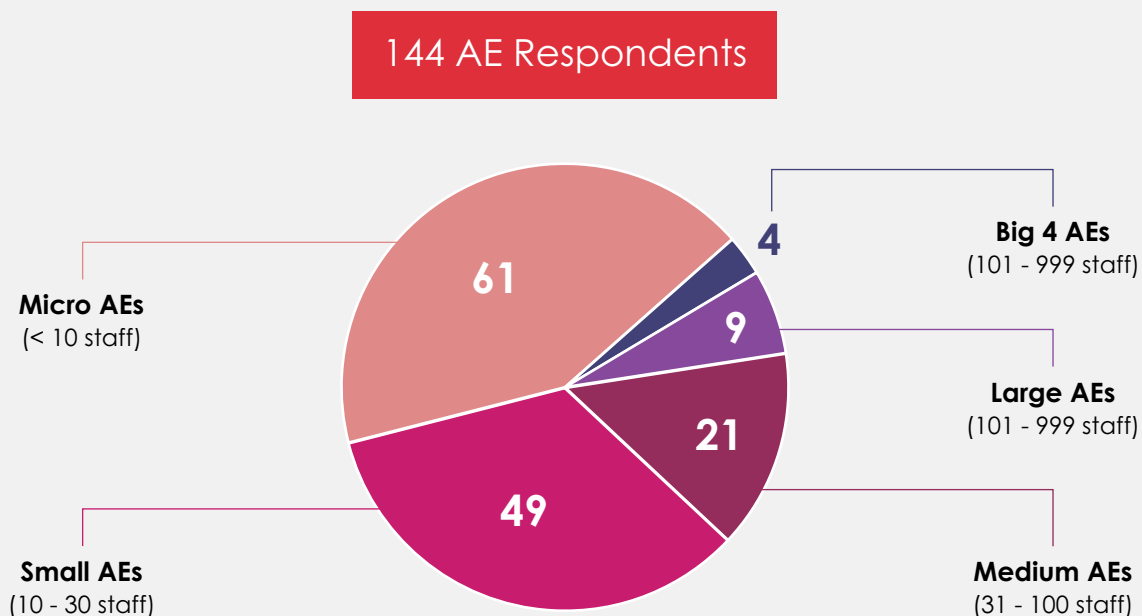
Accounting and Corporate Regulatory Authority

INTRODUCTION

AECensus is the national census conducted by Accounting and Corporate Regulatory Authority (ACRA) for Accounting Entities (AEs) that are registered under the Accountants Act (Chapter 2).

AECensus 2022 was conducted from June to August 2022 to capture activities for the year 2021. A total of 144 Accounting Entities (AEs) responded to the survey. These respondents generated close to 90% of the sector's total estimated revenue.

FIG 1 Respondents Profile



AE Size	Total Number of Respondents	% of Estimated Total Population Based on AE Size
Big 4 AEs (≥ 1,000 staff)	4 out of 4	100%
Large AEs (101 - 999 staff)	9 out of 9	100%
Medium AEs (31 - 100 staff)	21 out of 23	91%
Small AEs (10 - 30 staff)	49 out of 182*	27%
Micro AEs (< 10 staff)	61 out of 491*	12%

* Estimated based on total population of 709 Accounting Entities approved under the Accountants Act as at 31 March 2022 (Source: Accounting and Corporate Regulatory Authority)

The census comprises five segments: market structure, accountancy workforce, productivity, technology adoption, and expected growth. These segments were measured as follows:

MARKET STRUCTURE

Measured by both domestic revenue (work performed in Singapore) and foreign revenue (work performed outside Singapore).



ACCOUNTANCY WORKFORCE

Measured firms' distribution of jobs across the 5 service categories: audit and assurance, business advisory, tax advisory and compliance, corporate support, and admin/support.



PRODUCTIVITY

Measured by the average annual revenue per employee; total wage expenses as a percentage of total operating revenue; and total wage expenses as a percentage of total operating expenses.



TECHNOLOGY ADOPTION

Measured by the average adoption level of common accounting related software; audit and tax software etc; and broad base software; HR/Payroll and Marketing/CRM software etc.



EXPECTED GROWTH

Measured the firms' expected annual revenue and headcount growth in 2023.



ABOUT ACCOUNTING AND CORPORATE REGULATORY AUTHORITY

The Accounting and Corporate Regulatory Authority (ACRA) is the regulator of business registration, financial reporting, public accountants, and corporate service providers. We are responsible for developing the accountancy sector and setting the accounting standards for companies, charities, co-operative societies, and societies in Singapore. ACRA fosters a vibrant and trusted business environment that enables innovation and growth and contributes towards making Singapore the best place for business.

For more information, please visit: www.acra.gov.sg.

ACKNOWLEDGEMENT


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

SUPPORTING PARTNERS



SUMMARY OF FINDINGS

SECTOR OVERVIEW

Total Revenue

▲ 5.0%
 Increase to \$2.61B

Workforce

▼ 5.2%
 Decrease to 19,444

Productivity

▲ 10.7%
 Increase to \$134,315

Number of Accounting Entities


▲ 0.3%
 Increase to 709

REVENUE BY SERVICE CATEGORY (IN \$M)

\$2,612 million total operating receipts in 2021


7%

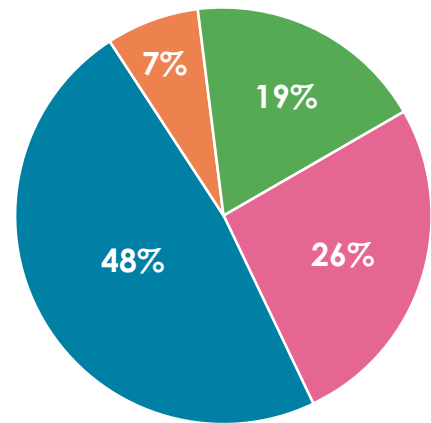
Corporate Support
 \$186.7m ▲ 6.9%

19%

Tax Advisory & Compliance
 \$484.9m ▲ 2.1%

48%

Audit & Assurance
 \$1,253.5m ▲ 2.8%

26%

Business Advisory
 \$686.5m ▲ 10.8%



PRODUCTIVITY

Service	Average Revenue per Employee – 2021 (\$'000)	Year-on-Year Change
Audit & Assurance	\$131.6	▲ 7.1%
Business Advisory	\$176.8	▲ 27.6%
Tax Advisory & Compliance	\$190.7	▲ 10.0%
Corporate Support	\$113.6	▼ 1.6%
Total	\$134.3	▲ 10.7%


Total wage expense as a percentage




Expected growth in 2023




WORKFORCE

Percentage of locals
80%


Decrease in headcount in 2021
▼ 1,071


Accounting entities that intend to provide sustainability-related service(s) by 2025

43


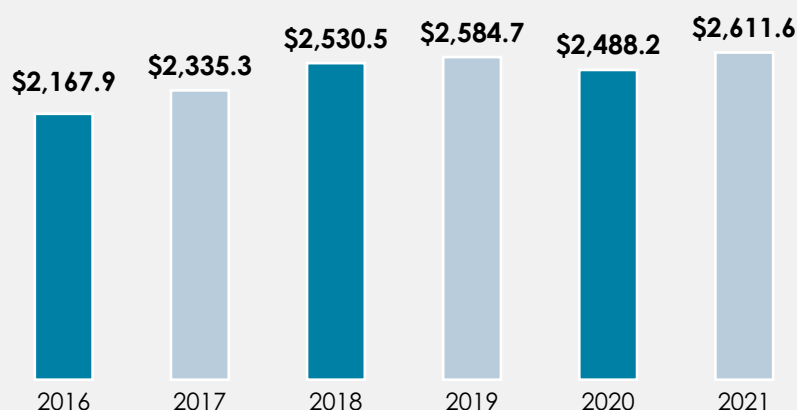
MARKET STRUCTURE

▲ 5.0%
Increase in total revenue to \$2.61B

REVENUE COMPOSITION

In 2021, the total estimated revenue for the accounting sector increased by 5.0% to \$2,611.6 million. This was in line with the 7.6% growth in the Singapore's economy and 4.4% growth in Singapore's professional services sector in 2021¹.

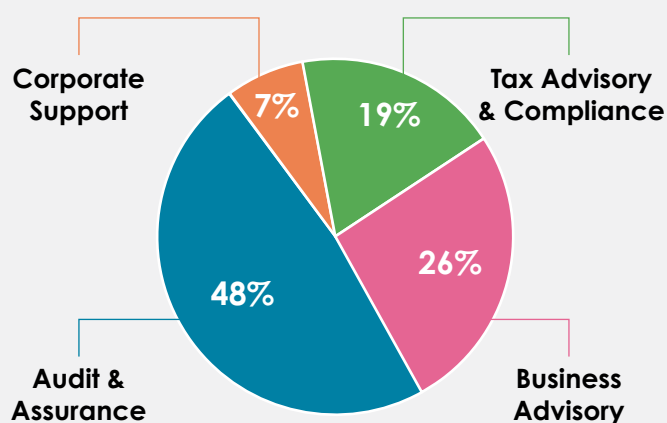
FIG 2 Estimated Revenue Generated (\$' million)



REVENUE BY SERVICE CATEGORY

Audit and assurance services continued to be the primary source of revenue for AEs and made up 48% of the sector's total operating receipts in 2021. Business advisory services, which comprise corporate finance and deal advisory, risk management and governance, IT advisory, restructuring and insolvency, and other advisory services, contributed another 26% of receipts. The remaining 26% is made up of tax advisory and compliance services (19%) and corporate support services (7%).

FIG 3 Revenue by Service Category



Year	Audit & Assurance	Business Advisory	Tax Advisory & Compliance	Corporate Support
2021	\$1,253.5M	\$686.5M	\$484.9M	\$186.7M
2020	\$1,218.9M	\$619.6M	\$475.1M	\$174.6M
Change	▲ \$34.6M	▲ \$66.9M	▲ \$9.8M	▲ \$12.1M
% Change	▲ 2.8%	▲ 10.8%	▲ 2.1%	▲ 6.9%

¹ Ministry of Trade and Industry Singapore, Economic Survey of Singapore 2021.

FIG 4 Revenue by Service Line (\$' million)

Service Line	Revenue (\$' million)		Change \$'million	Year-on-year Change
	2021	2020		
Audit & Assurance	\$1,253.5	\$1,218.9	▲ \$34.6M	▲ 2.8%
Tax Compliance	\$286.0	\$288.6	▼ \$2.6M	▼ 0.9%
Tax Advisory	\$198.8	\$186.5	▲ \$12.3M	▲ 6.6%
Corporate Support	\$186.7	\$174.6	▲ \$12.1M	▲ 6.9%
Risk Management & Governance	\$170.5	\$166.7	▲ \$3.8M	▲ 2.3%
IT Advisory	\$152.4	\$135.6	▲ \$16.8M	▲ 12.4%
Corporate Finance & Deal Advisory	\$146.1	\$145.3	▲ \$0.7M	▲ 0.5%
Restructuring & Insolvency	\$134.3	\$52.0	▲ \$82.3M	▲ 158.3%
Other Advisory Services	\$83.2	\$120.0	▼ \$36.8M	▼ 30.7%

Restructuring and insolvency services saw the sharpest increase in revenue of \$82.3 million (158.3%) in 2021. This is followed by audit and assurance services and IT advisory services which increased by \$34.6 million (2.8%) and \$16.8 million (12.4%) respectively. Tax advisory services and corporate support services also increased by \$12.3 million (6.6%) and \$12.1 million (6.9%) respectively.

The increase in revenue is offset by the revenue in other advisory services and tax compliance services which decreased by \$36.8 million (30.7%) and \$2.6 million (0.9%) respectively. Revenue from both risk management and governance services and corporate finance and deal advisory services also increased moderately by \$3.8 million (2.3%) and \$0.7 million (0.5%) respectively in 2021.

OVERSEAS REVENUE

An estimated \$329.8 million was generated from work performed outside Singapore by AEs in 2021. Such revenue made up 12.6% of the sector's total revenue and was generated largely by the Big 4 AEs (\$313.5 million) and Large AEs (\$11.7 million). Revenue from work performed outside Singapore contributed 17.2% and 3.6% to the revenues of the Big 4 and Large AEs respectively. In comparison, revenue from overseas work made up less than 2% of total revenue for the Medium, Small and Micro AEs respectively, which had limited overseas activities and performed most of their work in Singapore.

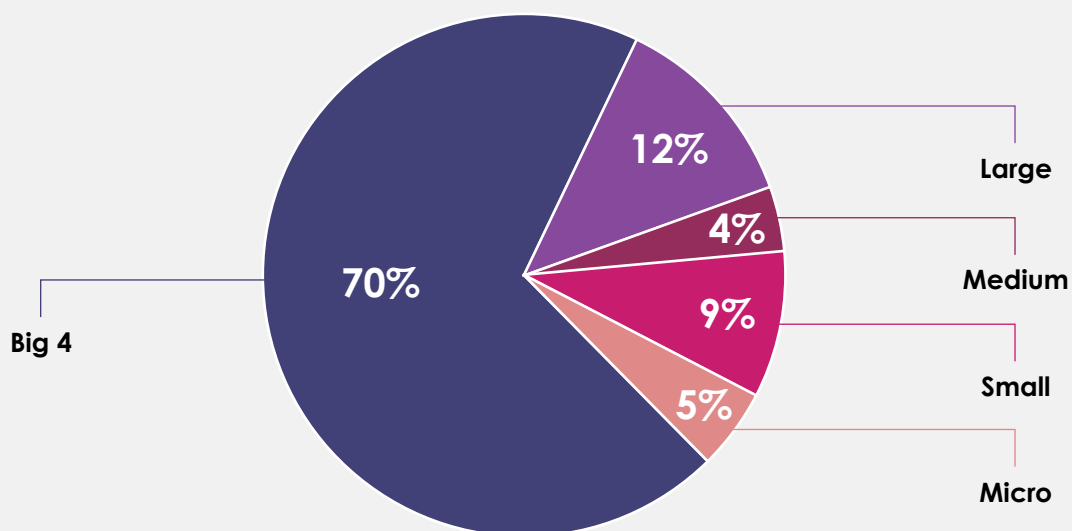
FIG 5 Estimated Revenue Derived from Work Performed Outside Singapore (\$' million)

AE Size	(\$' million)		Percentage of revenue		Change \$'million	Year-on-year Change
	2021	2020	2021	2020		
Total	\$329.8	\$237.1	12.6%	9.5%	▲ \$92.7M	▲ 39.1%
Big 4	\$313.5	\$220.0	17.2%	12.8%	▲ \$93.5M	▲ 42.5%
Large	\$11.7	\$15.2	3.6%	5.1%	▼ \$3.5M	▼ 23.1%
Medium	\$1.0	\$0.9	1.0%	0.8%	▲ \$0.1M	▲ 13.7%
Small	\$1.8	\$0.4	0.7%	0.2%	▲ \$1.4M	▲ 388.1%
Micro	\$1.8	\$0.7	1.5%	0.5%	▲ \$1.1M	▲ 163.7%

REVENUE BY AE SIZE

The Big 4 AEs continued to dominate the sector by contributing about 70% of the sector's overall revenue in 2021. Total revenue decreased for the Medium and Micro AEs, with the exception being the Large and Small AEs. The Medium AEs experienced the sharpest fall in revenue (13.3%), mainly due to the estimated number of Medium AEs declining from 28 to 23. This was followed by the Micro AEs (3.4%). In contrast, the Large and Small AEs increased total revenue by 8.0% and 7.8% respectively.

FIG 6 Revenue Composition by AE Size



AE Size	(\$' million)		Change \$'million	Year-on-year Change
	2021	2020		
Big 4	\$1,818.2	\$1,716.3	▲ \$101.9M	▲ 5.9%
Large	\$322.8	\$298.9	▲ \$23.9M	▲ 8.0%
Medium	\$101.4	\$117.0	▼ \$15.6M	▼ 13.3%
Small	\$245.3	\$227.7	▲ \$17.7M	▲ 7.8%
Micro	\$124.0	\$128.4	▼ \$4.4M	▼ 3.4%

BIG 4 AEs

Total revenue increased by 5.9% to \$1,818.2 million in 2021. Audit and assurance revenues remained a key source of revenue for Big 4 AEs in 2021, accounting for 44% of their total revenues (2020: 45%). This is followed by business advisory services (33%) and tax advisory and compliance services (21%). Revenue in corporate support services declined by 5.6% in 2021. The increase in the Big 4s' revenues is mainly attributed to a \$56.4 million increase in business advisory, followed by audit and assurance (\$23.9 million) and tax advisory and compliance services (\$22.8 million).

