



Federation of European Accountants  
Fédération des Experts-comptables Européens

# FEE Review



Being mindful of its impact on the environment, FEE has decided to produce this Review using FSC processes and has made available a more detailed version of this Review on

**[www.feereview.eu](http://www.feereview.eu)**

*Standing for trust and integrity*

# FEE's Vision

## Message from the President

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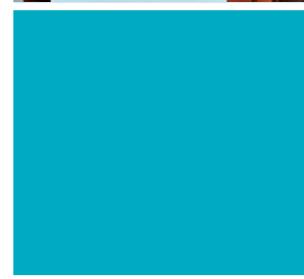
*Professional scepticism and prudence underpinned by integrity and strong ethical principles such as independence have always been at the core of the accountancy profession.*



*Over the past 150 years the profession has contributed to trustworthy, reliable and increasingly transparent markets – it has never been business as usual. If I take a more modest historical perspective, since I started in the profession, nearly 50 years ago, it has also never been business as usual. This period saw remarkable change in business practices and professional expectation and we are, yet again, being asked to consider our role and if we are to continue in our public interest role we must rise to the challenges put before us.*

*At FEE, we are committed to uniting our 45 Member Bodies in 33 countries to be thought-leaders and to be at the forefront in developing the profession of the 21st century.*

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## Message from the CEO

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*In addition to accountancy firms and practitioners, professional bodies play a key role guarding the profession's values, promoting high quality, overseeing professional practice and sustaining education. Building on its tradition of consensus across Europe, from small practitioners to large firms, from accountants in business to those in public sector, FEE is well placed to help, thanks to the involvement of Member Body volunteers and the commitment of its Secretariat.*



*However, more needs to be done. Stakeholders' expectations remain the only true justification of any economic activity and the profession has a key contribution to make on market operations, entrepreneurship, public finance, ethics and the preservation of our natural capital. To see and seize the opportunities, we have to foster a culture of open debate. To quote Commissioner Barnier: "No subject should be taboo". We can only gain from challenging everything we do and how we do it.*

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**Sustainability - Paul Druckman:** It has been a year of positive change from the perspective of sustainability integration within FEE, as well as bedding in our new simplified internal structure. Looking ahead, FEE is well set to address the development of integrated reporting with a new task force including financial reporting, governance and sustainability experts.



**Public Sector - Caroline Mawhood:** The Public Sector Committee has had a significant year as a result of the fallout from the economic crisis which raised the critical need for transparent Government accounts and proper auditing.

## Enabling entrepreneurship and the internal market

**Professional accountants are committed to making the internal market a reality and enabling entrepreneurs create growth and jobs.** Thanks to the engagement of practitioners from all around Europe, FEE is well placed to inform policymakers and help advance Europe's public interest. This is why it is regularly asked for testimonies e.g. in the Commission's newly created SME Finance Forum or in the Business Experts Group on smooth functioning of VAT in the EU. With the same aim, FEE contributes to many European public policy consultations on a broad array of issues such as the Single Market Act, smart regulation, European Pension Systems, the European Company, the reduction of tax obstacles in interest and royalty payments, inheritance tax or the Common Corporate Consolidated Tax Base as well as lifelong learning and recognition of professional qualifications.



FEE-ICPAC Public Sector Seminar, Nicosia 23 March 2010



FEE General Assembly Dinner, 15 December 2010

## SMEs-SMPs

**SMEs and SMPs are a top priority for FEE.** A majority of the members of FEE Member Bodies are servicing SMEs for whom they are a prime source of advice and outsourcing and/or are active in small and medium-sized practices (SMPs). On top of specific activities such as publications or the Round Table series on Access to Finance for SMEs and the last FEE SME/SMP Congress of April 2010 jointly organised with the Italian Institute CNDCEC, FEE ensures that SMEs and SMPs issues are strategically covered across all its activities.



**Anti-Money Laundering - Karen Silcock:** FEE remains committed to support the fight against money laundering, helping professionals, firms, national professional institutes, governments and international organisations tackle the challenges presented by and to a globalised economy.



**Insurance - Frank Ellenbuerger:** IFRS for Insurance Contracts and Solvency II remain the focus of the Insurance Working Party. We strive to contributing to better regulation and developing the profession's offerings to the insurance sector.



