



Leinster Society of Chartered Accountants

SALARY SURVEY – 2005

COMPILED BY BRENDAN BURGESS



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**THE LEINSTER SOCIETY OF CHARTERED ACCOUNTANTS – SALARY SURVEY 2005
COMPILED BY BRENDAN BURGESS FCA – THE ACCOUNTANTS PANEL**

Dear Member,

We have pleasure in enclosing a copy of the findings of the 2005 Salary Survey.

Last February, those members of the Leinster Society of Chartered Accountants who were in salaried employment (i.e. those other than partners in practice and sole practitioners) were sent a questionnaire asking for details of their salary on 31st January 2005. We received 666 responses from full time employed accountants. In addition we received 27 responses from part-time accountants

Yet again we are indebted to Brendan Burgess of The Accountants Panel for his assistance in compiling the survey. If there are further queries, Brendan has kindly offered to assist members and will deal with same by telephone on 01 6030 891 or email brendan@thepanel.com

Main Findings

We have provided the information in as detailed format as possible. **As a result, sample sizes are small in some categories and caution should be exercised when interpreting these figures.**

- 1) The main factors influencing salaries were the size of the company, the position held within the company and also the year of qualification. This pattern has been very consistent throughout. More experienced chartered accountants invariably are in more senior positions and as a consequence, earn higher salaries.
- 2) Both financial services and industry pay better than practice. However, partners in practising firms have been excluded from the survey, and we believe that if they were included then the average earnings from practice would be higher.
- 3) The number of people who had company cars has declined steadily over the last 8 years, probably due to the change in the tax regime. There is also evidence that cars have been replaced to some extent by car allowances. No discernible difference was noted with regard to other fringe benefits.

Lorcan Colclough

Chairman
Leinster Society of Chartered Accountants
June 2005

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DEFINITIONS USED IN SURVEY

Table 1	Average packages for Chartered Accountants 6 year summary.
Table 2	Fringe Benefits - 6 year summary
Table 3	Average Package by Year of Qualification

INDUSTRY AND COMMERCE

Table 4	Remuneration of Head of Finance
Table 5	Remuneration of No. 2 Position in Finance Department
Table 6	Remuneration of No. 2 Position in Finance Department
Table 7	Remuneration of Other Positions
Table 8	Holidays and Fringe Benefits

FINANCIAL SERVICES

Table 9	Remuneration of Head of Finance
Table 10	Remuneration of No. 2 position in Finance Department
Table 11	Remuneration of Other Positions
Table 12	Holidays and Fringe Benefits

PRACTISING FIRMS

Table 13	Salaries in Practising Firms
Table 14	Holidays and Fringe Benefits

**FOR FURTHER INFORMATION ON ACCOUNTANTS' SALARIES, PLEASE CONTACT
BRENDAN BURGESS AT THE ACCOUNTANTS PANEL – 01 603 0891**

Definitions used in Survey

Average Salary is the total of the basic salary plus overtime plus expected annual bonuses. Where a respondent had a car allowance as distinct from a company car, the car allowance was added to their salary.

Average Package equals average salary plus €10,000 for those with cars. For example, from Table 4, the average salary of head of finance is €117,000 and 34% have cars. The average package in Table 1 is €120,400 (€117,000 +34% of €10,000).

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TABLE 1						
AVERAGE PACKAGE FOR ALL CHARTERED ACCOUNTANTS						
INDUSTRY & COMMERCE	2005	2004	2003	2002	2001	2000
	€	€	€	€	€	€
Head of Finance (155)	120,400	110,500	117,300	106,400	98,200	83,800
No.2 in Finance (84)	84,500	84,100	81,200	72,400	69,200	61,800
No.3 in Finance (45)	66,100	71,000	67,300	60,300	54,400	53,000
Managing Directors (21)	166,500	177,500	123,900	146,500	182,500	154,900
FINANCIAL SERVICES	2005	2004	2003	2002	2001	2000
Head of Finance (36)	140,500	140,500	160,300	124,400	123,000	97,700
No.2 in Finance (24)	87,900	102,100	99,100	87,500	83,800	84,400
TOP 4 FIRMS	2005	2004	2003	2002	2001	2000
Audit Seniors & Supervisors (16)	48,100	48,400	46,200	43,600	42,200	34,800
Audit Managers & Directors (33)	82,800	89,500	82,900	79,300	75,200	62,700
Tax Managers & Directors (12)	82,800	101,000	83,400	115,600	82,800	69,600
NON TOP 4 FIRMS	2005	2004	2003	2002	2001	2000
Seniors (17)	47,100	45,000	39,800	37,500	37,000	33,000
Managers (34)	71,000	70,000	59,500	52,900	54,800	45,500

[Average package](#) = Average Salary + €10,000 for those with cars.

Figures in brackets represent the number of responses in that category.

* Small sample sizes can give rise to significant sampling error, for example, the salary package for Managing Directors has fluctuated widely.