Business advisory services produced almost a third of the total revenue (33%). The increase in business advisory revenues of \$56.4 million (10.3%) is mainly due to an increase in revenues from restructuring and insolvency services (\$79.3 million), IT advisory services (\$15.1 million) and risk management and governance services (\$2.2 million). However, both corporate finance and deal advisory services and other advisory services saw a fall in revenue of \$3.1 million (2.4%) and \$37.1 million (32.7%) respectively in 2021.

FIG 7 Revenue by Service Category of Big 4 AEs (n=4)

AE Size	(\$' million)		Percentage of revenue		Change \$'million	Year-on-year Change
	2021	2020	2021	2020		
Audit & Assurance	\$801.3	\$777.4	44%	45%	▲ \$23.9M	▲ 3.1%
Business Advisory	\$605.0	\$548.6	33%	32%	▲ \$56.4M	▲ 10.3%
Tax Advisory & Compliance	\$390.8	\$367.9	21%	21%	▲ \$22.8M	▲ 6.2%
Corporate Support	\$21.1	\$22.3	1%	1%	▼ \$1.2M	▼ 5.6%
TOTAL	\$1,818.2	\$1,716.3	100%	100%	▲ \$101.9M	▲ 5.9%

Fig 7.1 Revenue by Business Advisory Services (\$' million)

Year	Risk Management & Governance	Corporate Finance & Deal Advisory	IT Advisory	Restructuring & Insolvency	Other Advisory Services
2021	\$146.8	\$128.3	\$141.5	\$112.1	\$76.3
2020	\$144.7	\$131.4	\$126.4	\$32.8	\$113.4
Change	▲ \$2.2	▼ \$3.1	▲ \$15.1	▲ \$79.3	▼ \$37.1
% Change	▲ 1.5%	▼ 2.4%	▲ 12.0%	▲ 241.9%	▼ 32.7%

LARGE AEs

Total revenue increased by 8.0% in 2021 to reach \$322.8 million. Audit and assurance services accounted for 45% of the total revenues (2020: 45%), followed by business advisory services (22%), corporate support services (19%) and tax advisory and compliance services (15%). The \$23.9 million increase in the Large AEs' revenue is mainly attributed to an increase in revenues from business advisory (\$13.8 million) and audit and assurance (\$10.2 million). Corporate support services saw a slight drop of 0.3% in 2021 while the revenue for the tax advisory and compliance services remained unchanged.

Large AEs saw increases across all business advisory service lines in 2021. The increase of \$13.8 million is mainly due to increases in restructuring and insolvency services (\$4.4 million) and risk management and governance services (\$3.5 million), followed by corporate finance and deal advisory (\$2.6 million), IT advisory (\$2.2 million) and other advisory services (\$1.1 million).

FIG 8 Revenue by Service Category of Large AEs (n=9)

AE Size	(\$' million)		% of revenue		Change \$'million	Year-on-year Change
	2021	2020	2021	2020		
Audit & Assurance	\$144.7	\$134.5	45%	45%	▲ \$10.2M	▲ 7.6%
Business Advisory	\$70.7	\$56.8	22%	19%	▲ \$13.8M	▲ 24.3%
Corporate Support	\$59.8	\$60.0	19%	20%	▼ \$0.2M	▼ 0.3%
Tax Advisory & Compliance	\$47.5	\$47.5	15%	16%	\$0.0M	Unchanged
TOTAL	\$322.8	\$298.9	100%	100%	▲ \$23.9M	▲ 8.0%

FIG 8.1 Revenue by Business Advisory Services (\$' million)

Year	Risk Management & Governance	Corporate Finance & Deal Advisory	IT Advisory	Restructuring & Insolvency	Other Advisory Services
2021	\$20.5	\$15.2	\$10.8	\$19.4	\$4.9
2020	\$17.0	\$12.6	\$8.6	\$15.0	\$3.8
Change	▲ \$3.5M	▲ \$2.6M	▲ \$2.2M	▲ \$4.4M	▲ \$1.1M
% Change	▲ 20.8%	▲ 20.4%	▲ 25.4%	▲ 29.7%	▲ 29.5%

MEDIUM AEs

Total revenue decreased 13.3% in 2021 to \$101.4 million due mainly to an estimated lower number of entities with headcount between 31 to 100 staff (2021: 23 vs 2020: 28). Revenues from audit and assurance services and corporate support services accounted for more than 80% of Medium AEs' revenues with the former accounting for 59% of their total revenue (2020: 63%) and the latter accounting for 25% (2020: 20%).

Revenues decreased across all the service categories in 2021, with the exception being the corporate support services which saw an increase in revenue by 11.4%. Medium AEs provide limited business advisory services with such revenues accounting for only 5% of their total revenue (2020: 5%). Decreases in revenue were observed for almost all business advisory service lines, except for corporate finance and deal advisory and other advisory services which grew \$0.4 million (39.7%) and \$9.3 million (54.4%) respectively in 2021.

FIG 9 Revenue by Service Category of Medium AEs (n=23)

AE Size	(\$' million)		% of revenue		Change \$'million	Year-on-year Change
	2021	2020	2021	2020		
Audit & Assurance	\$60.3	\$73.6	59%	63%	▼ \$13.4M	▼ 18.2%
Corporate Support	\$25.5	\$22.9	25%	20%	▲ \$2.6M	▲ 11.4%
Tax Advisory & Compliance	\$10.9	\$14.3	11%	12%	▼ \$3.4M	▼ 23.6%
Business Advisory	\$4.8	\$6.2	5%	5%	▼ \$1.4M	▼ 23.2%
TOTAL	\$101.4	\$117.0	100%	100%	▼ \$15.6M	▼ 13.3%

Fig 9.1 Revenue by Business Advisory Services (\$' million)

Year	Risk Management & Governance	Corporate Finance & Deal Advisory	IT Advisory	Restructuring & Insolvency	Other Advisory Services
2021	\$2.2	\$1.4	\$0.0	\$0.5	\$0.7
2020	\$3.3	\$1.0	\$0.4	\$1.0	\$0.5
Change	▼ \$1.1M	▲ \$0.4M	▼ \$0.4M	▼ \$0.5M	▲ \$0.3M
% Change	▼ 32.8%	▲ 39.7%	▼ 100.0%	▼ 54.2%	▲ 54.4%

SMALL AES

Total revenue grew 7.8% to \$245.3 million in 2021. Almost two-thirds of the total revenue were generated from audit and assurance services (63%). The most significant revenue increase was in corporate support services which saw a 54.6% jump compared to 2020. Audit and assurance revenues also grew \$3.8 million (2.5%).

Revenues from tax advisory and compliance services and business advisory services declined 19.5% and 24.5% respectively during the same period. Small AEs provide minimal business advisory services with such revenues making up only 2% of their total revenue (2020: 3%). Such revenues were mainly generated from risk management and governance services, corporate finance and deal advisory services, restructuring and insolvency services, and other advisory services, accounting for more than 96% of the Small AEs' total business advisory revenues. Other advisory services revenues declined sharply in 2021 (52.9%), offset by increases in revenues from corporate finance and deal advisory services (316.7%) and IT advisory services (25.0%).

Fig 10 Revenue by Service Category of Small AEs (\$' million) (n=182)

AE Size	(\$' million)		% of revenue		Change \$'million	Year-on-year Change
	2021	2020	2021	2020		
Audit & Assurance	\$153.7	\$149.9	63%	66%	▲ \$3.8M	▲ 2.5%
Corporate Support	\$61.3	\$39.6	25%	17%	▲ \$21.7M	▲ 54.6%
Tax Advisory & Compliance	\$24.9	\$30.9	10%	14%	▼ \$6.0M	▼ 19.5%
Business Advisory	\$5.5	\$7.2	2%	3%	▼ \$1.8M	▼ 24.5%
TOTAL	\$245.3	\$227.7	100%	100%	▲ \$17.7M	▲ 7.8%

FIG 10.1 Revenue by Business Advisory Services

Year	Risk Management & Governance	Corporate Finance & Deal Advisory	IT Advisory	Restructuring & Insolvency	Other Advisory Services
2021	\$0.9	\$1.2	\$0.1	\$2.2	\$1.0
2020	\$1.7	\$0.3	\$0.1	\$3.0	\$2.1
Change	▼ \$0.8M	▲ \$0.9M	▲ < \$1.0M	▼ \$0.8M	▼ \$1.1M
% Change	▼ 46.4%	▲ 316.7%	▲ 25.0%	▼ 26.6%	▼ 52.9%

MICRO AEs

Total revenue contracted by 3.4% to \$124.0 million in 2021. Similar to Small AEs, Micro AEs are highly dependent on audit and assurance services which accounted for 75% of their total revenues (2020: 65%). Such revenues increased by 12.0% in 2021, offset by a sharp fall in corporate support services (\$10.7 million), as well as decreases in tax advisory and compliance (\$3.7 million) and business advisory (\$0.1 million). Only 1% of their total revenues were generated from business advisory services (2020: 1%).

FIG 11 Revenue by Service Category of Micro AEs (\$' million) (n=491)

AE Size	(\$' million)		% of revenue		Change \$'million	Year-on-year Change
	2021	2020	2021	2020		
Audit & Assurance	\$93.5	\$83.5	75%	65%	▲ \$10.0M	▲ 12.0%
Corporate Support	\$19.1	\$29.8	15%	23%	▼ \$10.7M	▼ 36.0%
Tax Advisory & Compliance	\$10.8	\$14.4	9%	11%	▼ \$3.7M	▼ 25.3%
Business Advisory	\$0.6	\$0.7	0%	1%	▼ \$0.1M	▼ 14.8%
TOTAL	\$124.0	\$128.4	100%	100%	▼ \$4.4M	▼ 3.4%

FIG 11.1 Revenue by Business Advisory Services

Year	Risk Management & Governance	Corporate Finance & Deal Advisory	IT Advisory	Restructuring & Insolvency	Other Advisory Services
2021	\$0.1	\$0.0	\$0.0	\$0.2	\$0.3
2020	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2
Change	▼ < \$0.1M	▼ \$0.1M	▼ \$0.1M	▼ \$0.1M	▲ \$0.1M
% Change	▼ 12.8%	▼ 57.4%	▼ 100.0%	▼ 26.7%	▲ 38.1%

ACCOUNTANCY WORKFORCE

▼ 1,071
Decrease in headcount in 2021

SIZE OF ACCOUNTANCY WORKFORCE

In 2021, an estimated 19,444 people were employed in AEs and their related entities. The AEs' accounting workforce declined 5.2% in 2021. Total accountancy employment fell by 1,071 jobs due mainly to the decrease of 588 jobs (13.1%) in business advisory services, 396 jobs (4.0%) in audit and assurance services and 198 jobs (7.2%) in tax advisory and compliance services. On the other hand, total employment increased in corporate support services (8.7%). The accountancy employment for admin/support services fell slightly by 20 jobs (1.1%).

FIG 12 Estimated Size of Accountancy Workforce

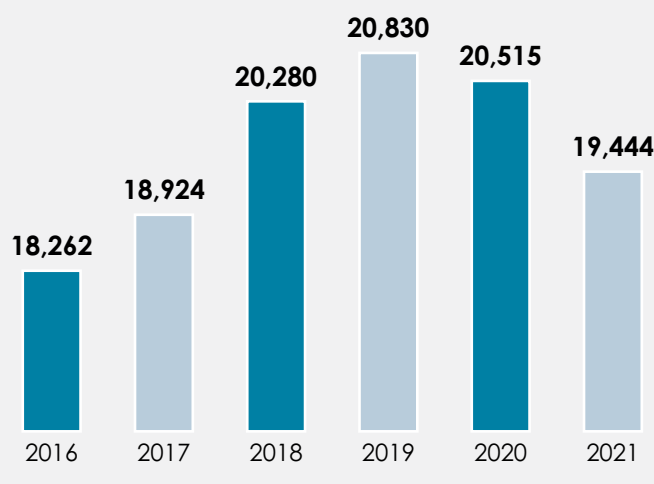


FIG 13 Workforce Composition, by Service Category

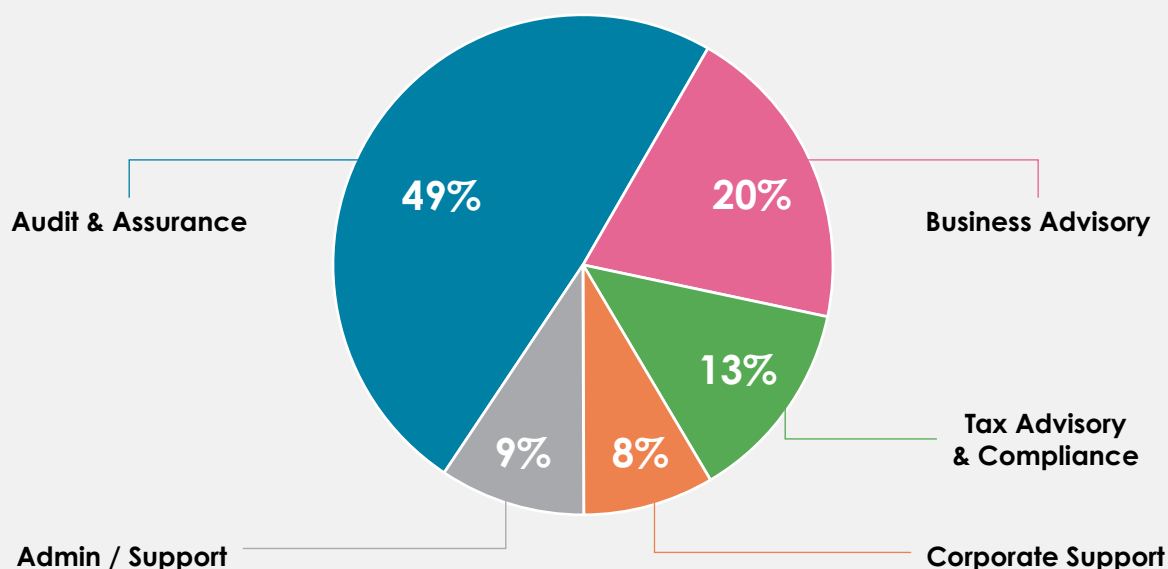


FIG 13.1 Workforce Size, by Service Category

Year	Audit & Assurance	Business Advisory	Tax Advisory & Compliance	Corporate Support	Admin / Support
2021	9,528	3,884	2,543	1,644	1,845
2020	9,924	4,472	2,741	1,513	1,865
Jobs Created	▼ 396	▼ 588	▼ 198	▲ 131	▼ 20
% Change	▼ 4.0%	▼ 13.1%	▼ 7.2%	▲ 8.7%	▼ 1.1%

The fall in total employment for business advisory services was mainly due to other advisory services and risk management and governance services which fell by 284 (24.3%) and 141 (13.2%) respectively.

Corporate finance and deal advisory, IT advisory and restructuring and insolvency services also fell by 99 (13.7%), 36 (3.0%) and 28 (9.3%) respectively. On the other hand, employment in corporate support services increased by 131 (8.7%) in 2021.

FIG14 Workforce Composition, By Service Line

Type of Services	2021	2020	Jobs Created	Year-on-year Change
Audit & Assurance	9,528	9,924	▼ 396	▼ 4.0%
Tax Advisory	837	877	▼ 40	▼ 4.6%
Tax Compliance	1,706	1,864	▼ 158	▼ 8.5%
Corporate Support	1,644	1,513	▲ 131	▲ 8.7%
Risk Management & Governance	926	1,067	▼ 141	▼ 13.2%
Corporate Finance & Deal Advisory	626	725	▼ 99	▼ 13.7%
IT Advisory	1,175	1,211	▼ 36	▼ 3.0%
Restructuring & Insolvency	273	301	▼ 28	▼ 9.3%
Other Advisory Services	884	1,168	▼ 284	▼ 24.3%
Admin / Support	1,845	1,865	▼ 20	▼ 1.1%

MANPOWER DISTRIBUTION, BY AE SIZE

More than half the accountancy workforce (57%) was employed by the Big 4 AEs in 2021. The remaining 43% worked across the remaining 705 AEs. The Big 4, Large, Medium and Micro AEs reported a decrease in their headcount, while the Small AEs added to their headcount in 2021.