**SME-SMP - Gerard Varona:** I am glad FEE continues enhancing its work on and efforts toward SMEs and SMPs and make it a key priority. Our work on SMEs' access to finance is particularly meaningful and aligned with the Commission's new SME Finance Forum that we are pleased to contribute to.

As from January 2011, Francis Chittenden chairs the SMP Task Force.

To find out more about FEE and the work referred to here or read our full report for 2010, please visit our website [www.fee.be](http://www.fee.be). You will also find a glossary to help you with acronyms.

**FEE would like to express its gratitude to the Working Party Chairs (on this page), as well as to all volunteers engaged in working parties, for their contributions and involvement in FEE projects.**



**Auditing - Philip Johnson:** Building on the extensive debate started in 2010, FEE looks forward to engaging with all its stakeholders and to shaping the future role and value of audit and of auditor's communication to better align it to regulators', shareholders' and public expectations.

As from January 2011, Myles Thompson chairs the Working Party.



**Ethics - Michael Niehues:** Ethical behaviour is fundamental to drive trust and confidence in individuals and in the accountancy profession as a whole.

## Supporting integrity

**Integrity is at the heart of the values and the work of professional accountants.** Following up on the publication of its Discussion Paper on Integrity in Professional Ethics, FEE published an analysis and discussion of the responses received to continue promoting the highest ethical principles.

FEE surveyed European and national legislation and guidance on the prevention of money laundering and terrorist financing and continues working on the application of the Anti-Money Laundering Directive and engages with the FATF on the review of the standards.

To promote good corporate governance, FEE responded to all EC green papers in the field. Integrity is equally important in the public sector where FEE works on issues such as governance and accountability, public debt and cash management and the long-term sustainability of public finances.



FEE Working Party Chairs Meeting, 24 January 2011



FEE General Assembly Discussion, 16 December 2010  
Jonathan Faull, Hans Hoogervorst, Richard Fleck, Philip Johnson



FEE-CNDCEC SME-SMP Congress, Venice 15-16 April 2010  
Michele Caso & Hans van Damme

## Innovating in professional services

**Innovation is necessary to better serve clients and stakeholders' needs and meet public expectations.** FEE helps the profession address emerging issues such as the auditor's role regarding corporate governance statements, combined financial statements, bank provisioning and reserving, or integrated reporting. In this process, FEE is particularly attentive to supporting SMPs, e.g. by identifying innovative solutions to foster SMEs' access to finance or studying the Provision of Alternative Assurance Services Across Europe.

Looking at new technologies, FEE raised awareness on the benefits of XBRL and commented on several Exposure Drafts IFRS Taxonomy and issued a Policy Statement on the impact of XBRL on accountants and auditors. It also continues developing professional accountants' role in sustainability, publishing a series of important policy statements.

FEE has proactively engaged in the debate on audit policy and looks forward to further developing the role of the auditor and auditor's communication. As education is essential to serve today's needs and respond to tomorrow's challenges, FEE closely engages with the IAESB.



**Capital Markets - Martin Pfoehler:** Capital markets regulation must ensure markets' transparency and protect the interests of investors and the wider public.



**Banks - Petr Kriz:** Banking regulation should prevent excessive risk taking leading to bank failures to be settled by tax payers. Financial reporting must contribute by providing a transparent view of performance.



**Financial Reporting - Mark Vaessen:** Financial reporting must remain relevant for decision-making by investors and other stakeholders. Therefore, as a profession, we do need to look at innovative ways for improvements in order to make financial statements fit for the future.



**Accounting - Mireille Berthelot:** More than ever, financial statements are a highly relevant communication tool. High-quality global principles-based standards enhance their value. Orderly implementation of new standards will necessitate stability of the accounting platform.

## Promoting global standards

FEE has long been promoting the adoption of global principles-based high quality standards as a means to enhance quality, comparability, credibility, transparency and cost-efficiencies. To this end, FEE contributes thought-leadership and comments to the different international standard setters in the fields of financial reporting, auditing, ethics, education and public sector accounting. FEE is also heavily engaged with EFRAG to promote the views of Europe in the development of IFRS. It is particularly attentive to the governance of international standards setters such as the IASB and the robustness and inclusiveness of their due process.