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TABLE 2						
PERCENTAGE OF TOTAL RESPONDENTS RECEIVING FRINGE BENEFITS						
	2005	2004	2003	2002	2001	2000
	%	%	%	%	%	%
Institute Membership	90	93	86	88	88	85
Pension Scheme	82	88	81	86	82	77
VHI/BUPA	56	60	58	58	60	54
Share Options	31	31	29	33	36	29
Club Subscriptions	24	24	25	27	26	26
Subsidised Loans	12	13	13	9	13	16
Company Cars	17	17	26	36	33	37

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TABLE 3				
AVERAGE PACKAGE BY YEAR OF QUALIFICATION				
Year of Qualification	Industry & Commerce	Financial Services	Practice	Not for Profit
2004	42,000	48,000	44,300	-
2003	55,000	52,900	46,900	-
2002	54,400	63,600	51,600	-
2001	66,000	69,600	60,300	-
2000	72,400	77,000	67,200	66,000
95-99	85,300	94,600	84,600	72,100
90 - 94	116,000	147,800	88,800	84,800
85 – 89	142,000	158,500	111,000	109,300
80 – 84	134,000	204,700	86,500	84,300
70 -79	154,000	124,800	81,000	86,100
Number of responses	346	173	112	35
<p>The Average Package is the Average Salary + €10,000 for those with cars</p> <p>“Not for Profit” includes chartered accountants working in voluntary bodies, hospitals, colleges and the public service. It was not meaningful to analyse these responses separately. Chartered accountants working in not for profit organisations earn less than their colleagues in commerce and practice. Their fringe benefits are also insignificant. However, they have better pension schemes and significantly better holidays.</p>				
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TABLE 4					
REMUNERATION OF HEAD OF FINANCE DEPARTMENT IN INDUSTRY AND COMMERCE					
(155 RESPONSES)					
EMPLOYEES	AVERAGE YEAR OF QUALIFICATION	AVERAGE SALARY €	% WITH CARS	LOWEST PACKAGE €	HIGHEST PACKAGE €
1 to 50	1991	100,400	28%	39,000	301,000
51 to 100	1991	93,800	29%	60,000	143,000 + car
101 to 250	1990	127,000	39%	55,000	346,000
251 to 500	1987	141,000	45%	74,000 + car	219,000
501 to 1000	1992	157,000	50%	57,000	263,000
1001 +	1990	169,000	44%	95,000	300,000 + car
Overall 2005	1991	117,000	34%	39,000	300,000 + car
Overall 2004	1990	106,400	41%	24,000	255,000

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TABLE 5					
REMUNERATION OF NO.2 POSITION IN FINANCE DEPARTMENT IN					
INDUSTRY AND COMMERCE					
(84 RESPONSES)					
EMPLOYEES	AVERAGE YEAR OF QUALIFICATION	AVERAGE SALARY €	% WITH CARS	LOWEST PACKAGE €	HIGHEST PACKAGE €
1 to 50	1996	77,600	14%	49,000	126,000
51 to 100	1998	61,900	7%	42,000	92,000
101 to 250	1992	78,800	25%	52,000	110,000
251 to 500	1994	87,200	33%	57,000	170,000 + car
501 to 1000	1993	92,200	0%	57,000	145,000
1001 +	1993	91,600	20%	40,000	300,000
Overall 2005	1994	82,700	18%	40,000	300,000
Overall 2004	1994	81,900	22%	40,000	178,000 + car

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TABLE 6
REMUNERATION OF NO.3 POSITION IN FINANCE DEPARTMENT IN
INDUSTRY AND COMMERCE
(45 RESPONSES)

EMPLOYEES	AVERAGE YEAR OF QUALIFICATION	AVERAGE SALARY €	% WITH CARS	LOWEST PACKAGE €	HIGHEST PACKAGE €
101 to 250	2000	55,400	0%	40,000	78,000
251 to 1000	1998	57,000	0%	42,000	75,000
1001 +	1995	73,600	4%	47,000	143,000+car
Overall 2005	1997	65,900	2%	40,000	143,000+car
Overall 2004	1996	70,000	10%	45,000	113,000

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TABLE 7	
REMUNERATION OF OTHER POSITIONS IN INDUSTRY AND COMMERCE	
1	2
3	4
5	6
7	8
9	10
11	12
13	14
15	16
17	18
19	20
21	22
23	24
25	26
27	28
29	30
31	32
33	34
35	36
37	38
39	40
41	42
43	44
45	46
47	48
49	50
51	52
53	54
55	56
57	58
59	60
61	62
63	64
65	66
67	68
69	70
71	72
73	74
75	76
77	78
79	80
81	82
83	84
85	86
87	88
89	90
91	92
93	94
95	96
97	98
99	100

		AVERAGE YEAR OF QUALIFICATION	<u>AVERAGE SALARY</u> €	% WITH CARS	LOWEST PACKAGE €	HIGHEST PACKAGE €
Managing Directors	2005	1985	163,200	33%	92,000	315,000 + car
	2004	1983	170,600	69%	66,000 + car	480,000 + car
Other Categories	2005	1993	115,300	22%	48,000	493,000
	2004	1994	92,800	18%	42,000	240,000 + car

Number of Responses - Managing Directors: 21 , Other Categories: 41
Other Categories include: Internal Audit, Consultants, Treasurer etc.