FIG 15 Estimated Workforce Composition, by AE Size

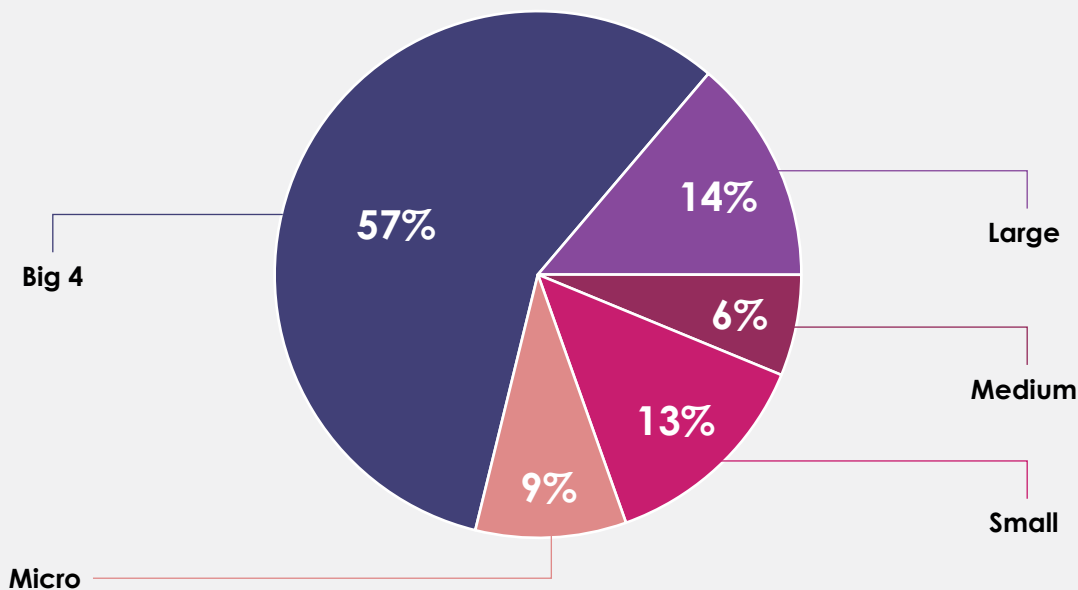


FIG 16 Estimated Manpower Distribution, by AE Size

AE Size	2021	2020	Jobs Created	Year-on-year Change
Total	19,444	20,515	▼ 1,071	▼ 5.2%
Big 4	11,166	11,724	▼ 558	▼ 4.8%
Large	2,678	2,738	▼ 60	▼ 2.2%
Medium	1,189	1,424	▼ 235	▼ 16.5%
Small	2,620	2,579	▲ 41	▲ 1.6%
Micro	1,791	2,050	▼ 259	▼ 12.6%

WORKFORCE COMPOSITION

36% of the accountancy workforce are in managerial and senior management roles. The majority are in associates (27%) and senior associates (30%) roles. The Big 4 AEs held the highest proportion of senior staff in management and senior management roles (36%). Large and Small AEs had about 33% and 34% of their workforce in management and senior management roles respectively. Slightly over a quarter of Medium AEs' workforce are in similar roles (27%).

The census showed a decline in employment across all levels of seniority in 2021. The fall is mainly attributed to a decrease in the number of senior associates which fell by 709 (10.9%).

FIG 17 Workforce Composition, By Seniority (in total employment numbers)

Seniority	2021	2020	Jobs Created	Year-on-year Change
Associates	5,295	5,366	▼ 71	▼ 1.3%
Senior Associates	5,783	6,492	▼ 709	▼ 10.9%
Managers	4,483	4,542	▼ 59	▼ 1.3%
Directors / Partners	2,544	2,560	▼ 16	▼ 0.6%
Others	1,339	1,555	▼ 216	▼ 13.9%

FIG 18 Workforce Composition, By Seniority (in percentage)

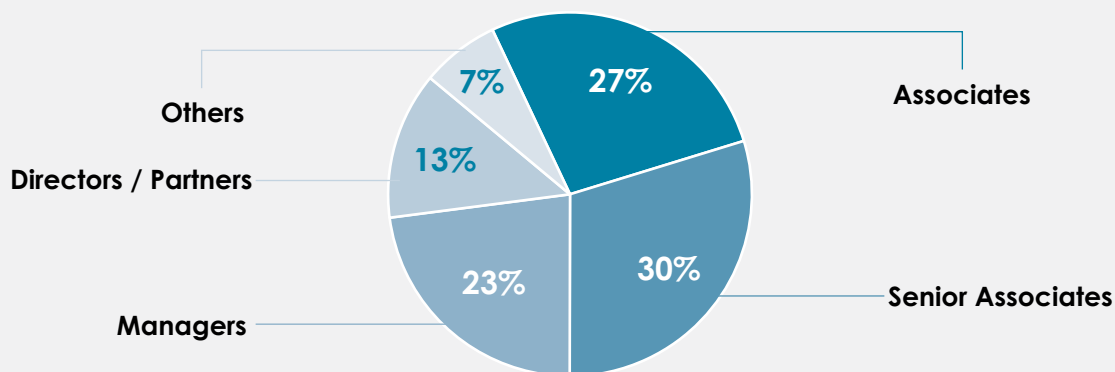


FIG 19 Workforce Composition, By AE Size and Seniority

AE Size	Associate	Senior Associate	Manager / Senior Manager	Director / Partner	Others
Total	27%	30%	23%	13%	7%
Big 4	27%	32%	27%	9%	5%
Large	27%	32%	23%	10%	8%
Medium	34%	29%	15%	12%	10%
Small	30%	26%	15%	19%	9%
Micro	21%	18%	18%	33%	11%

WORKFORCE DISTRIBUTION OF BIG 4 AEs

42% of the workforce worked in audit and assurance services, followed by business advisory (30%), and tax advisory and compliance services (16%). Although corporate support services contribute only 1% of their total revenues, jobs in corporate support services increased the most in 2021 by 33 (14.9%). Of note, the fall in the total workforce is attributed mainly to business advisory and audit and assurance services which shrank by 487 (12.8%) and 110 (2.3%) respectively.

FIG 20 Workforce Distribution of Big 4 AEs (n=4)

Service Category	% of Workforce	2021 Workforce	2020 Workforce	Jobs Created	Year-on-year Change
Audit & Assurance	42%	4,655	4,765	▼ 110	▼ 2.3%
Business Advisory	30%	3,325	3,812	▼ 487	▼ 12.8%
Tax Advisory & Compliance	16%	1,778	1,783	▼ 5	▼ 0.3%
Corporate Support	2%	254	221	▲ 33	▲ 14.9%
Admin / Support	10%	1,154	1,143	▲ 11	▲ 1.0%
TOTAL	100%	11,166	11,724	▼ 558	▼ 4.8%

WORKFORCE DISTRIBUTION OF LARGE AEs

Audit and assurance make up almost half of the workforce (47%). Although these revenues grew 7.6% in 2021, Large AEs saw the total audit workforce shrank by 21 positions due to the tight labour market. Similarly, workforce for business advisory declined by 66 positions even though such revenues grew 24.3% in 2021. This is offset by a slight increase in the headcount for corporate support services and admin/support at 3.1% and 4.9% respectively.

FIG 21 Workforce Distribution of Large AEs (n=9)

Service Category	% of Workforce	2021 Workforce	2020 Workforce	Jobs Created	Year-on-year Change
Audit & Assurance	47%	1,259	1,280	▼ 21	▼ 1.6%
Corporate Support	18%	473	459	▲ 14	▲ 3.1%
Business Advisory	15%	414	480	▼ 66	▼ 13.8%
Tax Advisory & Compliance	11%	297	295	▲ 2	▲ 0.7%
Admin / Support	9%	235	224	▲ 11	▲ 4.9%
TOTAL	100%	2,678	2,738	▼ 60	▼ 2.2%

WORKFORCE DISTRIBUTION OF MEDIUM AEs

More than 50% of the Medium AEs' workforce worked in audit and assurance (58%) which contributed 59% of their total revenues. Jobs across all services generally declined in 2021. In particular, the audit and assurance and business advisory workforce shrank by 176 (20.2%) and 26 (31%) respectively. The decline in workforce was also due to a decrease in the estimated number of entities with headcount between 31 to 100 staff (2021: 23 vs 2020: 28).

FIG 22 Workforce Distribution of Medium AEs (n=23)

Service Category	% of Workforce	2021 Workforce	2020 Workforce	Jobs Created	Year-on-year Change
Audit & Assurance	58%	695	871	▼ 176	▼ 20.2%
Corporate Support	17%	208	214	▼ 6	▼ 2.8%
Tax Advisory & Compliance	8%	98	110	▼ 12	▼ 10.9%
Business Advisory	5%	58	84	▼ 26	▼ 31.0%
Admin / Support	11%	130	145	▼ 15	▼ 10.3%
TOTAL	100%	1,189	1,424	▼ 235	▼ 16.5%

WORKFORCE DISTRIBUTION OF SMALL AEs

Similar to the Medium AEs, a majority of the Small AEs' workforce were in audit and assurance services (62%). The increase in the workforce was mainly due to corporate support services which grew by 191 (70.5%). However, this is offset by the decline in workforce of audit and assurance and tax advisory and compliance services which shrank by 112 (6.5%) and 60 (21.7%) respectively.

Fig 23 Workforce Distribution of Small AEs (n=182)

Service Category	% of Workforce	2021 Workforce	2020 Workforce	Jobs Created	Year-on-year Change
Audit & Assurance	62%	1,619	1,731	▼ 112	▼ 6.5%
Corporate Support	18%	462	271	▲ 191	▲ 70.5%
Tax Advisory & Compliance	8%	217	277	▼ 60	▼ 21.7%
Business Advisory	3%	78	83	▼ 5	▼ 6.0%
Admin / Support	9%	244	217	▲ 27	▲ 12.4%
TOTAL	100%	2,620	2,579	▲ 41	▲ 1.6%

WORKFORCE DISTRIBUTION OF MICRO AEs

More than 70% of the Micro AEs' workforce worked in audit and assurance (73%) as such revenues made up 75% of their total revenues. Micro AEs saw a decline in the overall workforce mainly due to tax advisory and compliance services and corporate support services which shrank by 123 (44.6%) and 101 (29%) respectively. This is offset by a slight increase in the workforce of audit and assurance at 1.8%.

FIG 24 Workforce Distribution of Micro AEs (n=491)

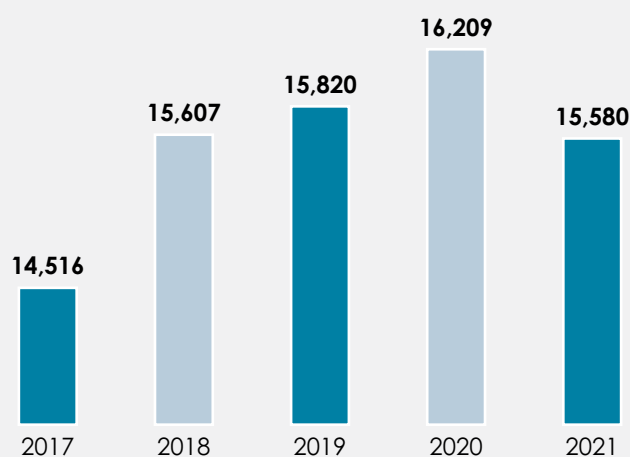
Service Category	% of Workforce	2021 Workforce	2020 Workforce	Jobs Created	Year-on-year Change
Audit & Assurance	73%	1,300	1,277	▲ 23	▲ 1.8%
Corporate Support	14%	247	348	▼ 101	▼ 29.0%
Tax Advisory & Compliance	9%	153	276	▼ 123	▼ 44.6%
Business Advisory	1%	9	13	▼ 4	▼ 30.8%
Admin / Support	5%	82	136	▼ 54	▼ 39.7%
TOTAL	100%	1,791	2,050	▼ 259	▼ 12.6%

LOCAL WORKFORCE

80% of local workforce are Singaporeans and Permanent Residents

80% of the accountancy workforce were locals in 2021². Although the total accountancy workforce decreased by 5.2%, the local employment declined only 3.9%. This contrasted with the increases observed in the local employment of the accountancy workforce in the preceding years.

FIG 25 Estimated number of Singaporeans and Permanent Residents in Accountancy Workforce



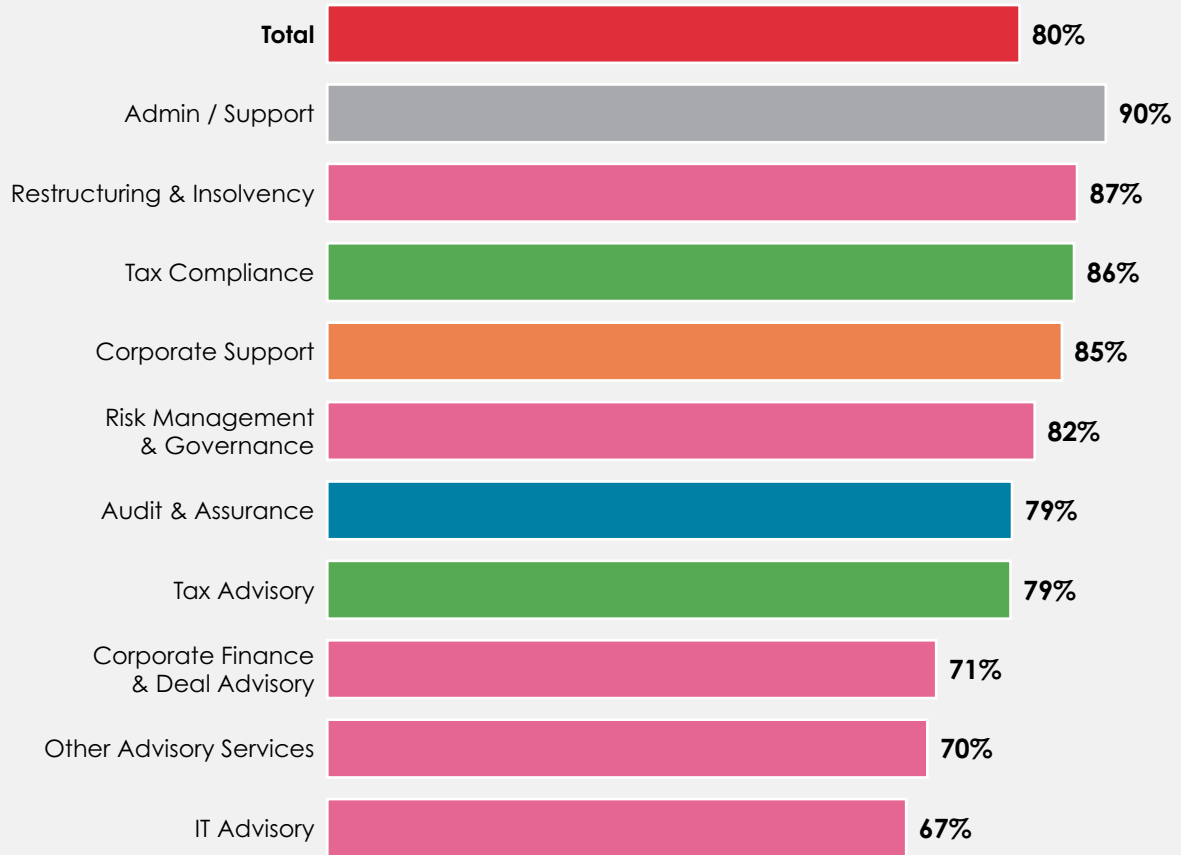
Localisation increased to 80% with a higher percentage of locals in key traditional service lines such as audit and assurance, tax advisory and compliance and corporate support services. Among the business advisory services, restructuring and insolvency, and risk management and governance have a higher percentage of locals. However, a lower percentage of locals are observed in corporate finance and deal advisory services, other advisory services, and IT advisory services. The lower percentage of locals in IT advisory services is in line with observations that Singapore faced a shortage of ICT talents³.