It calls on the adoption of ISAs for all audits as a means to continue advancing consistent audit quality and to help the European Commission meet some of its key audit policy objectives. Mindful of the importance of SMEs in Europe and of the specificities of SMPs, FEE has carefully studied the use of ISAs for SME audits and demonstrated that they are proportionate and fit for purpose.



**Indirect Tax - Ralph Korf:** Tax is important to society, tax payers, governments and the accountancy profession: our work contributes to ensuring fairness in taxation.



Karl Falkenberg visiting  
FEE Sustainability Group,  
7 December 2010



**Direct Tax - Friedrich Roedler:** FEE is recognised as a major force on the EU tax policy scene. In addition to actively contributing to EC consultations, we engage with policymakers, for instance, by responding to the European Commission's invitation to present on SMEs issues to the EU Transfer Pricing Forum.



FEE-CNDCEC Congress Dinner, 15 April 2010  
Claudio Siciliotti & Philip Johnson

## Contributing to shaping better regulation

**FEE is committed to better regulation.** This key objective is considered in all our work as shown by the examples given here of FEE's contributions to the public policy debate. FEE encourages the European Commission impact assessment practice and calls for in-depth, objective, independent cost-benefit analysis of all proposals, as well as ex-post reviews of legislation. FEE supports the reduction of useless excessive administrative burdens in a way that achieves real benefits for enterprises and stakeholders and balances all relevant public policy objectives.



**Qualification and Market Access - Andre Kilesse:** The legal framework and conditions for cross-border mobility are progressing. Professional accountants and trainees should consider the growing opportunities of a Single Market for Services.



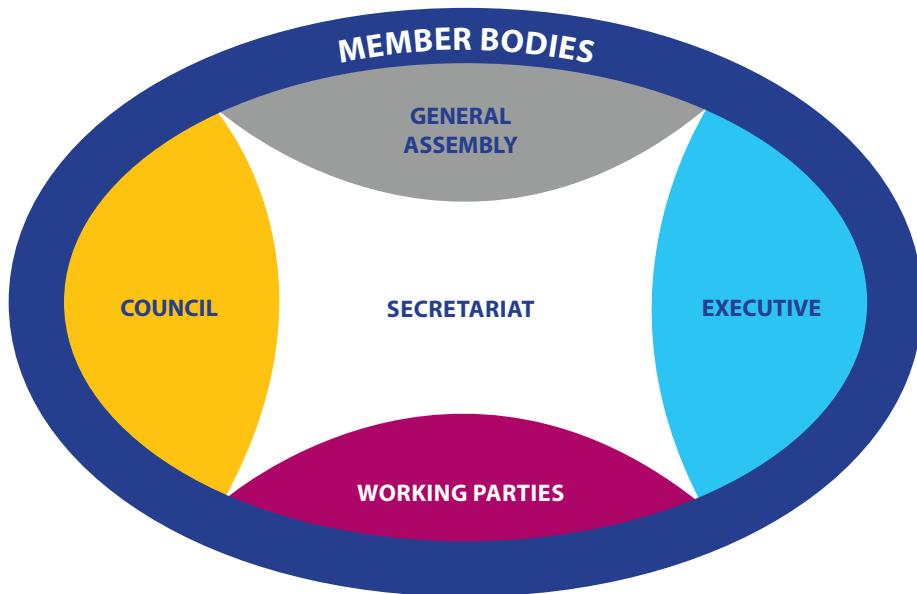
**Company Law and Corporate Governance - Erich Kandler:** FEE looks forward to bringing the instrumental contribution of the accountancy profession to ensure, together with its stakeholders, sound and sustainable corporate governance principles.

As from March 2011, Giacomo Bugna chairs the Working Party.

