



Beautiful business

**State of**

**Accounting 2024**

**The trends driving the  
industry forward and  
opportunities for growth**

# Introduction

*It's great to see the positivity that has long defined the accounting profession in South Africa still on the rise. Our research this year shows how ambitious this industry is, and how innovation and investment in new technology is really redefining the role of an accountant.*

*I've been working in the accounting industry for over 17 years now, and the amount of change is incredible. We've gone from a world of paper and spreadsheets, to over*

*80% in this research saying they now use cloud software in some form.*

*South Africa has the potential to revolutionise the world of small business through digitalisation, and it's accountants and bookkeepers who will be the ones driving this. So thank you for leading the way and helping to build a stronger economy, we're behind you every step of the way.*

*Introduction from Colin Timmis,  
Xero South Africa Country Manager*



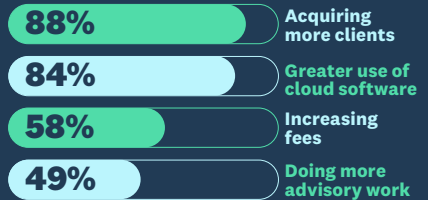
## An industry driven by optimism and ambition

Optimism across South African accounting and bookkeeping firms remains strong, with **92% of those surveyed optimistic about their business outlook for 2024**, an 11% increase from 2023.

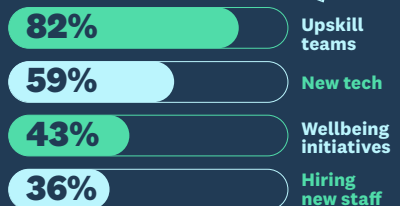
Despite political and economic instability being the biggest concern (48%) that accountants expect to face over the next year, it's encouraging to see such a positive outlook.

**72% of accountants** said that their businesses had grown over the past 12 months.

### Top reasons for firm growth



### Top areas accountants plan to invest this year



# Top hurdles facing accountants

There is so much positivity in the industry, but that doesn't mean there aren't challenges. Below are the top four hurdles hindering accountants, but these can also be opportunities if we help the industry to prepare.

## 1. Demonstrating your value

The biggest challenge accountants say they are facing is clients not understanding the value of partnering with an accountant (61%). Accountants need to demonstrate value through advisory and value-based pricing structures, and be able to articulate their value through soft skills and marketing.

*"Accountants bring a problem-solving mindset to the table and should be looking at all areas of a small business where they can help solve problems. For example, we can say to a client, yes you had great revenue, but did you actually collect the cash? and explore the collection channels that they make available to customers. Being able to share knowledge and articulate how you approach problems to clients is very useful to them"*



**Ian Meaker**  
Director and Founder,  
Creative CFO

## 2. Digital skills gap

Half (50%) of accountants report a lack of digital skills being taught in the accounting industry as a key hurdle. The biggest digital skills gaps are in AI (39%), data analysis (35%), tax (34%), data visualisation (32%).

## 3. Tackling compliance

43% cite tax and compliance complexities as a key hurdle.

*"SARS is doing a great job with their strategic plan to make tax compliance easier for small businesses and their advisors. Whilst they continue this work, there are tools accountants can use now that help reduce complexity. For example, using cloud-based software for preparing, storing, and eFiling VAT returns directly to SARS keeps things quick and streamlined."*

**Colin Timmis**  
Country Manager, Xero South Africa

## 4. Talent shortage

The talent shortage remains a key challenge, with 38% struggling to find staff with the right skills, and 37% say not enough people are choosing accountancy as a career path. Given the current shortage of accountants, 78% of respondents think more needs to be done to encourage the youth to consider accounting as a career path.

Turn to the back page for more →

# Opportunities in the cloud

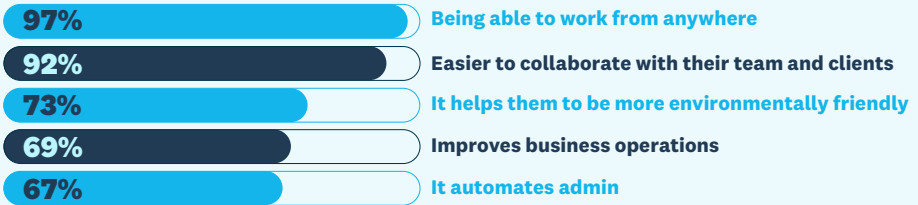
Accountants continue to embrace technology and are seeing significant benefits as a result, with **84% of those surveyed using cloud software in their practice.**

Accountants plan to **increase their use of technology** in the year ahead with 96% intending to invest the same or more in tech.

They're seeing the benefits with 78% reporting their tech investment has increased profits.

Accountants are deepening their **use of tech** with 73% using apps that integrate with the software they use to build custom app stacks.

## The top benefits accountants see from cloud software:



# The future of accounting is all about advisory

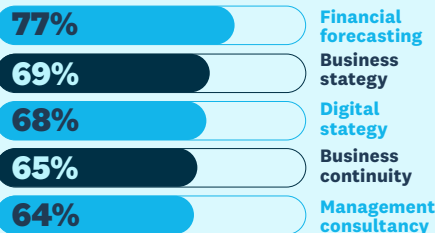
The role of the accountant continues to shift towards becoming technology-enabled business advisors. When asked how they will work with clients in future, none (0%) said they will only handle finances.

**72%** expect to act as more of a consultant, advising on business growth.

Accountants are already supporting their clients in areas outside traditional accounting including business advice (93%), planning for the future (61%), business coaching (56%) and being a digital advisor on what tools they can use (45%).

## Skills needed for the future

To support this shift, accountants believe the top additional skills needed to be successful in 2025 are:



## Methodology

We partnered with World Wide Worx to conduct the State of Accounting research. The World Wide Worx research organisation conducts ground-breaking market research into how change is affecting business and society. World Wide Worx produces the most widely accepted statistics for Internet use in South Africa, and has conducted research across Africa since 2001, unravelling the complexities of operating on the continent. The research in this report was based on interviews with 100 accountants and decision-makers at accounting firms across South Africa.