AEs are likely to face intense competition for talent from other sectors and within the sector itself as accounting talent continues to be highly sought after by the employers. To take advantage of emerging opportunities, AEs need to build and attract a strong pipeline of talent by reviewing their current human capital strategies to look after the well-being of employees, strengthen alignment of the organisational culture with the aspirations of young professionals, and consider job redesign to make jobs more productive and attractive.

² Singaporeans and Permanent Residents

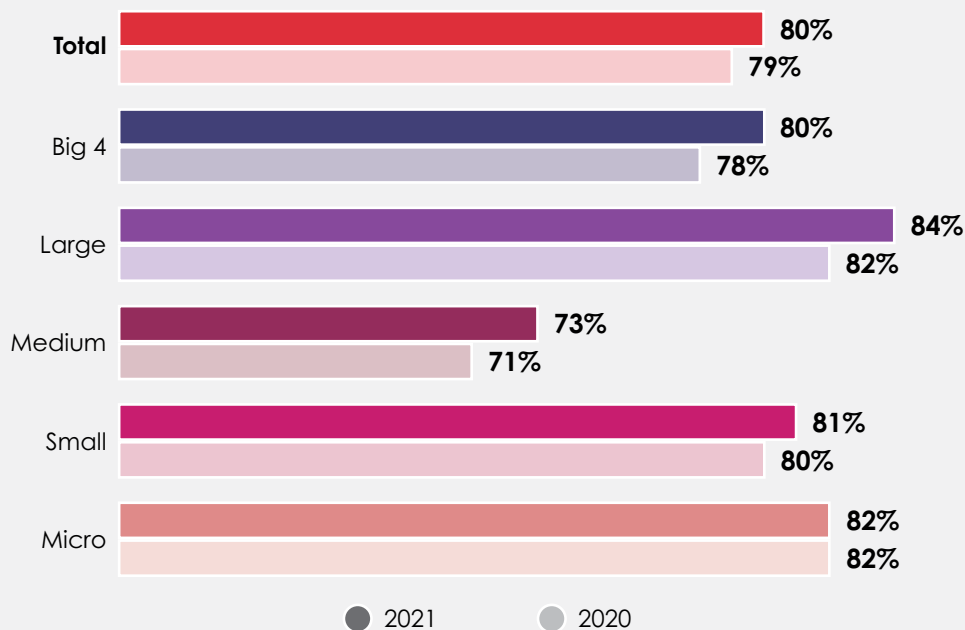
³ Infocomm Media Development Authority, Annual Survey on Infocomm Media Manpower 2020.

FIG 26 Percentage of Locals in AEs, By Service Line



The percentage of locals employed in the respective AEs increased from 79% in 2020 to 80% in 2021. This is also higher than the 76% reported in 2019 (pre-COVID). Of note, the percentage of locals is lowest among the Medium AEs.

FIG 27 Percentage of Locals in AEs, By AE Size

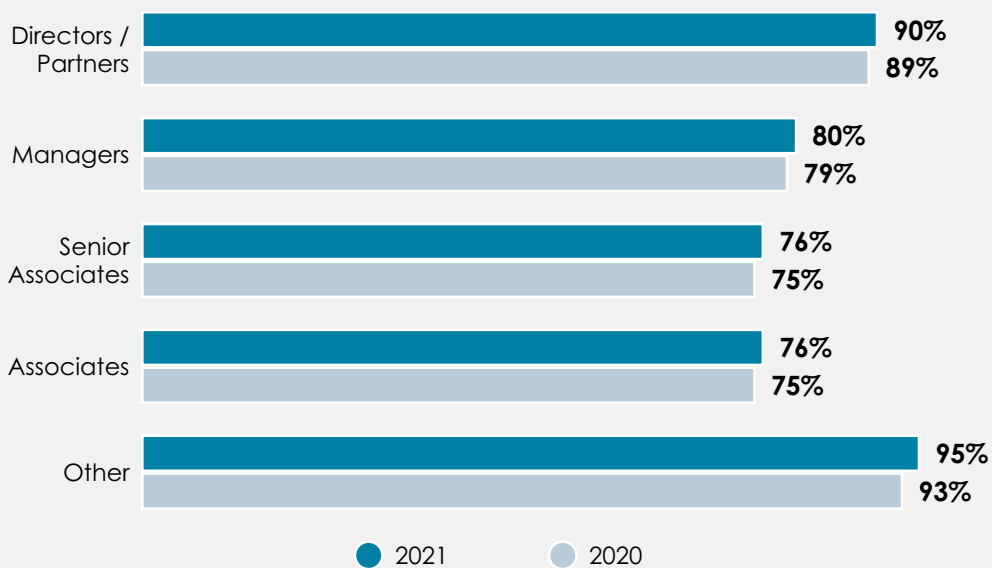


9 in 10 senior management roles were filled by locals

9 IN 10 SENIOR MANAGEMENT ROLES FILLED BY LOCALS

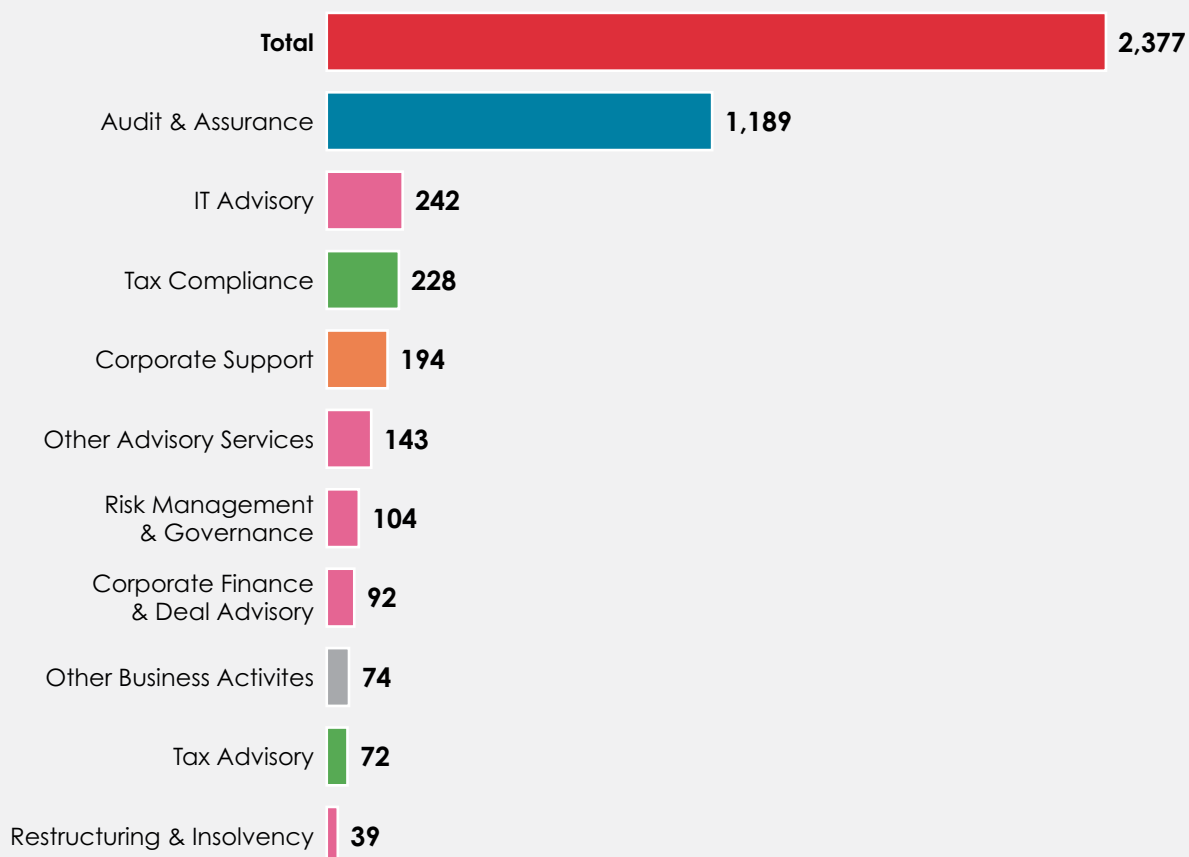
Locals are well-represented in management positions with 9 in 10 senior management roles and 8 in 10 managerial positions filled by locals. However, there are lower proportions of locals at working level roles, particularly at the associate levels within Medium, Small and Micro AEs. Such AEs tend to face challenges in attracting local talents amidst a tight labour market within Singapore.

FIG 28 Percentage of Locals in AEs, By Seniority



AEs reported an estimated total of 2,377 job vacancies that remained unfilled due to the tight labour market observed within the sector. Close to 1,200 (50%) of the unfilled positions are from the audit and assurance services, followed by IT advisory, tax compliance and corporate support services. There has been a growing demand for talent in these services lines due to the strong economic recovery and demand of services to support business transformation and digitalisation activities.

FIG 29 Unfilled Positions, By Service Line



WAGES

Wages at managerial level outperform national level by **48%**

FIRST YEAR ASSOCIATE

According to the Ministry of Manpower, the median gross monthly salary of accountancy graduates ranges from \$3,000 to \$4,500 across the local universities. ACRA estimates that the median gross starting salary of accountancy graduates would be \$3,683⁴.

The median gross monthly salary for first year associates in AEs was \$3,400 (2020: \$3,000). This was lower compared to the median gross monthly salary of graduates from the Institutes of Higher Learning (IHLs) across all disciplines which was estimated to be \$4,117⁵.

The median gross monthly salary for first year associates in AEs increased 13.3% from \$3,000 in 2020 to \$3,400 in 2021 while the median gross monthly salary of graduates from the IHLs across all disciplines (\$4,177) increased about 2.7%. Large, Medium and Micro AEs appeared to have increased their starting salaries significantly in 2021.

With the Jobs Transformation Maps⁶ projecting a growing demand for accounting talent by 2025, AEs harbouring aspirations to grow and attract local talent may want to consider reviewing their employee value proposition and strengthen their ability to attract local talent.

The Big 4 AEs paid first year associates the highest median gross monthly salary of \$3,400, (2020: \$3,400). In comparison, the median gross monthly salary paid by other AEs to first year associates was \$3,000⁷.

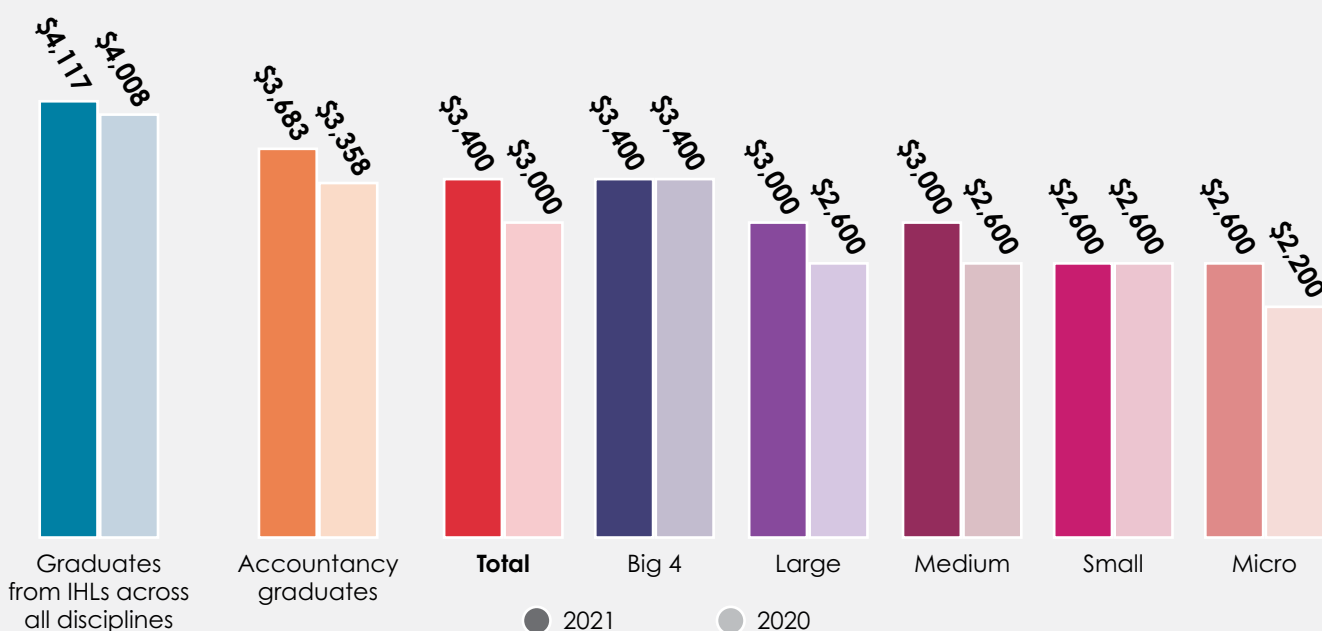
⁴ Median gross monthly salary (excluding bonuses) of graduates in full-time employment from the Institutes of Higher Learning is \$3,800. Assuming a 1-month annual wage supplement, ACRA estimates that the median gross monthly starting salary would be \$4,117. Source: Ministry of Manpower, Manpower Research and Statistics Department, Singapore Yearbook of Manpower Statistics 2022.

⁵ The median gross starting salary (excluding bonuses) of accountancy graduates is estimated to be \$3,400. Assuming a 1-month annual wage supplement, ACRA estimates that the median gross starting salary would be \$3,683. Source: Ministry of Manpower, Manpower Research and Statistics Department, Singapore Yearbook of Manpower Statistics 2022.

⁶ Jobs Transformation Maps for the Finance and Accounting functions, and Accounting Practices.

⁷ It was noted that the Big 4 AEs tend to hire from the local IHLs while the Large, Medium, Small and Micro AEs tend to hire from other sources.

FIG 30a Estimated Median Gross Monthly Salary for First Year Associate, By AE Size



Only 14% of the respondents felt that they were able to attract and retain the required talent based on their existing salary structures. About one-third of the respondents indicated that they were not able to do so based on their existing salary structures and more than half (52%) could only do so to a certain extent. Such challenges appear to be more pronounced among the smaller firms.

More than half of the respondents also indicated that they have plans to increase starting salaries for first year associates, particularly among the Big 4, Large and Medium AEs. It is estimated that the firms which had plans to increase starting salaries plan to increase starting salaries by about 11.0% on average.