# How we work

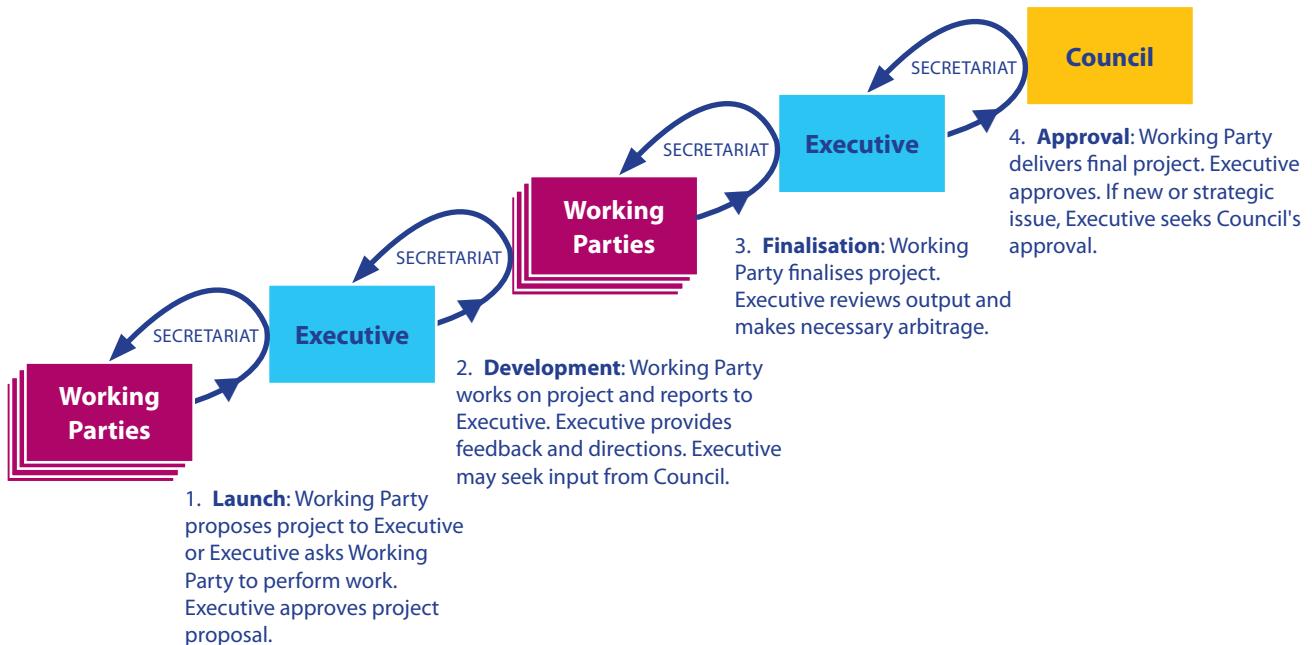
All research, policy recommendations or other work of FEE are based on a robust and inclusive governance and due process. FEE's 45 Member Bodies are at the heart of everything we do: they exercise constitutional power in the Federation, designate and oversee its leadership and send volunteers to contribute to the different working parties where projects are being carried out. FEE is governed by a Council comprising one Representative per country. The FEE Executive, composed of the President, the Deputy President, the CEO and up to seven Vice-Presidents, is the Board of the Federation. It is empowered by a general delegation from Council and is responsible for the implementation of Council's decisions and the management of the Federation.

## Our governance



- **General Assembly** comprises 1 Representative of each Member Body; it deals with constitutional matters and elects President & Deputy President.
- **Council** is composed of 1 Representative per Country agreed by this Country's Member Bodies; it sets out FEE strategy and appoints Vice-Presidents.
- **Executive** is composed of President, Deputy President, Vice-Presidents & Chief Executive; it leads and supervises FEE.
- **Secretariat** manages FEE, performs work and assists FEE structures.
- **Working Parties**, formed by volunteers designated by Member Bodies, perform FEE's projects.

## Our due process





# Secretariat



**Lotte Andersen**  
Project Manager



**Hilde Blomme**  
Deputy Chief Executive



**Olivier Boutellis-Taft**  
Chief Executive



**Madlen Brauer**  
Project Officer



**Philippe Cordonnier**  
Administrative Assistant



**Iryna de Smedt**  
Project Officer



**Loraine Diamond**  
Assistant to the CEO



**Leyre Fuertes**  
Project Manager



**Stephanie Haesbrouck**  
Project Officer



**Sylwia Kujawa**  
Project Manager (joined in 2011)



**Sabine Leurart**  
Office Manager



**Henri Olivier**  
Secretary General



**Sylvie Romancide**  
Project Officer  
and Communication Coordinator



**Tibor Siska**  
Project Manager



**Petra Weymueller**  
Project Manager



**Daniel Wouters**  
Operations and Finance Manager

# Executive



# About Us

FEE (Fédération des Experts-comptables Européens – Federation of European Accountants) is an international non-profit organisation based in Brussels that represents 45 institutes of professional accountants and auditors from 33 European countries, including all of the 27 EU Member States.

