



Mr. James Gunn
Technical Director
IAASB
545 Fifth Avenue, 14th Floor
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New York 10017
USA

16 September 2010

Ref.: AUD/HB/LA/SH

Dear Mr. Gunn,

Re: FEE Comments on IAASB Proposed ISAE 3420, Assurance Reports on the Process to Compile Pro Forma Financial Information Included in a Prospectus

FEE (the Federation of European Accountants) is pleased to provide you with its comments on the IAASB Proposed ISAE 3420, Assurance Reports on the Process to Compile Pro Forma Financial Information included in a Prospectus (hereafter referred to as the Exposure Draft or ED).

FEE welcomes the initiative taken by the IAASB to develop this proposed standard as this issue has been a priority for practitioners in Europe working with prospectuses since the new EU Prospectus Regime came into force in Europe in 2005.

FEE, in its Analysis of Responses to the FEE Discussion Paper on the Auditors Involvement with the new EU Prospectus Regime published in 2005¹, recommended the development of an assurance standard in this area. FEE is therefore very supportive of the IAASB initiative that will assist practitioners to achieve a level playing field in this area.

Furthermore, the initial IAASB research shows that certain jurisdictions outside the EU also need a common standard that can be consistently applied. Therefore, the proposed standard is a move in the right direction taking into account the various legal bases for prospectuses in the different jurisdictions.

Responses to the specific questions raised in the Consultation Paper are set out below.

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<http://www.fee.be/fileupload/upload/Analysis%20of%20Responses%20DP%20Auditor%20s%20Involvement%20with%20the%20New%20Prospectus%20Directive%20051021102005321453.pdf>

- 1. In relation to respondents' roles and responsibilities, would respondents adopt or apply the proposed ISAE, or request an engagement in accordance therewith, if it became effective? If not, please explain why (in this regard, respondents are asked to also consider question 4 below).**

FEE expects that the standard will be extensively applied in Europe as it is closely related to the EU Prospectus Regime. Such a standard on assurance on pro forma financial information has been requested by practitioners in Europe since the Prospectus Regime came into force in 2005. In addition, FEE appreciates that practitioners in Europe will now have a standard that will assist them to achieve a level playing field for reporting on pro forma financial information in prospectuses in accordance with the EU Prospectus Regime.

FEE also appreciates the approach chosen by the IAASB in the proposed standard as it is consistent with the recommendations that FEE made in its Analysis of Responses to the FEE Discussion Paper on the Auditor's Involvement with the New EU Prospectus Directive published in 2005.

- 2. Do respondents believe that the work effort set out in the proposed ISAE is sufficient and appropriate to enable the practitioner to express an opinion as to whether the process to compile the PFI has, in all material respects, been applied in accordance with the applicable criteria?**

Assurance on process or output – ED paragraph 9

The approach chosen by the IAASB for assurance on pro forma financial information draws a clear distinction between the *process to compile* and the *output* (the pro forma financial information). It is proposed that assurance is given on the process and not on the output. This approach derives from commonly applied practice in relation to the auditor's involvement with pro forma financial information in prospectuses and the interpretation of the EU Prospectus Regulation as requiring a report on process rather than output. FEE supports this approach.

However, the ED might mislead users to believe that the assurance report issued by the practitioner deals with the process as well as the output, for instance when applying paragraph 13. Therefore, the objectives in paragraph 9 should clarify that this ED deals with *the auditor's involvement with the process applied by management of the company to properly compile* pro forma financial information in the prospectus they prepare and *not with the auditor performing a compilation engagement*.

Linkage with other standards, including ISAE 3000 – ED paragraph 11

Paragraph 6 of the ED requires that the practitioner complies with ISAE 3000². ISAE 3000 includes requirements in relation to generic topics such as engagement acceptance, planning, evidence, and documentation that apply to all assurance engagements, including those on pro forma financial information in a prospectus. It is important that ISAE 3000 and

² ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information

this ED on pro forma financial information are not duplicative. Therefore, this standard should only contain requirements that are specifically relevant to assurance work on pro forma financial information.

Furthermore, as ISAE 3000 is intended to be an umbrella standard for all assurance standards, it is essential that all its sub-standards are drafted in a consistent manner. This entails that the sub-standards³ should have a similar level of detail, leaving generally applicable issues to the umbrella standard of ISAE 3000. Therefore, FEE recommends that the IAASB in its active project on revising ISAE 3000 and the projects on ISAEs on Assurance on a Greenhouse Gas Statement and on Pro Forma Financial Information included in a prospectus deal with inherent inconsistencies, where arising.