FIG 30b Percentage of AEs which are Able to Attract and Retain the Required Talent based on Existing Salary

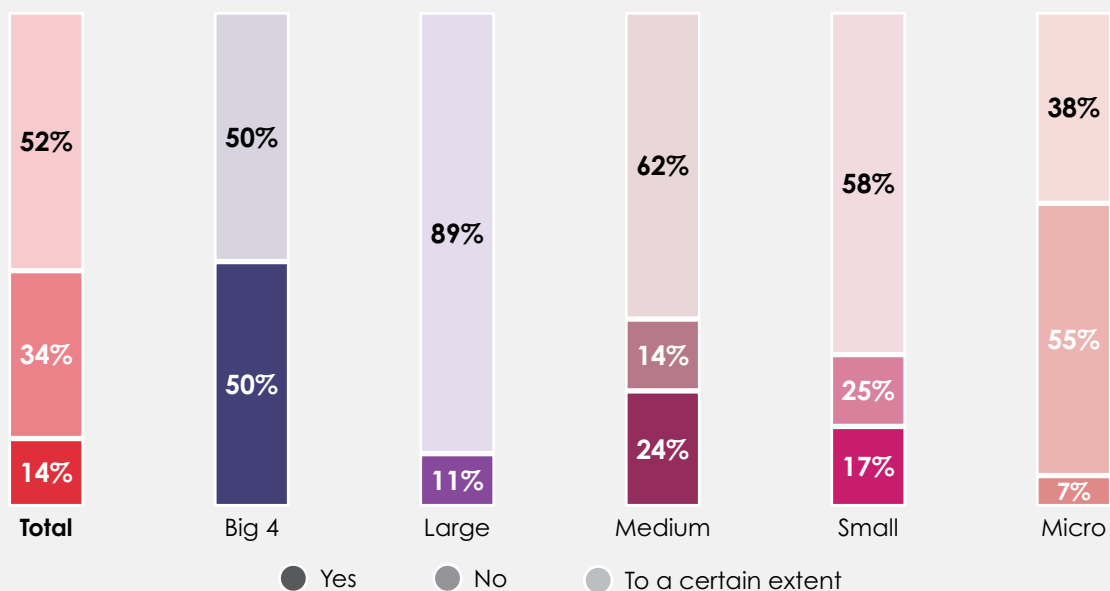


FIG 30c Percentage of AEs with Plans to Increase Starting Salaries for First Year Associate in 2022/23

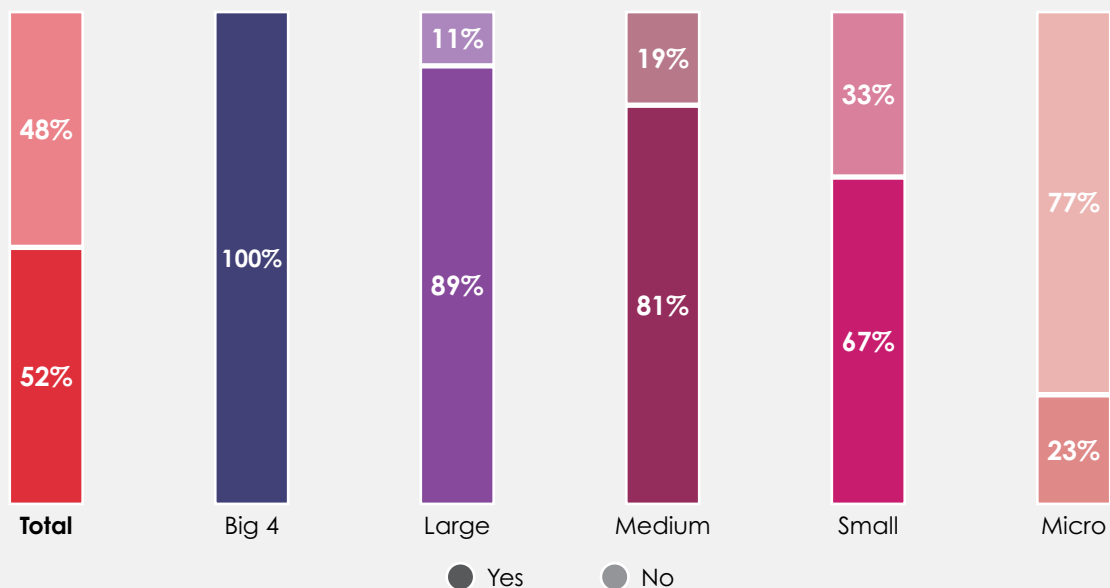
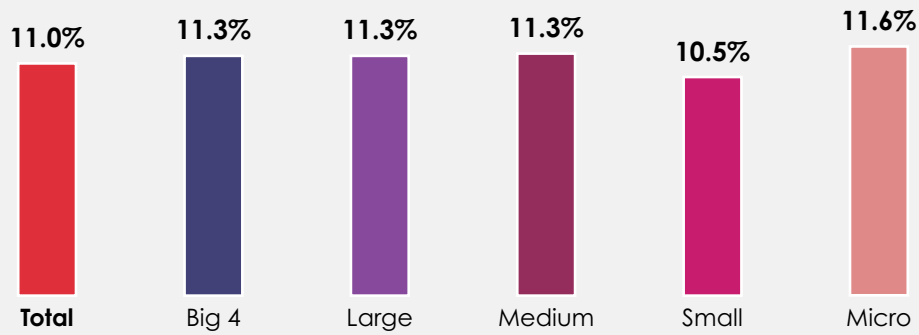


FIG 30d Average Increase in Starting Salaries for First Year Associate in 2022/23

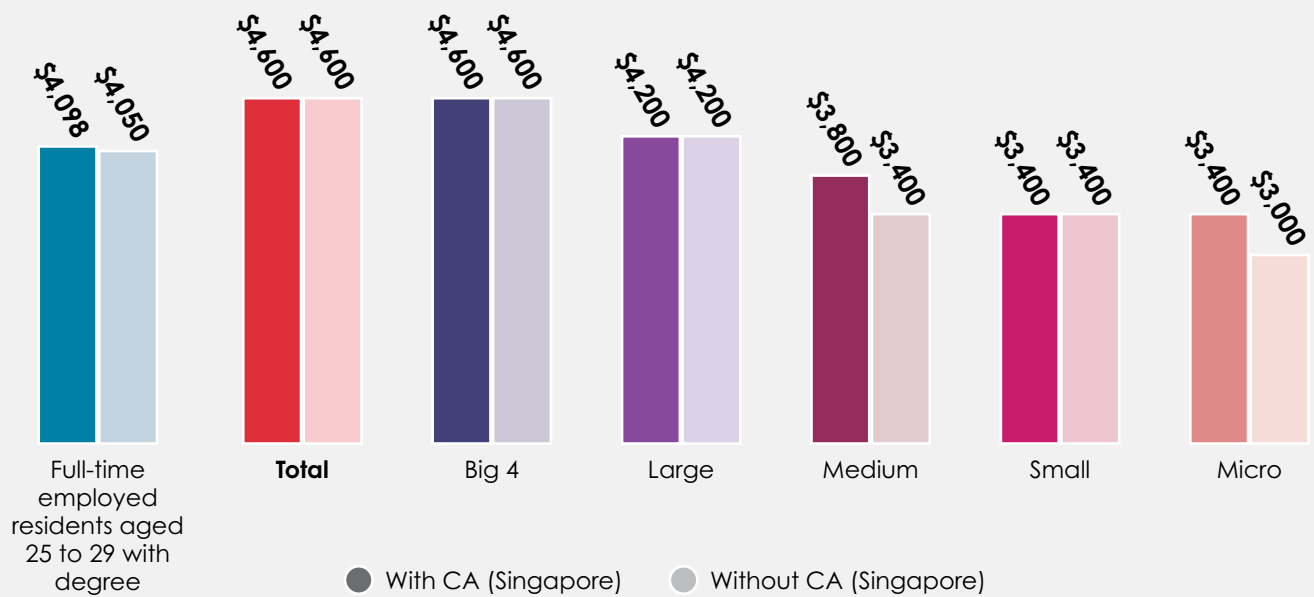


FIRST YEAR SENIOR ASSOCIATE

The median gross monthly salary for first year senior associates was \$4,600, 9.5% higher than the \$4,200 reported in 2020. This is also about 12.2% higher than the median gross monthly salary of full-time employed residents with degrees who are aged 25 to 29 years⁸ who saw only about 1.2% increase in their wages in 2021⁹.

Of note, although the Small AEs reported lower median gross monthly salaries, the Large AEs reported higher median gross monthly salaries for first year senior associates. The median gross monthly salary for those with Chartered Accountant (Singapore) qualifications was higher than those without in Medium and Micro AEs.

FIG 31a: Estimated Median Gross Monthly Salary for First Year Senior Associate, By AE Size



⁸ Median gross monthly income from work (excluding employer CPF) of full-time employed residents aged 25 to 29 with degree in June 2021 is \$4,098. Median gross monthly income from work (excluding employer CPF) of full-time employed residents aged 25 to 29 with diploma & professional qualification is \$2,823. Source: Labour Force in Singapore 2021. Comprehensive Labour Force Survey. Manpower Research & Statistics Department, Ministry of Manpower.

⁹ Median gross monthly income from work (excluding employer CPF) of full-time employed residents aged 25 to 29 with degree in June 2020 is \$4,050. Median gross monthly income from work (excluding employer CPF) of full-time employed residents aged 25 to 29 with diploma & professional qualification is \$2,875. Source: Labour Force in Singapore 2020. Comprehensive Labour Force Survey. Manpower Research & Statistics Department, Ministry of Manpower.

FIG 31b Estimated Median Gross Monthly Salary for First Year Senior Associate with CA Singapore in 2020 and 2021, By AE Size

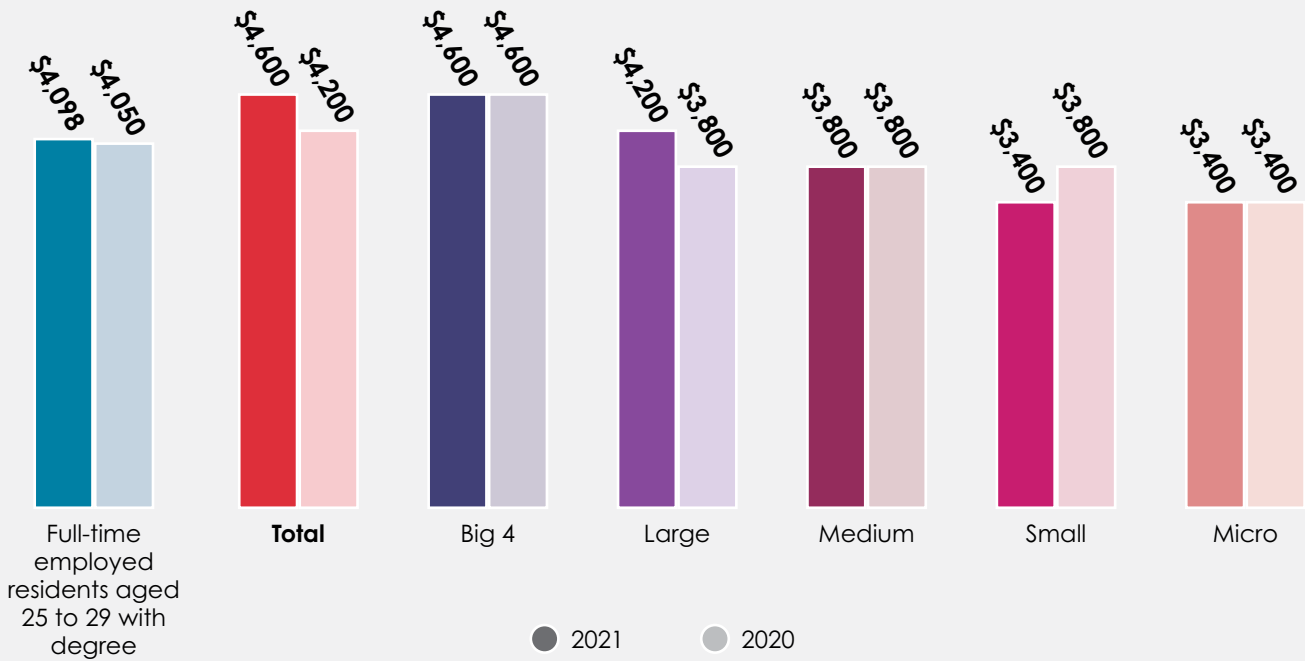
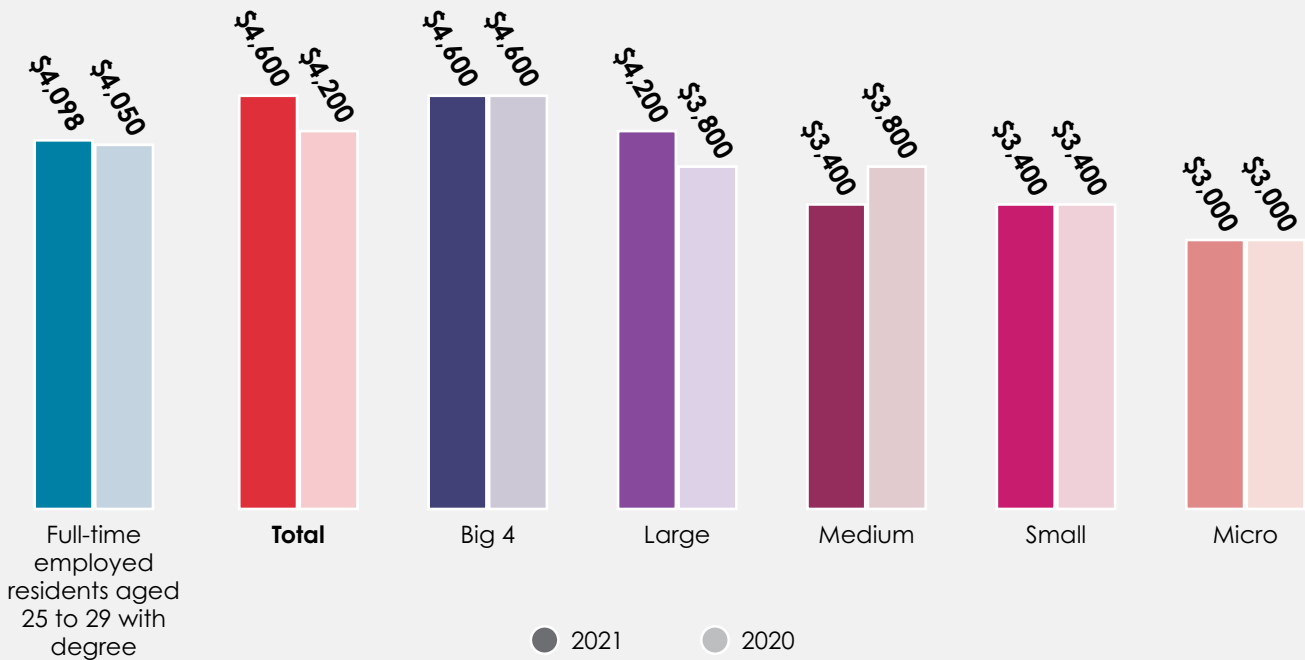


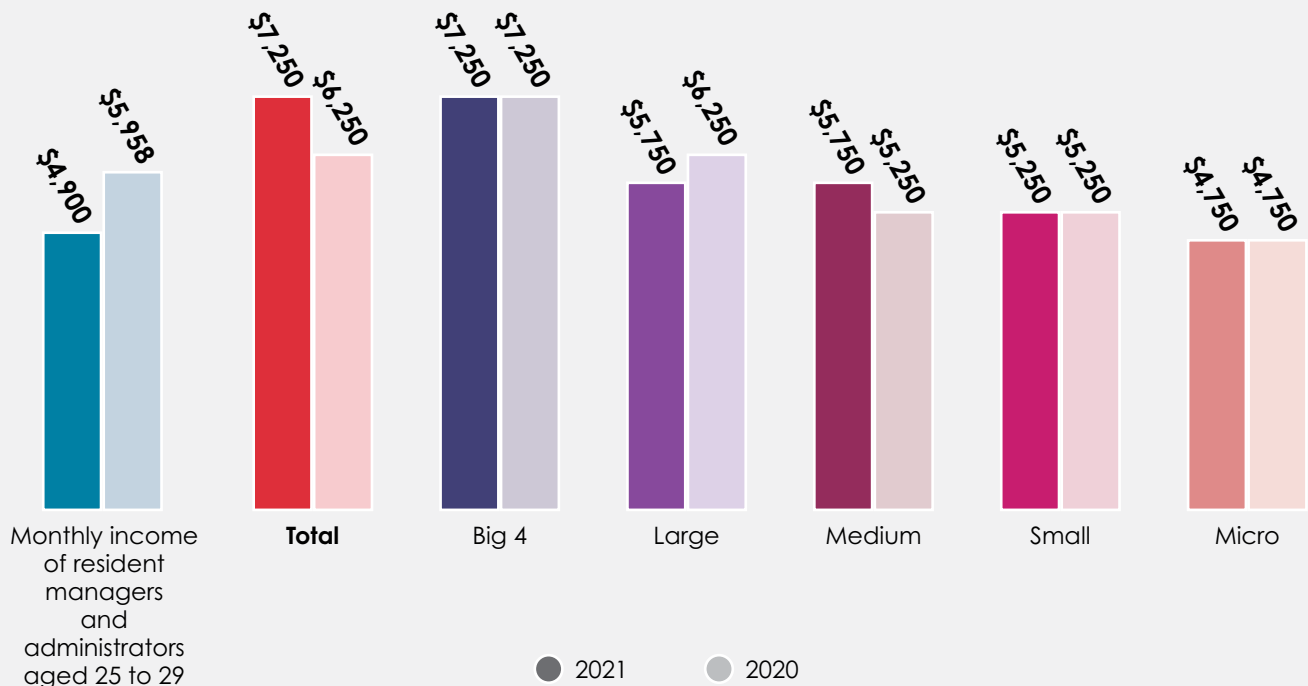
FIG 31c Estimated Median Gross Monthly Salary for First Year Senior Associate without CA Singapore in 2020 and 2021, By AE Size



FIRST YEAR MANAGER

The median gross monthly salary for a first year manager was about \$7,250, higher than that reported in 2020 of \$6,250. This was also 48.0% higher than the median gross monthly salary of full-time employed resident managers and administrators aged 25 to 29¹⁰. This showed that although the starting pay for first year associates may be lower, salary progression in the sector was comparatively better as they advance in their careers.