FEE has a combined membership of more than 700.000 professional accountants, working in different capacities in public practice, small and big accountancy firms, businesses of all sizes, government and education, who all contribute to a more efficient, transparent and sustainable European economy.

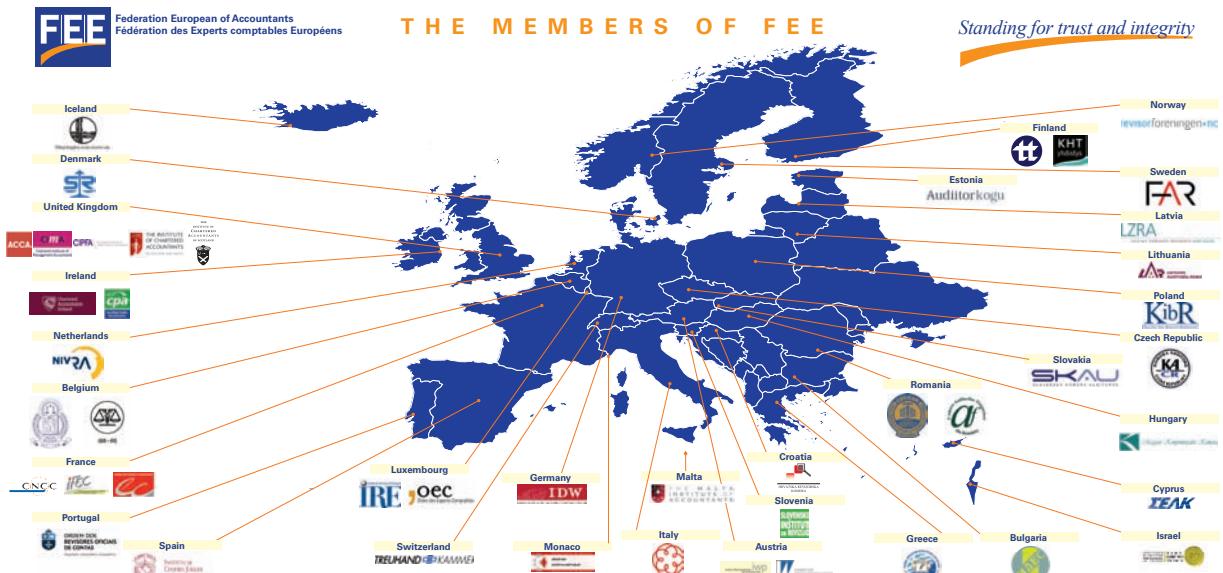
**FEE is the voice of the European accountancy profession toward the EU Institutions and other international organisations.**

FEE's objectives include analysing and contributing to professional, regulatory and public policy developments of relevance to the profession, ensuring Member Bodies' timely information and offering leadership in representing the profession. FEE also promotes cooperation between its Member Bodies. In representing the European accountancy profession, FEE recognises the public interest. FEE is also a Regional Organisation, member of IFAC, the International Federation of Accountants.

For the past 20 years, FEE has supported progress and constant adaptation of the profession to an ever rapidly changing world, while continuously promoting the fundamental values of the profession – integrity, objectivity, independence, professionalism, competence and confidentiality. Over these years, professional accountants are proud to have contributed to bringing the European Single Market closer to a reality for consumers and business, both for listed entities and for millions of small and medium-sized enterprises that professional accountants assist daily.

This day to day involvement of practitioners in fieldwork also nurtures the feedback that FEE provides to European policymakers through a constructive dialogue, thus contributing to making policies more efficient and practicable. FEE will continue to represent professional accountants from all European countries, all sectors and all firms, and help them cooperate, reflect and innovate to fulfil market needs and serve the public interest.

## FEE and its Members



FEE is a Regional Organisation of IFAC, the International Federation of Accountants



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