There may be merit in comparing this ED, ISAE 3000 and the suggested content of the new standards on Review and Compilation currently being developed in active IAASB projects.

When considering the ED on Pro Forma Financial Information, FEE would encourage the IAASB to assess whether the requirements in the ED on independence (paragraph 7), materiality (paragraph 15) and procedures (paragraphs 16-24) and the example assurance report are at an appropriate level of detail with respect to ISAE 3000 and to other sub-standards.

In addition, it appears that parts of paragraph 12 on Engagement Acceptance could be duplicative of ISAE 3000. FEE would encourage the IAASB to review this paragraph.

Reference to ethical requirements – ED paragraph 12

A reference to the IESBA Code of Ethics is included in paragraph 7 of the ED highlighting that the IESBA Code applies with reference to ISAE 3000. This reference is, however, not part of the requirements of the standard and therefore not directly applicable. No specific paragraph addressing ethical requirements is included under the requirements in the exposure draft.

Ethical issues are addressed in a separate paragraph within the requirements section of other IAASB (proposed) assurance standards. For example, in ISAE 3402 on Service Organisations a headline and paragraph 11 refer to relevant ethical requirements. In addition, the application material makes reference to the IESBA Code. The proposed ED 3410 on Greenhouse Gas Statements, although not containing a specific headline, includes a reference to relevant ethical requirements in paragraph 13 under the headline *“Competency, Quality Control and Ethical Requirements”* with additional application material referring to the IESBA Code.

³ The sub-standards under the umbrella standard ISAE 3000 currently issued or being developed under active IAASB projects are:

- ISAE 3400 The examination of Prospective Financial Information (Previously ISA 810) (Effective standard. Project proposal to revise scheduled for December 2010)
- ISAE 3402 Assurance Reports on Controls at a Service Organisation (Effective 15 June 2011)
- ISAE 3410 Assurance on a Greenhouse Gas Statement (being developed)
- ISAE 3420 Assurance Reports on the Process to Compile Pro Forma Financial Information included in a Prospectus (being developed.)

Considering these two different alternatives FEE supports the solution chosen for ISAE 3402 on Service Organisations adding a headline and a specific paragraph under requirements referring to relevant ethical requirements with application material referring to the IESBA Code. This solution underlines to a greater extent the importance of the ethical requirements and seems preferable in the context of pro forma financial information. The additional paragraph could be added as a new paragraph 12 in the ED.

Reference to integrity – ED paragraph 22-23

The second half of paragraph 12 (b) refers to considerations by the practitioner before accepting an engagement and highlights that “... *it is unlikely that the pro forma financial information will be misleading ...*”. This part of the paragraph seems to stem from the IESBA Code, paragraph 110.2⁴, although only reproduced partly in paragraph 12 (b).

Paragraph 110.2 of the IESBA Code highlights that the considerations are not only related to “...*misleading ...*” information, but also to “... *materially false...*” information. In addition, the paragraph in the IESBA Code is referring to these considerations throughout the entire process and not just related to the phase of the assurance process that addresses engagement acceptance, as currently included in this ED on Pro Forma Financial Information.

As this standard on pro forma financial information deals with assurance on the *process* and not the *output*, there may be merit in emphasising that the practitioner should not knowingly be associated with information that contains a materially false or misleading statement throughout the assurance work performed on the management’s *process*.

Therefore, FEE would recommend that specifically for this standard, under the umbrella standard of ISAE 3000, a reference to the integrity requirements of the IESBA Code is included, more specifically, to the entire paragraph 110.2 of the IESBA Code and not only to parts of it.

FEE suggests that this reference is included as a separate paragraph under the “Planning and Performing the Engagement” section, more specifically under “Evaluating the Presentation of the Pro Forma Financial Information” (paragraphs 22-23 of the ED). This would highlight that considerations related to Integrity are relevant throughout the process and not just as part of accepting the engagement in the beginning of the work to be performed by the practitioner.

⁴ Paragraph 110.2 of the IESBA Code requires as follows:

A professional accountant shall not knowingly be associated with reports, returns, communications or other information where the professional accountant believes that the information:

- (a) Contains a materially false or misleading statement;
- (b) Contains statements or information furnished recklessly; or
- (c) Omits or obscures information required to be included where such omission or obscurity would be misleading.