FIG 32 Estimated Median Gross Monthly Salary for First Year Manager, By AE Size



¹⁰ The median gross monthly income from work (excluding employer CPF) of full-time employed resident managers and administrators aged 25 to 29 in June 2021 is \$4,900 (June 2020: \$5,958). Source: Labour Force in Singapore 2021. Comprehensive Labour Force Survey. Manpower Research & Statistics Department, Ministry of Manpower.

PRODUCTIVITY

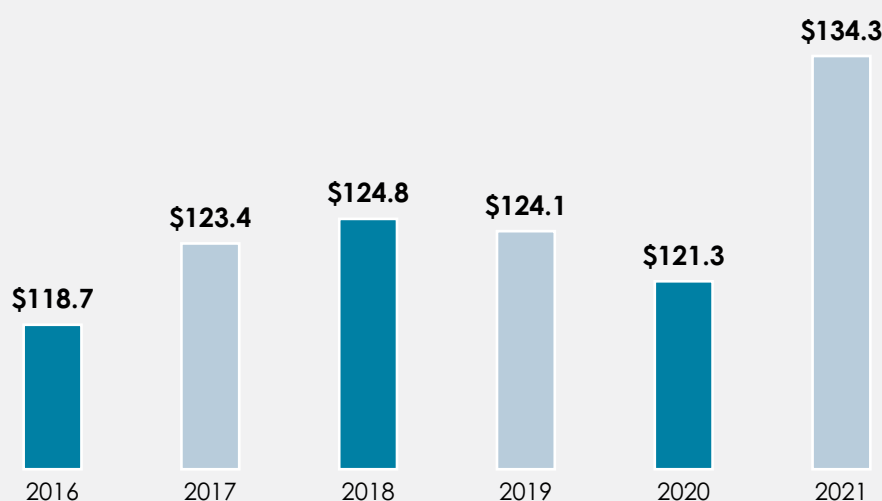
\$134,315

Average revenue per employees

AVERAGE REVENUE PER EMPLOYEE

At the sectoral level, the average revenue per employee increased 10.7% to \$134,315 in 2021.

FIG 33 Average Revenue per Employee (\$'000)



Average revenue per employee increased across most of the service categories with the increase led by business advisory services (27.6%), followed by tax advisory and compliance services (10%) and audit and assurance services (7.1%). This was offset by the decrease in average revenue per employee generated by corporate support services which fell 1.6% in 2021.

FIG 34 Average Revenue Per Employee, By Service Category (\$'000)

AE Size	2021	2020	Year-on-year Change
Audit & Assurance	\$131.6	\$122.8	▲ 7.1%
Corporate Support	\$113.6	\$115.4	▼ 1.6%
Tax Advisory & Compliance	\$190.7	\$173.3	▲ 10.0%
Business Advisory	\$176.8	\$138.6	▲ 27.6%
TOTAL	\$134.3	\$121.3	▲ 10.7%

Average revenue per employee increased generally across the sector in 2021, particularly among the Big 4, Large and Micro AEs. Of note, an upward trend in the revenue per employee for Small AEs has been observed since 2016¹¹.

Fig 35 Average Revenue Per Employee, By AE Size (\$'000)

AE Size	2021	2020	Year-on-year Change
Big 4	\$162.8	\$146.4	▲ 11.2%
Large	\$120.5	\$109.2	▲ 10.4%
Medium	\$85.3	\$82.2	▲ 3.8%
Small	\$93.6	\$88.3	▲ 6.1%
Micro	\$69.2	\$62.6	▲ 10.5%
TOTAL	\$134.3	\$121.3	▲ 10.7%

AVERAGE REVENUE PER EMPLOYEE, BY SERVICE LINE

Restructuring and insolvency services generated the highest average revenue per employee of \$492,098. In comparison, other advisory services recorded the lowest average revenue per employee of \$94,073.

In general, the average revenue per employee for business advisory services was found to be higher than that for traditional services. Three out of the top five service lines with the highest average revenue per employee were business advisory-related services.

FIG 36 Average Revenue Per Employee, By Service Line

Service Line	% of Total Revenue	Average Revenue per Employee (\$'000)	Ranking Based on Productivity	Year-on-year Change
Restructuring & Insolvency	5%	\$492.1	1	▲ 184.8%
Tax Advisory	8%	\$237.6	2	▲ 11.7%
Corporate Finance & Deal Advisory	6%	\$233.4	3	▲ 16.4%
Risk Management & Governance	7%	\$184.2	4	▲ 17.9%
Tax Compliance	11%	\$167.7	5	▲ 8.3%
Audit & Assurance	48%	\$131.6	6	▲ 7.1%
IT Advisory	6%	\$129.7	7	▲ 15.9%
Corporate Support	7%	\$113.6	8	▼ 1.6%
Other Advisory Services	3%	\$94.1	9	▼ 8.4%

¹¹ AE Census 2017.

BIG 4 AEs

Tax advisory and compliance services continued to generate the highest average revenue per employee (\$219,773), followed by business advisory services (\$181,962), audit and assurance services (\$172,138) and corporate support services (\$82,965).

The Big 4 AEs reported an increase in the average revenue per employee for all service categories, except for corporate support services which declined by 17.8%. However, corporate support services accounted for only 1% of their total revenues. Average revenue per employee increased the most for business advisory services by 26.4%.

Fig 37 Average Revenue Per Employee of Big 4 AEs (n=4)

AE Size	% of Revenue	Average Revenue per Employee (\$'000)		Year-on-year Change
		2021	2020	
Audit & Assurance	44%	\$172.1	\$163.1	▲ 5.5%
Business Advisory	33%	\$182.0	\$143.9	▲ 26.4%
Tax Advisory & Compliance	21%	\$219.8	\$206.4	▲ 6.5%
Corporate Support	1%	\$83.0	\$101.0	▼ 17.8%
TOTAL	-	\$162.8	\$146.4	▲ 11.2%

LARGE AEs

The most productive service category for the Large AEs was business advisory services (\$170,740). This is followed by tax advisory and compliance services (\$159,985) and corporate support services (\$126,479). Audit and assurance services was the least productive (\$114,963).

Average revenue per employee increased the most for business advisory services (44.2%). This is followed by audit and assurance services (9.4%). On the other hand, average revenue per employee for corporate support services and tax advisory and compliance services decreased by 3.2% and 0.7% respectively.

FIG 38 Average Revenue Per Employee of Large AEs (n=9)

AE Size	% of Revenue	Average Revenue per Employee (\$'000)		Year-on-year Change
		2021	2020	
Audit & Assurance	45%	\$115.0	\$105.1	▲ 9.4%
Business Advisory	22%	\$170.7	\$118.4	▲ 44.2%
Corporate Support	19%	\$126.5	\$130.7	▼ 3.2%
Tax Advisory & Compliance	15%	\$160.0	\$161.1	▼ 0.7%
TOTAL	-	\$120.5	\$109.2	▲ 10.4%

MEDIUM AES

Corporate support services, which made up 25% of the Medium AEs' revenues, was the service category with the highest average revenue per employee (\$122,416). This was followed by tax advisory and compliance services (\$111,487), and audit and assurance services (\$86,708). Business advisory services was the least productive category (\$82,042).

Average revenue per employee increased the most for corporate support services (14.6%). This is followed by business advisory services and audit and assurance services at 11.3% and 2.6% respectively. On the other hand, productivity for tax advisory and compliance services decreased by 14.3%.

FIG 39 Average Revenue Per Employee of Medium AEs (n=23)

AE Size	% of Revenue	Average Revenue per Employee (\$'000)		Year-on-year Change
		2021	2020	
Audit & Assurance	59%	\$86.7	\$84.5	▲ 2.6%
Corporate Support	25%	\$122.4	\$106.8	▲ 14.6%
Tax Advisory & Compliance	11%	\$111.5	\$130.1	▼ 14.3%
Business Advisory	5%	\$82.0	\$73.7	▲ 11.3%
TOTAL	-	\$85.3	\$82.2	▲ 3.8%

SMALL AES

Corporate support services continued to be the most productive service category, generating an average revenue per employee of \$132,696 for Small AEs. This is followed by tax advisory and compliance services (\$114,684) and audit and assurance services (\$94,929). Business advisory services was the least productive category (\$70,035).

Although average revenue per employee was the highest for corporate support services, productivity for this service declined 9.3% in 2021. Revenue per employee for business advisory services also declined 19.7% in 2021. On the other hand, average revenue per employee increased for audit and assurance services (9.6%) and tax advisory and compliance services (2.7%).

FIG 40 Average Revenue Per Employee of Small AEs (n=182)





AE Size	% of Revenue	Average Revenue per Employee (\$'000)		Year-on-year Change
		2021	2020	
Audit & Assurance	63%	\$94.9	\$86.6	▲ 9.6%
Corporate Support	25%	\$132.7	\$146.3	▼ 9.3%
Tax Advisory & Compliance	10%	\$114.7	\$111.6	▲ 2.7%
Business Advisory	2%	\$70.0	\$87.2	▼ 19.7%
TOTAL	-	\$93.6	\$88.3	▲ 6.1%

MICRO AEs

Similar to Medium and Small AEs, corporate support services generated the highest revenue per employee for Micro AEs in 2021 (\$77,154). This is followed by audit and assurance services (\$71,948) and tax advisory and compliance services (\$70,439). Business advisory services was the least productive (\$65,458).

Productivity increased for all service categories, except for corporate support services which decreased by 9.8%. Average revenue per employee increased the most for tax advisory and compliance services by 34.7%.

FIG 41 Average Revenue Per Employee of Micro AEs (n=491)

		Average Revenue per Employee (\$'000)		
AE Size	% of Revenue	2021	2020	Year-on-year Change
 Audit & Assurance	75%	\$71.9	\$65.4	▲ 10.0%
 Corporate Support	15%	\$77.2	\$85.5	▼ 9.8%
 Tax Advisory & Compliance	9%	\$70.4	\$52.3	▲ 34.7%
 Business Advisory	0%	\$65.5	\$53.2	▲ 23.1%
TOTAL	-	\$69.2	\$62.6	▲ 10.5%

Total wage expense as a percentage of total operating:
Revenue 57% | Expense 75%

TOTAL WAGE EXPENSE AS A PERCENTAGE OF TOTAL OPERATING REVENUE

Total wage expense as a percentage of total operating revenue declined from 59% in 2020 to 57% in 2021. This may be due to the 5.2% decline in overall workforce size in 2021. The Big 4s, Large, Small and Micro AEs all reported a decline in the total wage expense as a percentage of total operating revenue. On the other hand, Medium AEs reported an increase in the wage expense as a percentage of total operating revenue. This is in line with the higher median gross monthly salaries reported by the AEs, of which the total wage expense as a percentage of total operating expense increased slightly from 74% in 2020 to 75% in 2021.

TOTAL WAGE EXPENSE AS A PERCENTAGE OF TOTAL OPERATING EXPENSE

Total wage expense as a percentage of total operating expense increased to 75% in 2021 from 74% in 2020. Of note, the Large and Small AEs reported higher total wage expense as a percentage of total operating expense. This is in line with the higher median gross monthly salaries paid to first year associates and first year senior associates for Large AEs, as well as the moderate increase in the workforce size of Small AEs.

FIG 42 Total Wage Expense as a Percentage of Total Operating Revenue and Expense, By AE Size

AE Size	Total Wage Expense as a Percentage of Total Operating Revenue		Total Wage Expense as a Percentage of Total Operating Expense	
	2021	2020	2020	2020
Total	57%	59%	75%	74%
Big 4	56%	57%	75%	75%
Large	62%	64%	76%	72%
Medium	66%	63%	73%	74%
Small	62%	64%	75%	71%
Micro	55%	58%	65%	70%

TECHNOLOGY ADOPTION

69% of AEs adopted 2 or more technology solutions

TECHNOLOGY ADOPTION ACROSS THE SECTOR

Technology adoption generally declined across the sector in 2021 as compared to 2020. This may be due to more workers being allowed to return to their workplaces as the economy started to recover from the COVID pandemic. Adoption rates declined for 9 types of technology while 3 types saw higher adoption in 2021 as compared to 2020.

KYC/AML* tools continued to be the most widely adopted solution, however, its adoption declined from 64% in 2020 to 57% in 2021 as lesser Micro AEs adopted such software. Similar to previous years, on-premise accounting software also saw a notable decline in adoption from 38% in 2020 to 33% in 2021. However, the adoption of cloud accounting software appeared to have stagnated as adoption dipped slightly from 30% in 2020 to 29% in 2021. On the other hand, adoption of data analytics for advisory increased from 19% in 2020 to 34% in 2021 due to primarily increased adoption among Medium and Small AEs.

The census also showed that 88% of AEs have adopted at least 1 or more technology solutions, while 69% of AEs have adopted at least 2 or more technology solutions.

FIG 43 Technology Adoption Level, By Type of Technology

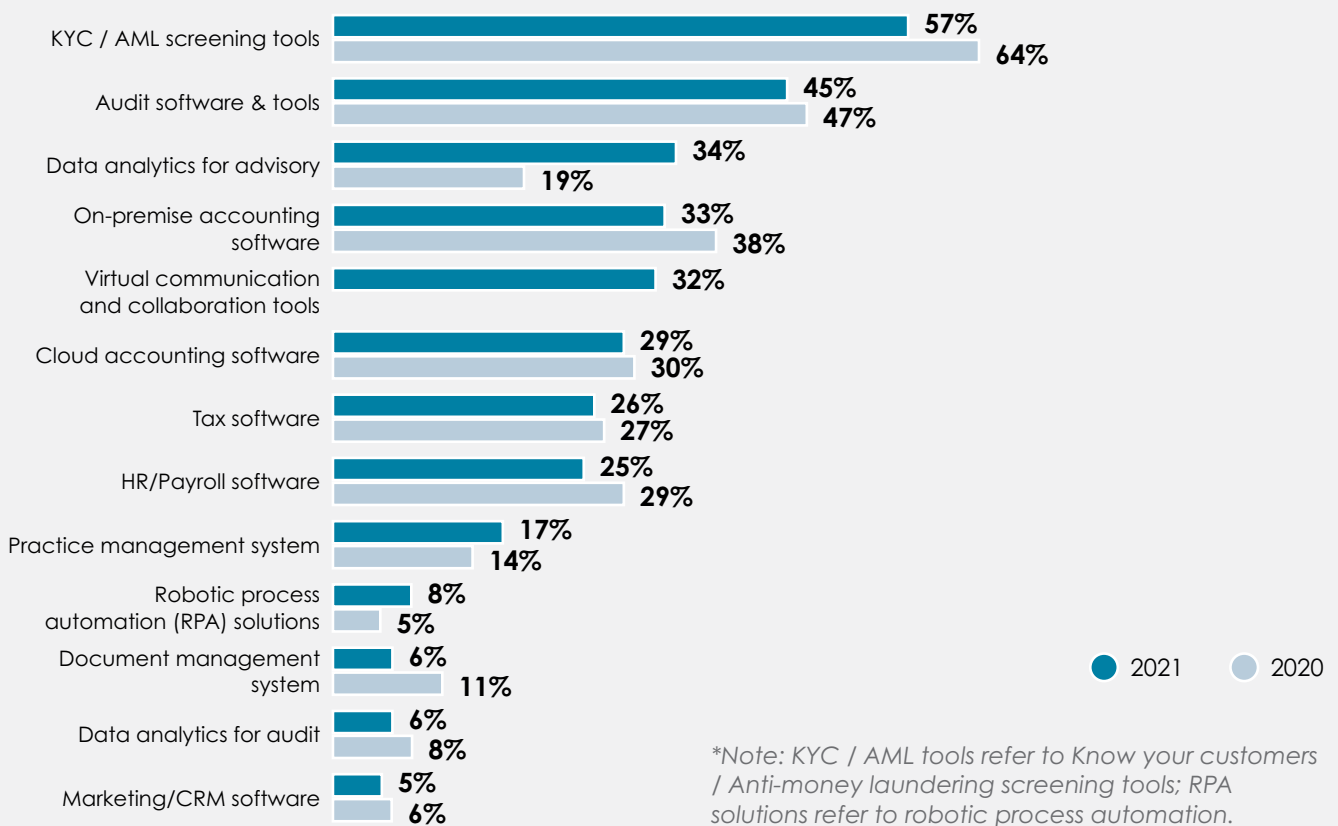


FIG 44 Percentage of AEs that adopted the following number of technology solutions