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TABLE 8	
HOLIDAYS AND FRINGE BENEFITS - INDUSTRY AND COMMERCE	

	INSTITUTE SUBS	PENSION SCHEME	VHI/ BUPA	SHARE OPTIONS	CLUB SUBS	LOANS	HOLIDAYS
	%	%	%	%	%	%	days
Head of Finance	92	84	54	26	17	3	24
No.2 – Finance	90	88	55	32	7	4	24
No.3 – Finance	96	96	62	49	16	4	24
Managing Directors	76	86	76	38	19	0	24
Other	88	90	56	41	7	2	24

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TABLE 9 REMUNERATION OF HEAD OF FINANCE DEPARTMENT IN FINANCIAL SERVICES (36 RESPONSES)					
EMPLOYEES	AVERAGE YEAR OF QUALIFICATION	<u>AVERAGE SALARY</u> €	% WITH CARS	LOWEST PACKAGE €	HIGHEST PACKAGE €
1 to 50	1994	107,600	6%	57,000	173,000
51 to 100	1993	136,300	29%	57,000	240,000 + car
101 to 250	1981	167,000	75%	100,000 + car	260,000 + car
251 to 500	1993	188,000	25%	79,000	434,000
501+	1987	155,200	40%	102,000 + car	260,000 + car
Overall 2005	1991	135,300	28%	57,000	434,000
Overall 2004	1990	137,200	33%	65,000	240,000 + car
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TABLE 10 REMUNERATION OF NO. 2 POSITION IN FINANCE DEPARTMENT IN FINANCIAL SERVICES (24 RESPONSES)					
EMPLOYEES	AVERAGE YEAR OF QUALIFICATION	<u>AVERAGE SALARY</u> €	% WITH CARS	LOWEST PACKAGE €	HIGHEST PACKAGE €
1 to 50	2000	65,700	0%	53,000	85,000
51 to 250	1997	75,800	0%	55,000	95,000
251 to 500	1997	91,800	20%	67,000	111,000
500 +	1988	112,000	29%	97,000	138,000
Overall 2005	1995	86,700	12%	53,000	138,000
Overall 2004	1992	100,800	13%	50,000	191,000
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<p align="center">TABLE 11</p> <p align="center">REMUNERATION OF OTHER POSITIONS IN FINANCIAL SERVICES</p> <p align="center">(113 responses)</p>						
		AVERAGE YEAR OF QUALIFICATION	<u>AVERAGE SALARY</u> €	% WITH CARS	LOWEST PACKAGE €	HIGHEST PACKAGE €
Other Categories	2005	1995	110,700	12%	37,000	560,000 + car
	2004	1993	103,800	17%	42,000	335,000 + car
<p>Other Categories include: Sales Manager, Consultants, Treasurers, MD's and Internal Auditors</p> <p align="right">© Leinster Society of Chartered Accountants/ The Accountants Panel</p>						

<div>TABLE 12</div> <div>HOLIDAYS AND FRINGE BENEFITS - FINANCIAL SERVICES</div>							
	INSTITUTE SUBS	PENSION SCHEME	VHI/ BUPA	SHARE OPTIONS	CLUB SUBS	LOANS	HOLIDAYS
	%	%	%	%	%	%	days
Head of Finance	92	86	78	36	33	19	26
No.2 – Finance	92	100	79	63	46	42	25
Other	94	94	76	58	61	49	26
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TABLE 13 - PRACTICE					
		<u>AVERAGE SALARY</u> €	% WITH CARS	LOWEST SALARY €	HIGHEST SALARY €
Top 4 Seniors Audit and Tax	2005	48,100	0%	41,000	61,000
	2004	48,400	0%	45,000	54,000
Top 4 Audit Managers	2005	82,800	0%	47,000	125,000
	2004	89,500	0%	56,000	142,000
Top 4 Tax Managers	2005	82,000	8%	62,000	117,000
	2004	101,000	0%	66,000	153,000
Non Top 4 Seniors	2005	47,100	0%	34,000	58,000
	2004	45,000	0%	40,000	53,000
Non Top 4 Managers	2005	71,000	0%	37,000	175,000
	2004	70,000	0%	42,000	142,000

Number of Responses: Top 4 Seniors:16 , Top 4 Audit Managers 33 , Top 4 Tax Managers:12 , Non Top 4 Seniors:17, Non Top 4 Managers:34.

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TABLE 14 HOLIDAYS AND FRINGE BENEFITS - PRACTICE							
	INSTITUTE SUBS	PENSION SCHEME	VHI/ BUPA	SHARE OPTIONS	CLUB SUBS	LOANS	HOLIDAYS
	%	%	%	%	%	%	days
Top 4 Seniors	88	56	44	0	0	0	22
Top 4 Audit Managers	100	91	73	0	55	0	25
Top 4 Tax Managers	92	83	75	0	25	0	24
Non Top 4 Seniors	65	12	0	0	0	0	21
Non Top 4 Managers	76	29	9	0	3	0	23

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