When a professional accountant becomes aware that the accountant has been associated with such information, the accountant shall take steps to be disassociated from that information.

Materiality – ED paragraph 15

The ED contains requirements and application material dealing with materiality. Materiality is one of the issues that is expected to be dealt with in general terms in the umbrella standard ISAE 3000. FEE encourages the IAASB to ensure that this standard covers only the aspects of materiality specifically addressing assurance on management's process to compile pro forma financial information to avoid that it is duplicative of generic requirements and any related application material in the future ISAE 3000. This will aid the practitioners in applying both standards at the same time and reduce the risk of different interpretations by practitioners of the requirements of the same concept in the two standards.

Procedures included as requirements – ED paragraphs 17-19 and 22

The procedures to be carried out, referred to in the example assurance report, are consistent with the requirements in paragraph 31 (g). In FEE's opinion, a practitioner would have to perform each of these procedures in virtually all circumstances for this type of assurance engagement. Therefore, taking account of the IAASB's clarity drafting conventions, the procedures should constitute requirements.

However, FEE notes that not all of the procedures listed in the example assurance report are clearly identifiable as requirements within the draft standard, but can, to some extent, be derived from paragraphs 17-19 and 22. FEE is of the view that all these procedures, as they appear in the example assurance report, should be included in a clear and identifiable way as part of the requirements in the standard (paragraphs 15-24) so that they can be clearly mapped to specific requirements in the standard.

In particular, paragraph 18(b) could be extended to state the following:

“This includes an evaluation of whether management has compiled the pro forma financial information on a basis consistent with the company's financial reporting framework and its accounting policies under the framework.”

FEE also questions the use of wording of certain bullet points within the list included in the example assurance report, since IAASB Standards do not generally use terms such as “checking”. When including the procedures in the standard itself FEE therefore suggests using appropriate terminology in accordance with the drafting conventions, such as “evaluate” or “consider”.

In addition, application material as to whether the list of procedures are considered as exhaustive or whether more procedures could be relevant, would be desirable when considering consistent application of the standard in practice.

Unaudited or unreviewed unadjusted financial information - ED paragraph 17 (a) and A31 – A33

The application material in A31-A33 sets out guidance on the work to be carried out in relation to the credibility of the source where the unadjusted financial information has not been audited or reviewed. This is to be dealt with using practitioners' professional judgement under the specific circumstances.

Although unaudited or unreviewed information might only occur in rare circumstances, the work to be carried out to ensure a proper base for the assurance work on the compilation of the pro forma information appears quite limited. In addition, it could be questioned whether this work would be sufficient in practice. FEE acknowledges that these requirements are set out to be minimum requirements and more detailed guidance to be applied in such situations could therefore be desirable to avoid inconsistent application of the proposed paragraphs A31-A33 in practice.

In addition, FEE recommends that paragraph 17 (a) in the standard itself is expanded and explains in greater detail the considerations related to unaudited or unreviewed unadjusted financial information. This would address the situation of unaudited or unreviewed unadjusted financial information more clearly than the current text, where this situation, although rare, is addressed only in the application material.

Inclusion of application material in the first part of paragraph 12 (b) on “... *preliminary knowledge of the engagement circumstances and discussion with the responsible party, determine that the applicable criteria are suitable...*” would be beneficial as this will be specific in situations where the unadjusted financial information has not been audited or reviewed by the practitioner that is intended to give assurance on the pro forma financial information.

Application material on disclosures – ED paragraph A41

The application material in paragraph A41 sets out guidance on what kind of disclosures may accompany the pro forma information. On balance, FEE believes that the guidance in paragraph A41 may be helpful to practitioners, but appreciates that this material is merely guidance for practitioners and is not intended as a statement by the IAASB on a preferred presentation of pro forma financial information in any way. In addition, consequential amendments would be needed to paragraph A1 where a reference to paragraph A41 is included.

In many jurisdictions specific disclosure requirements are established by relevant law or regulation. Therefore, FEE recommends that the reference to relevant law or regulation is added in paragraph A41, similar to the approach taken in paragraph A44 which would make the approach to legislation in the various paragraphs consistent. This reference could be included by amending paragraph A41 as follows:

“A41. Relevant law or regulation may require specific disclosures accompanying the Pro Forma Financial Information. If this is not the case appropriate disclosures may include matters such as ...”.

Use of application material – ED Application and Other Explanatory Material

The proposed standard has substantive application material, consistent with the clarity drafting convention used for ISAs, which clearly will be appreciated by practitioners when applying the standard.