	1 or more	2 or more	3 or more
2021	88%	69%	41%
2020	91%	66%	42%

FIG 45 Technology Adoption Level, by AE Size

Technology	Year	Big 4	Large	Medium	Small	Micro
Audit software and tools	Change	●	●	▼	▼	●
	2021	100%	100%	90%	70%	33%
	2020	100%	100%	91%	71%	33%
Cloud accounting software	Change	▲	●	▲	▲	▼
	2021	100%	89%	71%	50%	18%
	2020	75%	89%	61%	39%	24%
Data analytics for advisory	Change	▼	●	▲	▲	▼
	2021	75%	44%	16%	38%	0%
	2020	100%	44%	13%	7%	25%
Data analytics for audit	Change	▼	▼	▲	▲	▼
	2021	75%	78%	46%	7%	2%
	2020	100%	89%	22%	4%	7%
Document management system	Change	●	▲	▲	▼	▼
	2021	100%	67%	33%	9%	2%
	2020	100%	56%	17%	17%	6%
HR/Payroll software	Change	●	●	▼	▼	▼
	2021	100%	100%	85%	57%	8%
	2020	100%	100%	87%	61%	13%
KYC/AML screening tools	Change	●	●	●	▲	▼
	2021	75%	100%	96%	85%	44%
	2020	75%	100%	96%	78%	56%
Marketing/CRM software	Change	●	▼	▼	●	▼
	2021	100%	56%	18%	7%	2%
	2020	100%	67%	22%	7%	3%
On-premise accounting software	Change	●	▼	●	▼	▼
	2021	75%	67%	48%	30%	33%
	2020	75%	78%	48%	35%	38%
Practice management system	Change	●	▲	▲	▲	▲
	2021	100%	100%	60%	37%	6%
	2020	100%	89%	57%	33%	2%
Robotic process automation (RPA) solutions	Change	▲	▲	▼	▲	▲
	2021	100%	67%	41%	11%	4%
	2020	75%	44%	43%	4%	1%
Tax software	Change	▼	▼	▼	▲	▼
	2021	75%	88%	48%	46%	13%
	2020	100%	89%	55%	38%	18%
Virtual communication and collaboration tools	Change	-	-	-	-	-
	2021	100%	100%	66%	50%	22%
	2020	-	-	-	-	-

SUSTAINABILITY-RELATED SERVICES

43 accounting entities intend to provide sustainability-related services by 2025

NUMBER OF FIRMS AND PERCENTAGE OF REVENUE DERIVED

The growing interest in environment, social and governance (ESG) issues globally has led to a call for greater transparency and assurance on companies' ESG-related information. The Accounting and Corporate Regulatory Authority (ACRA) and the Singapore Exchange Regulation (SGX RegCo) have also set up a Sustainability Reporting Advisory Committee (SRAC) to advise on a sustainability reporting roadmap for Singapore-incorporated companies¹². Findings of a recent study also highlighted the impact of sustainability on emerging job roles, skills gaps and needs as well as an increased projected talent demand by 2025 to support sustainability-related services¹³.

The census showed that AEs are responding to meet the increase in demand. While the census showed that 14 AEs provided sustainability-related services in 2021, an additional 29 AEs indicated that they also have plans to provide these services by 2025. The projected talent pool for sustainability-related services is also expected to more than triple from 106 to 337 by 2025.

FIG 46 Number of AEs that Currently Provide Sustainability-related Service(s)

Number of AEs that currently provide Sustainability-related Service(s)						
AE Size	Provide at least 1 sustainability-related service	SR (TCFD) ¹⁴	SR (Non-TCFD) ¹⁵	SAdv ¹⁶	SAss ¹⁷	GFAAdv ¹⁸
Total	14	7	12	10	8	4
Big 4	4	4	4	4	4	4
Large	8	3	7	6	3	0
Medium	2	0	1	0	1	0
Small	0	0	0	0	0	0
Micro	0	0	0	0	0	0

¹² ACRA and SGX RegCo. 2022. ACRA and SGX RegCo set up a Sustainability Reporting Advisory Committee to advance Sustainability Reporting for Singapore.

¹³ Conducted by Institute of Singapore Chartered Accountants, supported by Ernst & Young, Singapore Management University and Singapore Accountancy Commission (2022). Sustainability: Jobs and Skills For the Accountancy Profession.

¹⁴ SR (TCFD): Sustainability reporting - Task Force on Climate-related Financial Disclosures (TCFD).

¹⁵ SR (Non-TCFD): Sustainability reporting - Non-TCFD (e.g. GRI, SASB standards).

¹⁶ SAdv: Sustainability advisory (e.g. policy, strategy, impact measurement, risk management).

¹⁷ SAss: Sustainability assurance (e.g. assurance on sustainability reports, greenhouse gas emissions and carbon tax).

¹⁸ GFAAdv: Green and sustainable finance advisory/assurance (e.g. green bonds issuance, green bonds assurance).

FIG 47 Number of AEs that Intend to Provide Sustainability-related Service(s) by 2025

Number of AEs that Intend to Provide Sustainability-related Service(s) by 2025						
AE Size	Provide at least 1 sustainability-related service	SR (TCFD)	SR (Non-TCFD)	SAdv	SAss	GFAAdv
Total	43	32	32	34	33	24
Big 4	4	4	4	4	4	4
Large	9	7	8	8	7	4
Medium	8	5	5	5	4	5
Small	19	13	12	14	15	8
Micro	3	3	3	3	3	3

FIG 48 Current and Projected Size of Talent Pool in Sustainability-related Service(s)

AE Size	Current (n=14)	2025 (n=43)
Total	106	337
Big 4	81	222
Large	19	51
Medium	6	32
Small	0	28
Micro	0	4

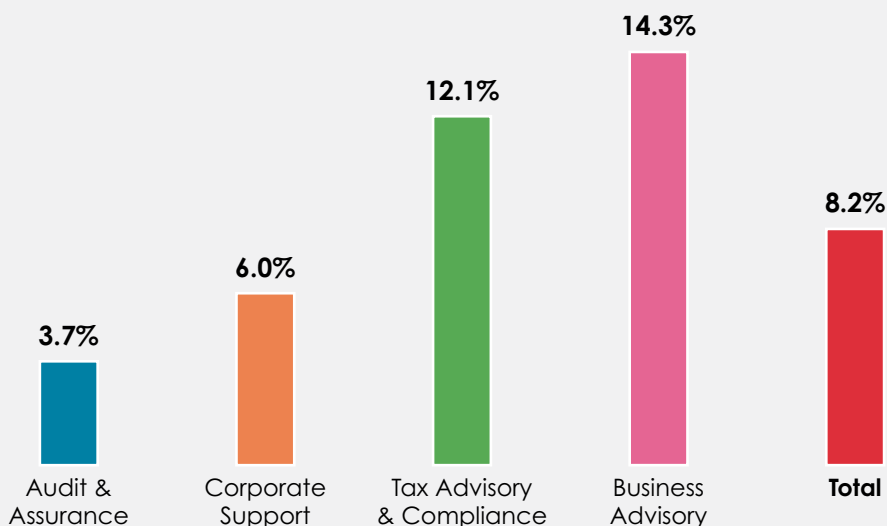
EXPECTED GROWTH FOR 2023

Expected growth for 2023:
Revenue 8.2% | Headcount 3.9%

EXPECTED REVENUE GROWTH FOR 2023

According to the Ministry of Trade and Industry (MTI), Singapore is projected to grow between 0.5% and 2.5% in 2023¹⁹. However, accounting entities appear to be fairly optimistic about growth prospects in 2023. Based on their expectations, the sector is projected to grow 8.2% in 2023, led mainly by growth in business advisory services (14.3%) and tax advisory and compliance services (12.1%). Audit and assurance services, as well as corporate support services, are expected to grow moderately in 2023 (3.7% and 6.0% respectively).

FIG 49 Estimated Expected Revenue Growth in 2023, By Service Category



AUDIT & ASSURANCE PROJECT TO GROW 3.7%

51% of the respondents providing such services are positive about the growth prospects of audit and assurance services in 2023. However, 19% of the respondents indicated that such revenues are expected to decline in 2023, with another 30% expecting these revenues to remain the same. Medium (15%), Small (15%) and Micro (27%) AEs appear to be relatively pessimistic and expect negative growth in 2023. On the other hand, the Big 4 (100%) and Large (89%) AEs are relatively optimistic about the growth prospects of such services in 2023.

¹⁹ Ministry of Trade and Industry. MTI maintains 2023 GDP growth forecast at "0.5 to 2.5 percent". 13 Feb 2023.



CORPORATE SUPPORT
PROJECT TO GROW 6.0%

Following the 6.9% growth of such services in 2021, 45% of respondents providing such services expect such revenues to grow in 2023. Only 7% of respondents providing such services project negative growth in 2023. Large (78%) and Medium (78%) AEs are the most optimistic about the revenue growth of such services which made up 19% and 25% of their total revenues respectively in 2021.



TAX ADVISORY AND COMPLIANCE
PROJECT TO GROW 12.1%

Such revenues only grew 2.1% in 2021. However, 47% of respondents providing such services are optimistic about revenue growth in 2023. Only 8% of respondents expect negative growth of such services in 2023. The larger AEs are more bullish about the growth of such services with the Big 4 (100%), Large (89%) and Medium (78%) AEs expecting positive growth.



BUSINESS ADVISORY
PROJECT TO GROW 14.3%

Such services saw the most robust growth in 2021 (10.8%) compared to other services. More than two-thirds of the AEs providing such services expressed strong optimism about the growth of business advisory services. Only 2% of respondents expect such revenues to decline. The Big 4 (100%) and Large (89%) AEs are the most optimistic about the growth of such revenues.

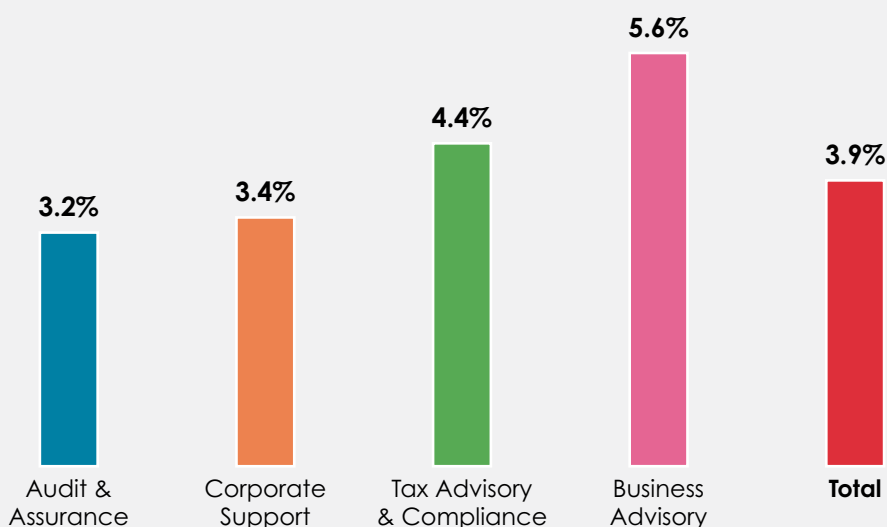
FIG 50 Estimated Expected Revenue Growth in 2023, By AE Size

AE Size	Audit & Assurance	Corporate Support	Tax Advisory & Compliance	Business Advisory	Total
Total	▲ 3.7%	▲ 6.0%	▲ 12.1%	▲ 14.3%	▲ 8.2%
Big 4	▲ 3.0%	▲ 10.1%	▲ 13.0%	▲ 14.9%	▲ 9.2%
Large	▲ 7.2%	▲ 9.8%	▲ 13.4%	▲ 10.5%	▲ 9.4%
Medium	▲ 5.9%	▲ 3.1%	▲ 3.1%	▲ 4.9%	▲ 4.9%
Small	▲ 4.1%	▲ 3.5%	▲ 2.0%	▲ 4.9%	▲ 3.7%
Micro	▲ 2.4%	▲ 0.3%	▼ 0.1%	▲ 0.8%	▲ 1.9%

EXPECTED HEADCOUNT GROWTH FOR 2023

Overall, AEs expect to increase their workforce by 726 (3.9%) in 2023. While AEs expect revenue growth to be led by business advisory services (14.3%) and tax advisory and compliance services (12.1%), audit and assurance services is expected to add 317 jobs (3.2%), followed by business advisory services (235 jobs, 5.6%) and tax advisory and compliance services (116 jobs, 4.4%) in 2023.

FIG 51 Estimated Expected Headcount Growth in 2023, By Service Category



AUDIT & ASSURANCE PROJECT TO GROW 3.2%

The audit and assurance workforce is expected to add 317 jobs in 2023. The census also showed that there are almost 1,200 unfilled positions for audit and assurance services. 45% of respondents expect to grow the headcounts for this service line in 2023 while 52% expect such headcounts to remain unchanged; only 4% of respondents expect such headcounts to decline in 2023.



CORPORATE SUPPORT PROJECT TO GROW 3.4%

The workforce for corporate support services added 131 jobs (8.7%) in 2021. AEs expect to continue adding 57 jobs (3.4%) in 2023. 60% of respondents providing such services expect such headcounts to remain unchanged. While 34% of respondents expect such headcounts to grow positively, most expect growth between 1% to 5%. On the other hand, only 5% of respondents expect to reduce the size of such teams.



TAX ADVISORY AND COMPLIANCE
PROJECT TO GROW 4.4%

Tax related services are expected to add 116 jobs in 2023, led mainly by the Big 4 and Large AEs. Almost a third of the respondents providing such services (32%) expect to grow their workforce for tax related services. About two-thirds of such employers (64%) expect headcounts to remain unchanged, while 4% expect such teams to shrink in 2023.



BUSINESS ADVISORY
PROJECT TO GROW 5.6%

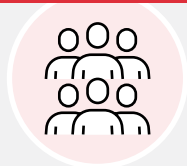
The business advisory workforce is expected to grow 14.3% in 2023. In line with such optimism, such services are expected to add 235 jobs in 2023. 55% of respondents providing such services expect to grow their business advisory teams while 43% expect such teams to remain unchanged. The Big 4 AEs are expected to account for more than 80% of the business advisory jobs to be added in 2023.

FIG 52 Estimated Expected Headcount Growth in 2023, By AE Size

AE Size	Audit & Assurance	Corporate Support	Tax Advisory & Compliance	Business Advisory	Total
Total	▲ 3.2%	▲ 3.4%	▲ 4.4%	▲ 5.6%	▲ 3.9%
Big 4	▲ 1.9%	▲ 3.4%	▲ 4.5%	▲ 5.3%	▲ 3.5%
Large	▲ 6.0%	▲ 7.4%	▲ 9.0%	▲ 8.8%	▲ 7.1%
Medium	▲ 4.6%	▲ 2.0%	▲ 1.6%	▲ 3.9%	▲ 3.8%
Small	▲ 4.7%	▲ 1.3%	▲ 1.5%	▲ 2.4%	▲ 3.7%
Micro	▲ 2.6%	▲ 0.2%	▼ 0.2%	▲ 1.0%	▲ 2.0%

TOP 50 ACCOUNTING ENTITIES²⁰

Big 4



(≥ 1,000 staff)

- Deloitte & Touche LLP
- Ernst & Young LLP

- KPMG LLP
- PricewaterhouseCoopers LLP

Large



(101 - 999 staff)

- Baker Tilly TFW LLP
- BDO LLP
- Crowe Horwath First Trust LLP
- Foo Kon Tan LLP
- Grant Thornton Audit LLP
- Mazars LLP

- Moore Stephens LLP
- CLA Global TS Public Accounting Corporation
(formerly known as Nexia TS Public Accounting Corporation)
- RSM Chio Lim LLP

Medium



(31 - 100 staff)

- Assurance Partners LLP
- Audit Alliance LLP
- Ecovis Assurance LLP
- EisnerAmper PAC
- Helmi Talib & Co
- Heng Lee Seng LLP
- HLB Atrede LLP
- Infinity Assurance LLP
- KLP LLP
(formerly known as Kong, Lim & Partners LLP)
- Nexia Singapore PAC
(formerly known as Kreston ACA PAC)

- Lo Hock Ling & Co.
- NSC & Associates PAC
- P G Wee Partnership LLP
- Pinebridge LLP
- PKF-CAP LLP
- Precursor Assurance PAC
- Prime Accountants LLP
- Robert Yam & Co. PAC
- Steven Tan Russell Bedford PAC
- UHY Lee Seng Chan & Co
- Verity Partners

Small



(10 - 30 staff)

- A Garanzia LLP
- AAA Assurance PAC
- Acutus LLP
- CA Practice PAC
- CSI & Co. PAC
- K Y Chiang LLP
- Kreston David Yeung PAC
- MGI Alliance Singapore PAC

- Paul Wan & Co
- Philip Liew & Co
- R Chan & Associates PAC
- Reanda Adept PAC
- Robert Tan Partners PAC
- RT LLP
- Teo Liang Chye PAC
- Thong & Lim

²⁰ Based on responses to the AE Census 2022.

