



Federation of European Accountants
Fédération des Experts comptables Européens

FEE Tax Day

Simple, fair, coordinated –
tax Utopia in the EU?

1 October 2009

Standing for trust and integrity

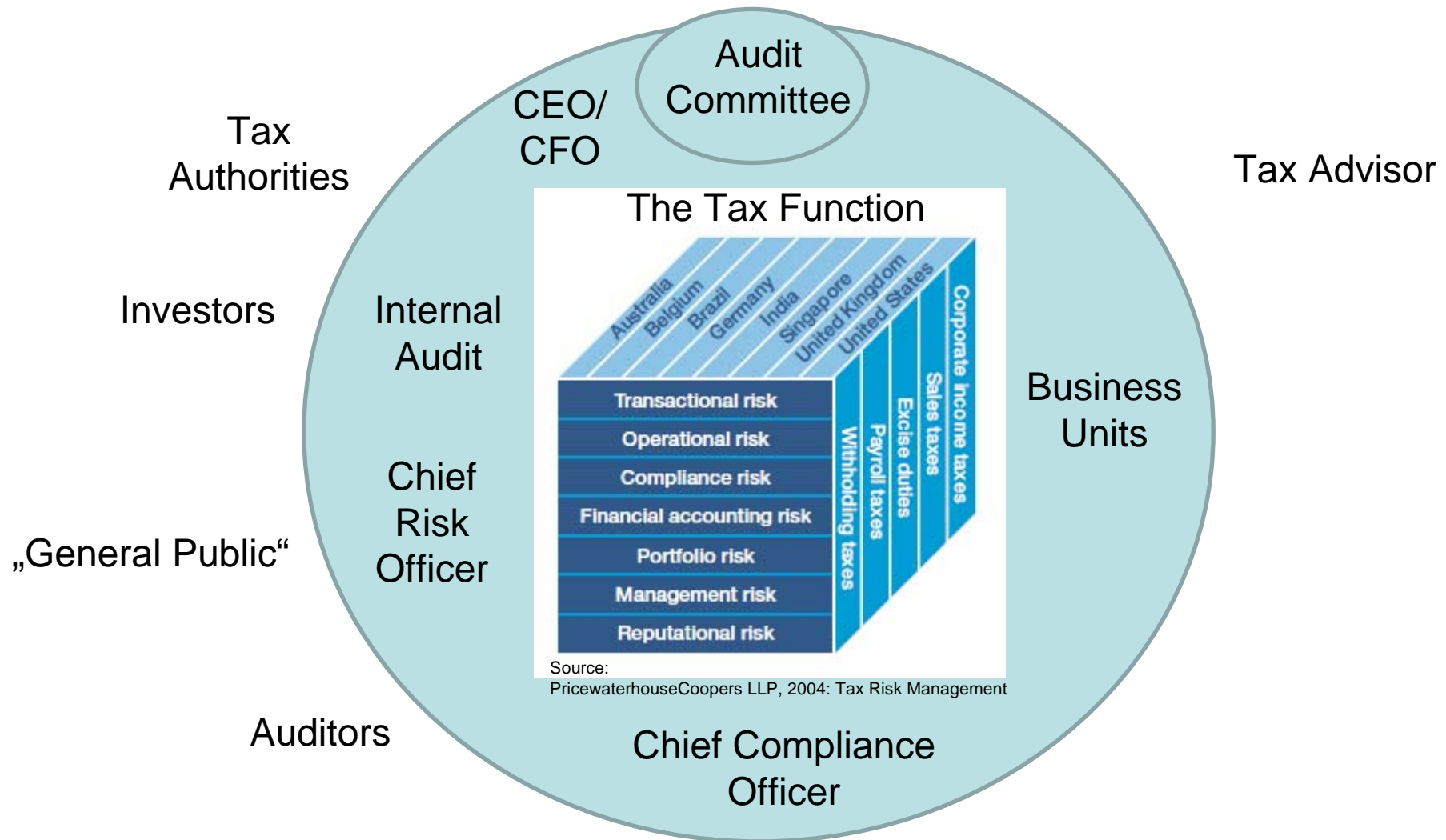


Risk Management and Professional Ethics

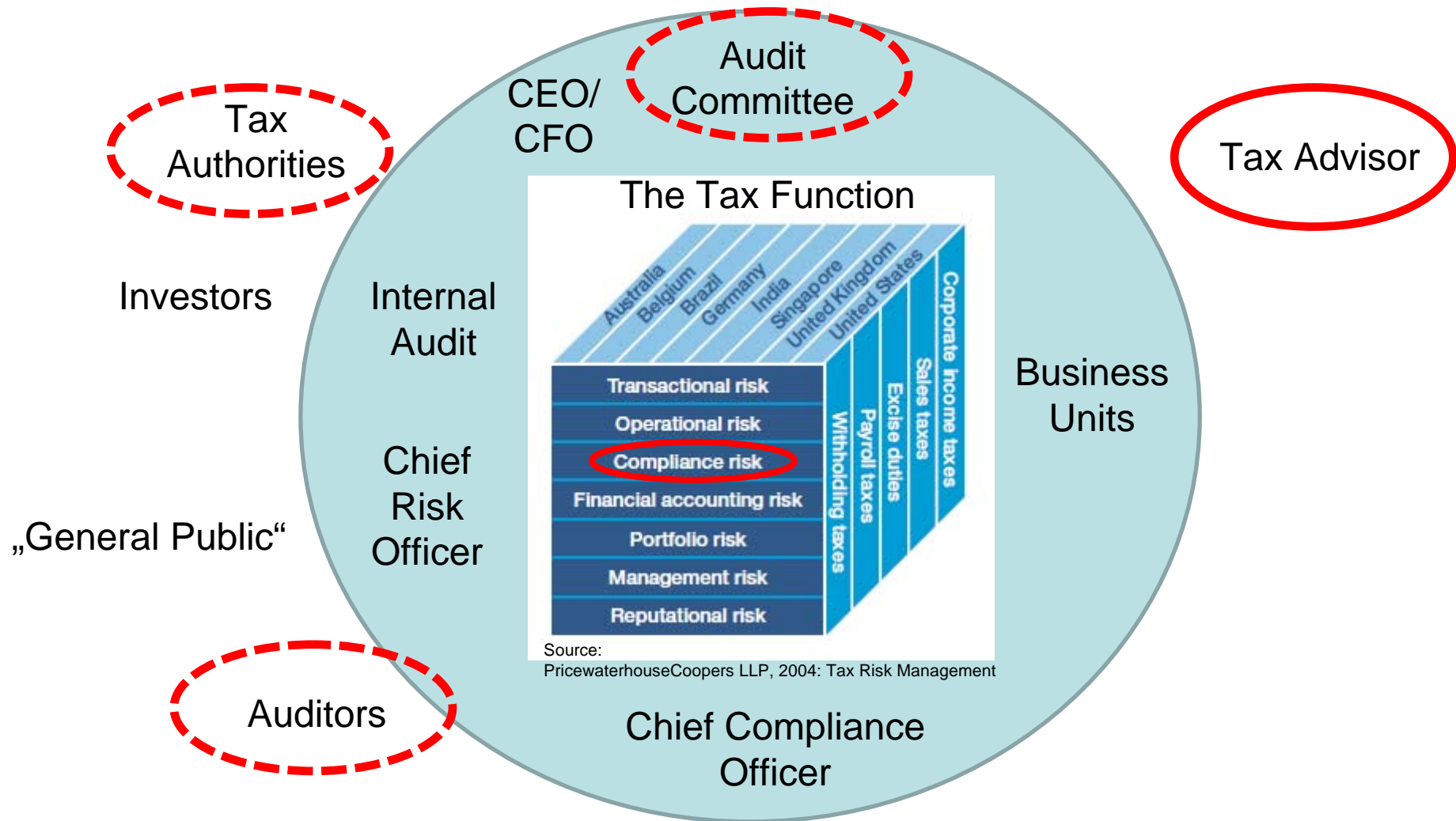
Michael Niehues, FEE Ethics Working Party



A Company's Risk Environment



A Company's Risk Environment





Code of Ethics

➤ Fundamental Ethical Principles

↪ Integrity

↪ Objectivity

↪ Professional Competence and Due Care

↪ Confidentiality

↪ Professional Behaviour



Risk Management - Elements

- Client & Engagement Acceptance
 - ↪ “Know your client and its environment”
 - ↪ Review of potential conflicts,
 - incl. auditor independence
 - ↪ Careful definition of scope
 - ↪ Resources (people, competence, skills)



Risk Management - Elements

➤ Quality and Quality Control

↳ Staffing / Supervising

↳ Concurring Reviews

↳ Dealing with Errors

↳ Practice Reviews



Risk Management - Elements

➤ Documentation

↳ Engagement Letter

↳ Working Papers

↳ Representation Letter



New Challenges – New Risks?

- Increased cooperation/flow of information between tax authorities
- OECD: “Corporate governance principles and practices are gaining more attention and focus by certain tax administrations...”¹⁾

1) OECD FORUM ON TAX ADMINISTRATION: COMPLIANCE MANAGEMENT OF LARGE BUSINESS TASK GROUP July 2009

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