However, the cross-referencing to the application material is quite complex from time to time, as the same requirement refers to different parts of the application material and the paragraphs in the application material often refer to various paragraphs in the standard

itself. To enhance the clarity and practical application as well as the understandability of the standard the IAASB could consider making the cross-references less complex.

In addition, the reference to the application material in paragraph 5 of the proposed standard, would be more appropriate if it referred to paragraphs A12-A16 instead of A17-A19.

- 3. Do respondents believe that it is clear from the illustrative practitioner's report in the Appendix to the proposed ISAE that the practitioner is reporting on the process to compile the PFI and not on the PFI itself? Paragraph A52 of the proposed ISAE, in particular, provides two alternatives for the opinion in relation to the process, i.e.**
- **Whether the process to compile the PFI has, in all material respects, been applied in accordance with the applicable criteria; or**
 - **Whether the PFI has been properly compiled on the basis stated.**

Procedures included in the assurance report – ED paragraph 31 (g) and example assurance report

According to paragraph 31 (g) of the ED a summary of the practitioner's procedures should be included in the example assurance report. In the example assurance report a list of seven procedures is included and as such the list appears to be exhaustive for the work to be carried out in this regard.

FEE questions whether it is appropriate to include such a list of procedures, especially when compared to other example audit or assurance reports issued by the IAASB. Other IAASB standards use the following approaches to this particular issue:

- Paragraph 31 of ISA 700⁵ requires that the audit report describes an audit by stating that it involves performing procedures to obtain audit evidence about the amounts and disclosures and that the procedures selected depend on the auditor's judgement. Therefore, the example audit report includes only a brief summary of the procedures involved.
- Paragraph 49 (i) of the current ISAE 3000⁶ requires that the assurance report should include a summary of the work performed which will help the intended users understand the nature of the assurance conveyed. ISAE 3000 does not contain an example assurance report.
- Paragraph 53 (i) of ISAE 3402⁷ states that "*The example assurance report should include a summary of the service auditor's procedures to obtain reasonable assurance ...*". The example assurance report includes a section titled "*Description of Test of Controls*" following the opinion that refers to the specific controls tested and the nature, timing and results of those tests listed on pages [yy-zz].

⁵ ISA 700 Forming an opinion and reporting on financial statements

⁶ ISAE 3000 Assurance Engagements

⁷ ISAE 3402 Assurance Reports on Controls at a Service Organisation (effective for assurance reports covering periods ending on or after 15 June 2011)

In the active IAASB projects to revise ISAE 3000 and on Assurance on a Greenhouse Gas Statement the work of the Board has, currently, resulted in the following approaches:

- In the current project to revise ISAE 3000 a requirement (as in the current ISAE 3000) to include a summary of the work performed in the assurance report is included in paragraph 51 (k) and A112 (i) in the latest ED discussed at the IAASB Board meeting in June 2010. No example assurance report is included in this draft ED.
- Paragraph 111 (h) (ii) of the Consultation Paper on ISAE 3410 on Assurance on a Greenhouse Gas Statement issued in October 2009 requires that the assurance report contains a summary of the practitioner's procedures. The example assurance report in that paper includes a high-level summary covering the main procedures performed by the practitioners stating "*Our engagement also included...*".

Based on these examples, inclusion of a list of procedures in the assurance report that appears to be exhaustive seems to be a new approach.

As this ED on Pro Forma Financial Information is intended to be a sub-standard under the umbrella standard ISAE 3000, consistency between the various standards in the 3000-series is of great importance. Noting that the new ISAE 3402 and the draft example assurance report on greenhouse gas statements have different approaches in this area, FEE would prefer the approach chosen in ISAE 3410 on Greenhouse Gas Statements, i.e. an example assurance report containing a high-level summary of the main procedures. This indicates that the list of procedures is not exhaustive, permitting the exercise of professional judgement by the practitioner when carrying out the work which is consistent with the approach for audit reports.

In our view, a high-level description in the assurance report is just as useful for users to be assured that the practitioner has carried out the work required by the standard applied and referred to in the report.

FEE would encourage the IAASB to develop a consistent policy for the various examples of audit and assurance reports in its standards regarding the nature and extent of disclosure of engagement procedures. To avoid creating more inconsistencies in this area, FEE would therefore recommend that the IAASB addresses this issue now rather than at a later stage when more standards have been finalised.

