

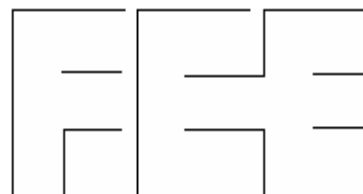
Date
26 July 2007

Le Président

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Comptables
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Mr. Alan Knight
Head of Standards and Related Services
AccountAbility
Unit A
137 Shepherdess Walk
GB – N1 7RQ London



Dear Mr. Knight,

Re: Consultation on Guidance Note on Assurance Levels & Statements as they relate to the AA 1000 Assurance Standard

FEE (Fédération des Experts Comptables Européens, European Federation of Accountants) has reviewed the consultation document on Assurance Levels and Statements issued by AccountAbility in June 2007. We welcome the opportunity to comment on this initiative. Our comments are set out in the Standards Feedback Table attached to this letter.

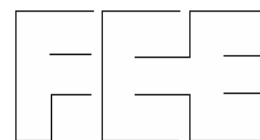
Submission of comments on the proposed Guidance Note by our Federation does not constitute endorsement or any other form of support for the eventual Guidance Note or the AA 1000 Assurance Standard to which it relates.

Whilst we acknowledge AccountAbility's initiative to issue guidance on the AA 1000 Assurance Standard (AS), in our opinion were the present guidance enhanced it would better assist assurance providers in providing assurance. Areas that merit improvement include the definition of terms used, the setting of criteria, the perspective from which assurance levels are considered and the relation to ISAE 3000.

There is a fundamental difference in the underlying approach between the Guidance Note and the IAASB pronouncements, notably related to ISAE 3000. Under ISAE 3000 the level of assurance is chosen upfront and determines the procedures to be performed, whereas the levels of assurance in the proposed Guidance Note relate to the scope of the subject matter, the reliability of information and its quality and is therefore chosen throughout the performance of the engagement.

The Guidance Note refers to ISAE 3000 and claims complementarity with AA 1000AS. However, the guidance note includes many characteristics of an agreed upon procedures engagement ISRS (International Standard on Related Services) 4400 'Engagements to Perform Agreed Upon Procedures Regarding Financial Information' which is confusing for the reader of the assurance statement and makes it difficult to apply both AA 1000AS and ISAE 3000 at the same time (for details see our comment on 4.2 in the standards feedback template).

In its present form, we consider that the level at which the document is pitched is not achieving the objective of providing clear guidance to assurance providers. In view of the importance of the subject and the fact that several difficult issues are involved, we would recommend the development of a more detailed Guidance Note.



We hope that our comments may contribute to the improvement of the AA Guidance Note. We would be pleased to discuss with you any aspect of this letter you may wish to raise with us.

Yours sincerely,

Jacques Potdevin
President