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; • Accounting advisory; and • Other assurance services.
Corporate Support Services	<p>Comprises:</p> <ul style="list-style-type: none"> • Bookkeeping; • Corporate secretarial and legal services; • Outsourcing of accounting/finance personnel; • Payroll; • Statutory financial reporting/compilation services; and • Fund administration services.
Corporate Finance and Deal Advisory	<p>Comprises:</p> <ul style="list-style-type: none"> • Business valuation; • Financial modelling; • Debt and capital advisory; • IPOs and capital markets activity; • M&A and due diligence; and • Project and Infrastructure.
IT Advisory	<p>Comprises:</p> <ul style="list-style-type: none"> • IT solution business; • Technology risk advisory; • Technology consulting; and • IT forensic services.
Restructuring and Insolvency Advisory	<p>Comprises:</p> <ul style="list-style-type: none"> • Corporate restructuring (operational restructuring) • Debt restructuring (capital advisory, judicial management, scheme of arrangement) • Insolvency services (liquidation, receiverships); and • Litigation support and expert witness services.

Risk Management and Governance	<p>Comprises:</p> <ul style="list-style-type: none"> • Risk advisory; • Corporate governance advisory; • Fraud and forensic services; and • Internal audit services.
Tax Compliance	<p>Comprises:</p> <ul style="list-style-type: none"> • Compliance in corporate tax; • Compliance in personal income tax; and • Compliance in GST services.
Tax Advisory	<p>Comprises:</p> <ul style="list-style-type: none"> • Transfer pricing advisory; • International tax advisory; and • Tax advisory – other services.
Other Advisory Services	<p>Comprises:</p> <ul style="list-style-type: none"> • Process improvement; • Sustainability and CSR reporting; • HR compliance; • Succession planning/business transfer; and • Other services.
Work Performed in Singapore	<p>Income received by all entities based in Singapore which is sourced locally. This excludes non-operating income, such as sale/disposal of fixed assets, grants and from revenues collected on behalf of others.</p> <p>For example:</p> <ul style="list-style-type: none"> • Income received from the provision of accounting services in Singapore
Work Performed outside Singapore	<p>Income received by all entities based in Singapore which is sourced overseas. This excludes non-operating income, such as sale/disposal of fixed assets, grants and gross revenues collected on behalf of others.</p> <p>For example:</p> <ul style="list-style-type: none"> • Revenue from work performed by Singapore staff outside Singapore • Revenue from the provision of cloud-based services to clients based outside Singapore
Business Unit	<p>A segment of the entity that represents a specific business function or an entity comprising a business function.</p>

ANNEX: DATA TABLES

Figures may not sum up to 100% due to rounding.

TABLE 1

Annual Revenue Derived from Work Performed in Singapore (n=142)

AE Size	Less than S\$0.5 mil	S\$0.5 mil to < S\$1 mil	S\$1 mil to < S\$5 mil	S\$5 mil to < S\$10 mil	S\$10 mil to < S\$25 mil	S\$25 mil to < S\$50 mil	S\$50 mil or more
Total	36%	14%	37%	5%	4%	1%	3%
Big 4	0%	0%	0%	0%	0%	0%	100%
Large	0%	0%	0%	0%	63%	25%	13%
Medium	0%	0%	71%	29%	0%	0%	0%
Small	2%	20%	76%	2%	0%	0%	0%
Micro	82%	16%	2%	0%	0%	0%	0%

TABLE 2

Annual Revenue Derived from Work Performed Outside Singapore (n=141)

AE Size	N.A.	Less than S\$0.25 mil	S\$0.25 mil to < S\$0.5 mil	S\$0.5 mil to < S\$1 mil	S\$1 mil to < S\$2 mil	S\$2 mil to < S\$5 mil	S\$5mil or more
Total	79%	14%	1%	1%	0%	2%	3%
Big 4	0%	0%	0%	0%	0%	0%	100%
Large	25%	13%	13%	13%	0%	38%	0%
Medium	71%	24%	0%	5%	0%	0%	0%
Small	79%	21%	0%	0%	0%	0%	0%
Micro	93%	7%	0%	0%	0%	0%	0%

TABLE 3

Annual Revenue Per Employee (n=142)

AE Size	Less than S\$30,000	S\$30,000 to < S\$45,000	S\$45,000 to < S\$60,000	S\$60,000 to < S\$80,000	S\$80,000 to < S\$100,000	S\$100,000 to < S\$125,000	S\$125,000 to < S\$150,000	S\$150,000 or more
Total	9%	10%	8%	18%	27%	16%	6%	5%
Big 4	0%	0%	0%	0%	0%	0%	33%	67%
Large	0%	0%	0%	13%	25%	38%	25%	0%
Medium	5%	0%	10%	24%	38%	24%	0%	0%
Small	0%	4%	8%	22%	33%	16%	8%	8%
Micro	20%	20%	8%	15%	21%	11%	3%	2%

TABLE 4

Percentage of Employees with Professional Qualifications (n=144)

AE Size	Less than 20%	20% to < 40%	40% to < 60%	60% to < 80%	80% or more
Total	14%	33%	28%	4%	20%
Big 4	0%	50%	25%	0%	25%
Large	11%	56%	33%	0%	0%
Medium	67%	14%	19%	0%	0%
Small	10%	51%	27%	2%	10%
Micro	0%	21%	33%	8%	38%

TABLE 5

Gross Monthly Salary Range – First Year Associate (n=144)

AE Size	N.A.	S\$2,000 or less	S\$2,001 - S\$2,400	S\$2,401 - S\$2,800	S\$2,801 - S\$3,200	S\$3,201 - S\$3,600	More than S\$3,600
Total	20%	6%	11%	32%	25%	5%	1%
Big 4	0%	0%	0%	0%	0%	50%	50%
Large	0%	0%	0%	11%	56%	33%	0%
Medium	0%	0%	0%	38%	62%	0%	0%
Small	6%	0%	14%	49%	27%	4%	0%
Micro	43%	13%	15%	21%	8%	0%	0%

TABLE 6

Gross Monthly Salary Range – First Year Senior Associate with CA Singapore (n=144)

AE Size	N.A.	S\$2,800 or less	S\$2,801 - S\$3,200	S\$3,201 - S\$3,600	S\$3,601 - S\$4,000	S\$4,001 - S\$4,400	More than S\$4,400
Total	36%	2%	6%	22%	22%	6%	6%
Big 4	0%	0%	0%	0%	0%	0%	100%
Large	0%	0%	0%	33%	11%	22%	33%
Medium	10%	0%	5%	24%	48%	10%	5%
Small	27%	0%	6%	31%	24%	10%	2%
Micro	61%	5%	7%	13%	15%	0%	0%

TABLE 7

Gross Monthly Salary Range – First Year Senior Associate without CA Singapore (n=144)

AE Size	N.A.	S\$2,800 or less	S\$2,801 - S\$3,200	S\$3,201 - S\$3,600	S\$3,601 - S\$4,000	S\$4,001 - S\$4,400	More than S\$4,400
Total	20%	6%	19%	31%	10%	6%	8%
Big 4	0%	0%	0%	0%	0%	25%	75%
Large	0%	0%	11%	22%	11%	33%	22%
Medium	0%	0%	14%	48%	29%	5%	5%
Small	4%	0%	20%	51%	10%	8%	6%
Micro	44%	13%	21%	13%	3%	0%	5%

TABLE 8

Gross Monthly Salary Range – First Year Manager (n=144)

AE Size	N.A.	S\$5,000 or less	S\$5,001 - S\$5,500	S\$5,501 - S\$6,000	S\$6,001 - S\$6,500	S\$6,501 - S\$7,000	More than S\$7,000
Total	22%	23%	21%	14%	10%	6%	5%
Big 4	0%	0%	0%	0%	0%	25%	75%
Large	0%	0%	0%	44%	44%	11%	0%
Medium	0%	10%	38%	29%	14%	5%	5%
Small	4%	27%	37%	12%	10%	8%	2%
Micro	48%	30%	7%	7%	3%	3%	3%

TABLE 9

Percentage of Revenue from Audit and Assurance Services (n=144)

AE Size	N.A.	30% or less	31% to 40%	41% to 50%	51% to 60%	61% to 70%	More than 70%
Total	3%	8%	13%	12%	17%	11%	38%
Big 4	0%	0%	25%	50%	25%	0%	0%
Large	0%	0%	44%	0%	22%	22%	11%
Medium	0%	0%	10%	19%	38%	14%	19%
Small	4%	10%	12%	10%	12%	14%	37%
Micro	3%	10%	8%	10%	11%	7%	51%

TABLE 10

Percentage of Revenue from Corporate Support Services (n=144)

AE Size	N.A.	10% or less	11% to 20%	21% to 30%	More than 30%
Total	33%	15%	10%	16%	27%
Big 4	0%	100%	0%	0%	0%
Large	0%	33%	33%	22%	11%
Medium	14%	14%	10%	24%	38%
Small	35%	8%	10%	14%	33%
Micro	44%	11%	7%	15%	23%

TABLE 11

Percentage of Revenue from Tax Advisory and Compliance Services (n=144)

AE Size	N.A.	10% or less	11% to 20%	21% to 30%	More than 30%
Total	28%	28%	28%	13%	3%
Big 4	0%	0%	25%	75%	0%
Large	11%	22%	44%	22%	0%
Medium	14%	33%	48%	5%	0%
Small	24%	33%	27%	12%	4%
Micro	39%	25%	21%	10%	5%

TABLE 12

Percentage of Revenue from Business Advisory Services (n=144)

AE Size	N.A.	10% or less	11% to 20%	21% to 30%	More than 30%
Total	67%	16%	8%	6%	3%
Big 4	0%	0%	0%	50%	50%
Large	0%	11%	67%	11%	11%
Medium	43%	38%	10%	10%	0%
Small	67%	24%	6%	2%	0%
Micro	90%	3%	2%	3%	2%

TABLE 13

Total Wage Expense as a Percentage of Total Operating Revenue (n=142)

AE Size	40% or less	41% - 50%	51% - 60%	61% - 70%	71% - 80%	81% - 90%	More than 90%
Total	11%	16%	22%	24%	16%	8%	4%
Big 4	25%	0%	50%	0%	25%	0%	0%
Large	0%	11%	33%	33%	22%	0%	0%
Medium	5%	5%	29%	38%	14%	10%	0%
Small	4%	8%	31%	27%	16%	10%	4%
Micro	19%	29%	8%	17%	15%	7%	5%

TABLE 14

Total Wage Expense as a Percentage of Total Operating Expense (n=142)

AE Size	40% or less	41% - 50%	51% - 60%	61% - 70%	71% - 80%	81% - 90%	More than 90%
Total	3%	4%	13%	22%	37%	21%	1%
Big 4	0%	0%	25%	0%	50%	25%	0%
Large	0%	11%	11%	0%	56%	22%	0%
Medium	0%	0%	14%	24%	38%	24%	0%
Small	0%	0%	10%	27%	35%	29%	0%
Micro	7%	8%	14%	22%	34%	14%	2%

TABLE 15

Expected Revenue Growth of Audit and Assurance Services in 2023 (n=139)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	8%	4%	6%	3%	25%	15%	11%
Big 4	0%	0%	0%	0%	100%	0%	0%
Large	0%	0%	0%	11%	44%	22%	22%
Medium	10%	5%	0%	14%	19%	38%	14%
Small	2%	4%	9%	21%	36%	15%	13%
Micro	14%	5%	8%	47%	12%	7%	7%

TABLE 16

Expected Revenue Growth of Corporate Support Services in 2023 (n=97)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	3%	0%	4%	47%	27%	8%	10%
Big 4	0%	0%	0%	33%	0%	0%	67%
Large	0%	0%	0%	22%	33%	11%	33%
Medium	6%	0%	0%	17%	56%	11%	11%
Small	3%	3%	0%	47%	31%	13%	6%
Micro	3%	0%	11%	71%	9%	3%	3%

TABLE 17

Expected Revenue Growth of Tax Advisory and Compliance Services in 2023 (n=100)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	4%	0%	4%	45%	28%	10%	9%
Big 4	0%	0%	0%	0%	0%	33%	67%
Large	0%	0%	0%	11%	22%	33%	33%
Medium	6%	0%	0%	17%	50%	22%	6%
Small	3%	0%	0%	43%	43%	3%	9%
Micro	6%	0%	11%	74%	6%	3%	0%

TABLE 18

Expected Revenue Growth of Business Advisory Services in 2023 (n=44)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	2%	0%	0%	30%	32%	14%	23%
Big 4	0%	0%	0%	0%	0%	33%	67%
Large	0%	0%	0%	11%	22%	33%	33%
Medium	8%	0%	0%	23%	38%	15%	15%
Small	0%	0%	0%	31%	46%	0%	23%
Micro	0%	0%	0%	83%	17%	0%	0%

TABLE 19

Expected Headcount Growth of Audit and Assurance Services in 2023 (n=139)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	2%	0%	1%	52%	18%	16%	11%
Big 4	0%	0%	0%	33%	67%	0%	0%
Large	0%	0%	0%	11%	44%	22%	22%
Medium	5%	0%	0%	19%	33%	43%	0%
Small	2%	0%	0%	49%	15%	17%	17%
Micro	2%	0%	3%	73%	8%	5%	8%

TABLE 20

Expected Headcount Growth of Corporate Support Services in 2023 (n=96)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	3%	0%	2%	60%	25%	6%	3%
Big 4	0%	0%	0%	50%	0%	50%	0%
Large	0%	0%	0%	22%	33%	22%	22%
Medium	6%	0%	0%	33%	50%	11%	0%
Small	3%	0%	0%	66%	28%	3%	0%
Micro	3%	0%	6%	80%	9%	0%	3%

TABLE 21

Expected Headcount Growth of Tax Advisory and Compliance Services in 2023 (n=100)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	3%	0%	1%	64%	20%	8%	4%
Big 4	0%	0%	0%	0%	67%	33%	0%
Large	0%	0%	0%	11%	33%	33%	22%
Medium	6%	0%	0%	39%	44%	11%	0%
Small	3%	0%	0%	74%	11%	6%	6%
Micro	3%	0%	3%	86%	9%	0%	0%

TABLE 22

Expected Headcount Growth of Business Advisory Services in 2023 (n=44)

AE Size	Decrease more than 10%	Decrease 6% to 10%	Decrease 1% to 5%	No Change	Increase 1% to 5%	Increase 6% to 10%	Increase more than 10%
Total	2%	0%	0%	43%	27%	14%	14%
Big 4	0%	0%	0%	33%	33%	0%	33%
Large	0%	0%	0%	11%	33%	22%	33%
Medium	8%	0%	0%	31%	31%	23%	8%
Small	0%	0%	0%	62%	23%	8%	8%
Micro	0%	0%	0%	83%	17%	0%	0%

ACCOUNTING AND CORPORATE REGULATORY AUTHORITY

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