Therefore, in FEE's opinion, no changes are necessary in the draft standard itself, (paragraph 31 (g)), but the example assurance report should be amended to ensure its consistency with the example assurance report included in the Consultation Paper for Assurance on a Greenhouse Gas Statement.

Use of the wording “compile” – ED paragraph 2-3 and example assurance report

Reporting by a practitioner should, according to the IAASB, be clear and understandable. “Compile” will now be used with two different meanings:

- In ISAE 3420 to express a reasonable assurance opinion on the process applied by *management to properly compile* pro forma financial information in a prospectus;
- In ISRS 4410⁸ for the *practitioners to compile* historical financial statements with no assurance, which also appears to be the approach chosen for the latest draft of ISRE 4410 ED discussed in the IAASB Board meeting in June 2010.

The ED specifies in paragraphs 2 and 3 that this standard addresses assurance services whilst non-assurance services are addressed in ISRS 4410. On pages 6 and 7 in the explanatory memorandum the distinction between this ED and ISRS 4410 and the potential confusion with using the word “compile” in both cases is explained in more detail. FEE agrees with the IAASB that there is a significant risk that the distinction between the two standards will not be understandable for users as “*compilation*” is used differently in two different standards and FEE believes that the risk will persist despite the inclusion of paragraphs 2 and 3 in the ED.

Therefore, FEE recommends that more detailed explanations are added in paragraphs 2 and 3 in the ED. They could usefully clarify the main difference between these two engagements which is that in a compilation engagement under ISRS 4410 the practitioner performs the compilation of financial information while in an engagement under ISAE 3420 management performs the compilation of the pro forma financial information. In the latter case the practitioners (only) give reasonable assurance on the process which management followed to perform its compilation.

Additionally, the IAASB should consider to refer to the ‘*process to compile pro forma financial information included in a prospectus*’ as ‘*management’s process to compile pro forma financial information included in a prospectus*’, both in the title and the detailed wording of ISAE 3420.

Wording of the opinion – ED paragraph 31 (h), A52 and example assurance report

The example assurance report of the ED contains two alternatives for the wording of the opinion. Neither of these options are identical to the wording of the EU Prospectus Regulation which requires that the report prepared by the independent accountant or auditors must state that in their opinion:

- a) the pro forma financial information has been properly compiled on the basis stated;
- b) basis is consistent with the accounting policies of the issuer.

The Committee of European Securities Regulators has analysed this issue in further detail and has confirmed that the auditor’s report should state the exact wording of the

⁸ ISRS 4410 Engagements to Compile Financial Statements

Regulation and no other wording of the statement is accepted⁹. This situation is explained in paragraph A44 of the ED that clarifies that relevant law or regulation may require the practitioner to express an opinion about whether the basis on which the responsible party has compiled the pro forma financial information is consistent with the entity's accounting policies.

In the FEE 2004 Discussion Paper¹⁰ an illustrative example of an auditor's report on Pro Forma Financial Information suggested that the wording of the opinion should be in line with the exact wording of the Prospectus Regulation. Although options generally do not further a level playing field, FEE considers that a third option could be added in paragraph A52 of the ED and in the example assurance report, containing the wording of the opinion practitioners in Europe will be required to use.

Reporting on material inconsistency in the assurance report – ED paragraph 23, 28 and A42

Paragraph 23 of the ED requires the practitioner to take further appropriate action if the responsible party refuses to correct material inconsistencies or material misstatements. In the application material in paragraph A42, it is explained that appropriate action can include:

- describing the material inconsistency in the practitioner's report;
- modifying the opinion;
- withdrawing from the engagement where this is possible under the relevant law or regulation.

FEE supports the wording of both paragraph 23 and A42, but would like to highlight that under the EU Prospectus Regulation there might be situations where the practitioner will not be allowed to describe material inconsistencies in the assurance report or modify the opinion. This particular issue has been analysed by CESR¹¹ stating that qualifications may not be included as they would undermine the statement given by the auditor. Also, CESR questions the use of emphasis of matter paragraphs.

As a consequence, FEE would recommend that the caveat stating "*if possible under relevant law or regulation*" is made applicable to all examples in paragraph A42, not solely to withdrawing from the engagement. This situation is clearly reflected in paragraph 28 of the ED. Therefore, FEE recommends making paragraph A42 consistent with paragraph 28.

