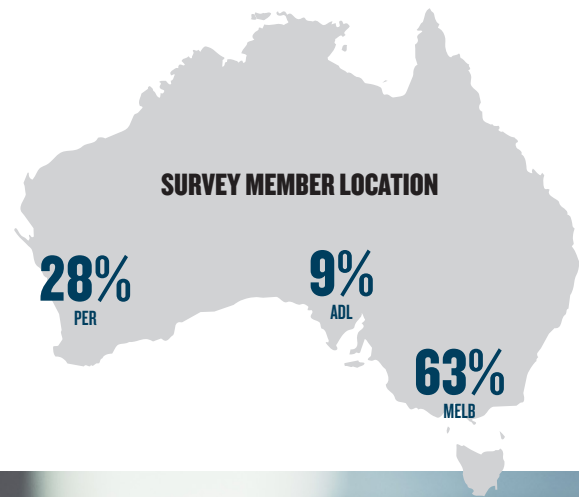


CPN Accounting Firm 2018 Survey Insights

Thank you for participating in the annual CPN Accounting Survey. We are pleased to share with you the key highlights and insights of the 2018 survey:

- Partner hours are on the decrease and no partners reported working over 2,000 hours per annum. Only 31% of respondents said that their partners are working more than 1,000 hours compared to 55% in 2017. Partner hours are key to a firm's profitability and a reduction of partner hours will have an adverse impact on partner incomes.
- Flexibility is becoming the norm with many Australian companies allowing their staff to manage their own time and take responsibility for their outputs. One of the biggest changes to this year's survey is the increase in firms offering flexible working – results jumped from 39% to 79%. 19% of respondents believe that they are more profitable because of flexible working practices.
- The long-term future of accounting looks female, with women making up 72% of graduate hires and 54% of professional staff. Although females only make up 17% of equity partners, given they are entering the profession in increasing numbers, there could be a shift in the leadership of accounting firms in years to come.
- Value is demonstrated by 56% of respondents through conversation and 32% said they clearly articulate value delivered through detailed invoices.
- Firms are increasingly alert to cybersecurity threats. Eighty-four percent of respondents are concerned about cybersecurity threats and 44% now have a disaster recovery plan in place. Over 50% of respondents are now also outsourcing data security.
- MYOB is the preferred accounting software, with nearly 40% of respondents using it, followed by Handisoft and Xero.
- Attracting new clients in order to maintain healthy fees, and retain quality staff, continues to be a priority area for firms. Ninety-seven percent of firms continue to receive new work from existing clients and 74% receive new referrals from existing clients.

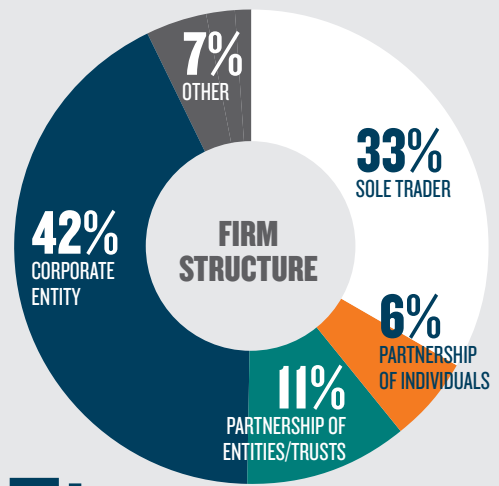
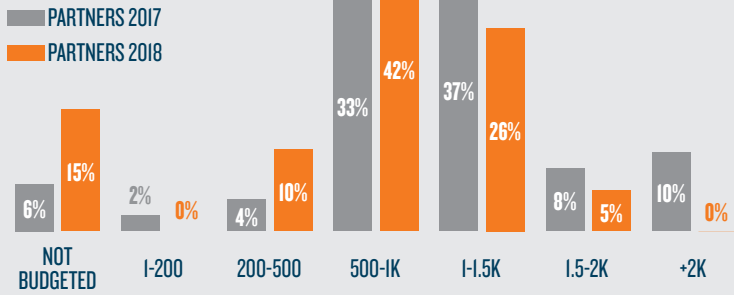


**IBIS
DATA**

						
2018	\$19.7b REVENUE	1.5% ANNUAL GROWTH 18-20	1.5% ANNUAL GROWTH 13-18	\$4.7b PROFIT	\$7.8b WAGES	33,870 BUSINESSES
2017	\$19.7b REVENUE	1.5% ANNUAL GROWTH 17-22	1.5% ANNUAL GROWTH 12-17	\$4.7b PROFIT	\$7.8b WAGES	32,870 BUSINESSES

Source: IBISWorld September 2018 and November 2017

PARTNER HOURS



CPN Accounting Firm 2018 Survey Insights

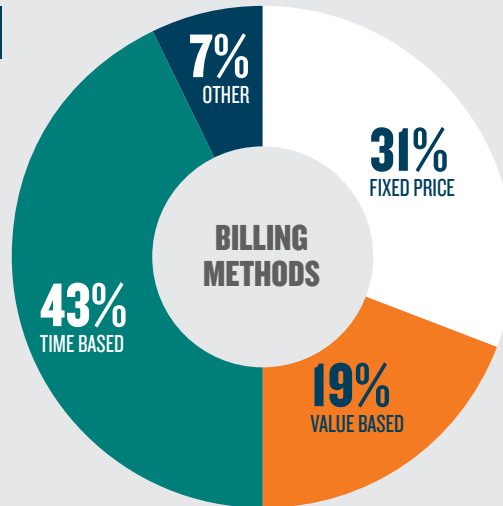
CYBER SECURITY PROTECTION

84% FIREWALLS/DATA ENCRYPTION/SECURE STORAGE

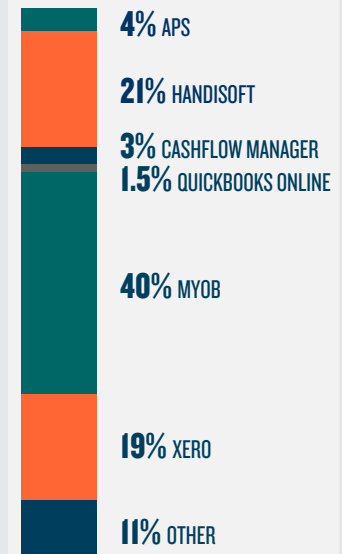
52% OUTSOURCE DATA SECURITY

37% IN HOUSE IT

44% IT DISASTER RECOVERY PLAN



ACCOUNTING SOFTWARE



RETENTION POLICIES 2018

38%
CAREER PROGRESSION OPPORTUNITIES

79%
FLEXIBLE WORKING ARRANGEMENTS
2017: 40%

65%
LEARNING & DEVELOPMENT PROGRAM
2017: 25%

31%
INCENTIVE REMUNERATION
2017: 12%

49%
ACTIVELY WRITE OFF WIP
2017: 66%



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