



Fédération des Experts  
Comptables Européens

# Press Release

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## Audits and Assurance Engagements in the Public Sector

### FEE launches a discussion paper on compliance with laws and regulations in the public sector

*Thursday 6 December 2007, Brussels* – In a paper published today, FEE (Fédération des Experts Comptables Européens) advances an important debate on issues relating to compliance with laws and regulations in audits and assurance engagements in the public sector.

Compliance with laws and regulations in the public sector generally has a broader scope than in the private sector. Public entities are often required to use their funds in a manner specified by law or regulations, and auditors may be asked to form an opinion on the public sector entity's compliance with those regulations. The profession is also becoming increasingly involved in the examination of the use of European funds, and private sector accountancy firms are becoming more widely employed on assurance engagements covering funds which are subject to public sector regulations.

FEE has been working in conjunction with the European Commission and the profession to find a way forward enabling the Commission to conclude on compliance with the conditions of grants made under the seventh research framework programme (FP7). The paper reflects the progress achieved in this respect.

Welcoming this FEE discussion paper during an informal roundtable in Brussels, **Siim Kallas, Vice-President of the European Commission**, commented "I am sure that this discussion paper will assist the Commission's services to formulate their requests for auditing services in a way which is coherent with your professional standards, and that it will help your profession to undertake work on the EC programmes, free from the risks which arise from misunderstandings with your client."

**Jacques Potdevin, FEE President**, added: "In the public sector there is an increasing focus on financial compliance. There is growing interest in the audit of European Union monies, such as the certification of grant claims. There is also much attention paid to the European Court of Auditors statement of assurance on the Commission's accounts. Against this background, FEE has decided to open and stimulate the debate on issues associated with the compliance aspect of audit and assurance work in the public sector."



**Caroline Mawhood, Chair of FEE Public Sector Committee**, stated “FEE recognises the increasing importance attached to compliance with laws and regulations in the public sector, particularly in the context of the action being taken by the Commission to reduce the error rate in claims submitted to the Commission to an acceptable level. I hope that both the public sector and the profession find the discussion paper a useful contribution to closing the perceived expectation gap in relation to the compliance aspect.”

– ENDS –

The full paper can be downloaded from [www.fee.be](http://www.fee.be)

For more information

Please contact the FEE Secretariat: [secretariat@fee.be](mailto:secretariat@fee.be)

Notes for Editors:

1. **FEE, the European Federation of Accountants / Fédération des Experts Comptables Européens** is the representative organisation for the accountancy profession in Europe. Its membership consists of 44 institutes of professional accountants from 32 countries. This includes all 27 Member States of the European Union and three members of EFTA and comprises more than 500,000 accountants, 45% working in public practice and 55% in industry, commerce, government and education.