⁹ CESR Frequently Asked Questions regarding Prospectuses: Common positions agreed by CESR Members, 10th updated version, December 2009, question 55 <http://www.cesr.eu/popup2.php?id=6472>

¹⁰ FEE Discussion Paper on The Auditor's Involvement with the new EU Prospectus Directive, November 2004 <http://www.fee.be/fileupload/upload/DP%20Auditor%20s%20Involvement%20with%20the%20New%20EU%20Prospectus%20Directive%200411153200591131.pdf>

¹¹ CESR Q&A, question 55

Practitioner's Responsibilities – ED paragraph 31 (e) and example assurance report

FEE supports the inclusion of a disclaimer in the assurance report stating that neither an audit nor review on the pro forma financial information has been performed. However, to draw users' attention to this fact, as has been done in ISREs 2400 and 2410, and ISRSs 4400 and 4410, FEE recommends that this disclaimer should be moved closer to the opinion, so that it follows the reference to the assurance standard used.

Secondly, FEE would recommend that the reference to not updating or reissuing any reports or opinions on any financial information used in compiling the pro forma financial information is given a more prominent place in the assurance report.

These suggestions would cause the paragraph on "*Practitioner's Responsibilities*" to be worded as follows:

"Practitioner's Responsibilities

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Reports on the Process to Compile Pro Forma Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the responsible party has applied the process to compile the pro forma financial information in accordance with the applicable criteria."

Our responsibility is to express an opinion [, as required by [Securities Regulation XX],] about whether the process to compile the pro forma financial information has been applied by management in accordance with the applicable criteria.

We are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the pro forma financial information. In addition, we have not performed an audit or review of the pro forma financial information and, accordingly, we do not express an opinion on the pro forma financial information".

- 4. As the proposed ISAE is designed to convey assurance on the process to compile the PFI, do respondents believe that it would be desirable for the IAASB to also develop a separate standard on reporting on the PFI itself? If yes:**
 - (a) What do respondents believe would be the work effort implications in undertaking engagements to report on the PFI itself? In particular, how would such work effort differ from that specified in the proposed ISAE?**
 - (b) Should both reasonable assurance and limited assurance on the PFI be addressed? If so, how should the nature and extent of the practitioner's work effort be differentiated between a reasonable assurance engagement and a limited assurance engagement to report on the PFI?**

In its 2005 Discussion Paper referred to above, FEE described the relevant procedures to be carried out by the practitioner in order to report on pro forma financial information being "properly compiled". Based on this FEE has not seen a need for specific objectives and requirements to be set to report on the pro forma financial information itself, but rather on the process. However, FEE finds it important that a

standard on this subject matter is not prohibiting or is not perceived as prohibiting assurance on the pro forma financial information itself.

Whether an assurance standard on the compiled pro forma financial information included in a prospectus would be needed depends therefore on demand from other regions outside Europe and the request by regulators. Were such other constituents to request such a standard based on this consultation, the IAASB should assess these suggestions and consider how to deal with them in due course.

For further information on this FEE¹² letter, please contact Mrs. Hilde Blomme at +32 2 285 40 77 or via email at hilde.blomme@fee.be or Lotte Andersen at +32 2 285 40 80 or via email at lotte.andersen@fee.be from the FEE Secretariat.

Yours sincerely,



Hans van Damme
President

¹² FEE is the Fédération des Experts comptables Européens (Federation of European Accountants). It represents 43 professional institutes of accountants and auditors from 32 European countries, including all of the 27 European Union (EU) Member States. In representing the European accountancy profession, FEE recognises the public interest. It has a combined membership of more than 500.000 professional accountants, working in different capacities in public practice, small and big firms, government and education, who all contribute to a more efficient, transparent and sustainable European economy.

FEE's objectives are:

- To promote and advance the interests of the European accountancy profession in the broadest sense recognising the public interest in the work of the profession;
- To work towards the enhancement, harmonisation and liberalisation of the practice and regulation of accountancy, statutory audit and financial reporting in Europe in both the public and private sector, taking account of developments at a worldwide level and, where necessary, promoting and defending specific European interests;
- To promote co-operation among the professional accountancy bodies in Europe in relation to issues of common interest in both the public and private sector;
- To identify developments that may have an impact on the practice of accountancy, statutory audit and financial reporting at an early stage, to advise Member Bodies of such developments and, in conjunction with Member Bodies, to seek to influence the outcome;
- To be the sole representative and consultative organisation of the European accountancy profession in relation to the EU institutions;
- To represent the European accountancy profession at the international level.