



**Provision of Accountancy,
Audit and Related Services
in Europe**

A Survey on Market Access Rules

December 2005

CONTENT

Executive Summary	5
Section 1: Introduction	6
Objectives and Scope of the Survey	6
Respondents to the Survey	8
Section 2: Description of the Services Carried Out by Accountants	9
2.1 Audit and Other Assurance Engagements	9
2.1.1 Audit and Review of Financial Statements	9
2.1.1.1 Statutory Audit of Historical Financial Statements	9
2.1.1.2 Non Statutory (voluntary) Audit of Historical Financial Statements	9
2.1.1.3 Reviews of Historical Financial Information	9
2.1.1.4 Other Assurance Engagements	10
2.1.1.4.1 Reports on Mergers	10
2.1.1.4.2 Audit of Contributions in Kind	10
2.1.1.4.3 Forensic Audits	10
2.1.1.4.4 Operational Audits	10
2.1.1.4.5 Reports on Internal Controls	11
2.2 Outsourcing Engagements	11
2.2.1 Accounting Engagements	11
2.2.1.1 Keeping Statutory Books and Records (Financial Accounting)	11
2.2.1.2 Management of Books and Records (Cost and Management Accounting)	11
2.2.1.3 IT Implementation	11
2.2.1.4 Preparation and Compilation of Accounting Documents	11
2.2.1.5 Preparation of Periodic Financial Statements	11
2.2.1.6 Organisation of Accounting Systems and Related Internal Controls	11
2.2.2 Administrative and Human Resources	12
2.2.2.1 Payroll Preparation	12
2.2.2.2 Employment Contract and Internal Work Regulations	12
2.2.2.3 Relations with Social Security Institutions	12
2.2.2.4 Litigation Assistance relating to Human Resources	12
2.2.2.5 Recruitment	12
2.2.2.6 Domiciliation of Organisations	12
2.3 Consulting and Advisory Engagements	13
2.3.1 Accounting Services	13
2.3.1.1 Report on Factual Findings	13
2.3.1.2 Analysis of Accounts and Financial Statements	13
2.3.1.3 Consulting with Respect to Accounting Procedures	13
2.3.1.4 Consulting with Respect to the Organisation of Accounting Systems and Related Internal Controls	13
2.3.1.5 Expert Witness in Matters of Accounting, Assurance and Related Services and Internal Controls	13
2.3.2 Tax Advisory Services	13
2.3.2.1 Tax Planning and consulting for Individuals	14
2.3.2.2 Tax Planning and consulting for Entities	14
2.3.2.3 Preparing Tax Returns for Individuals	14
2.3.2.4 Preparing Tax Returns for Entities	14
2.3.2.5 Submission of Tax Returns for Individuals	14

2.3.2.6 Submission of Tax Returns for Entities	14
2.3.2.7 Representation before Tax Authorities.....	14
2.3.2.8 Representation before Certain Tribunals for Tax Purposes	14
2.3.2.9 Representation before Courts in Tax Matters.....	15
2.3.2.10 Assurance Services in Tax Matters	15
2.3.3 Financial Services.....	15
2.3.3.1 Business Valuation	15
2.3.3.2 Financial Due Diligence.....	15
2.3.3.3 Investment Analysis	15
2.3.3.4 Financial Planning.....	16
2.3.3.5 Debt Restructuring and Recapitalisation.....	16
2.3.3.6 Portfolio Management.....	16
2.3.3.7 Trusteeship	16
2.3.3.8 Brokerage	16
2.3.4 Legal Services	16
2.3.4.1 Preparation of Legal Documents for Individuals	16
2.3.4.2 Preparation of Legal Documents for Companies and Other Entities	16
2.3.4.3 Administrative and Legal Support to the General Assembly.....	17
2.3.4.4 Advice on Company Law Pertaining to Organisations	17
2.3.4.5 Assistance in Legal Action.....	17
2.3.4.6 Regulated Insolvency Services.....	17
2.3.5 Sustainability Services	17
2.3.5.1 Sustainability Reporting Advice	17
2.3.5.2 Assurance Engagement in Relation to Sustainability Matters	18
2.3.5.3 EMAS Verifier	18
2.3.6 Other Consultancy Services	18
Section 3: Overview of Answers.....	19
Section 4: Conclusions	22
Appendices: Detailed Answers by Activity and by Country	25
Appendix 1: Audit and Assurance Engagements.....	26
Appendix 2: Outsourced Accounting Engagements	28
Appendix 3: Tax Services	30
Appendix 4: Consulting and Advisory Engagements.....	32
Appendix 5: Administrative and Human Resources	34
Appendix 6: Financial Services	36
Appendix 7: Legal Advice.....	38
Appendix 8: Sustainability	40
Appendix 9: Other Consulting Services	42

EXECUTIVE SUMMARY

This survey responds to the European Commission's growing interest in the competition policy aspects of regulating professions and professional services. It examines the existence or otherwise of market access rules across EU and some other European jurisdictions relating to the provision of accountancy, audit and related services. The report is based on a detailed survey completed by FEE Member Bodies in respect of national regulations.

The overall conclusion of the report is that the accountancy profession operates in the main in activity areas where there are no market access rules restricting or prohibiting the entry of other service providers. In the vast majority of countries surveyed, individuals who are not members of a professional body of accountants can also carry out most of the activities undertaken by professional accountants.

The survey demonstrates that only in the areas of statutory audit and to some extent other reports which are required by European company law Directives, do market access regulations apply in all jurisdictions obliging consumers to acquire services from the accountancy profession. These regulations do not, however, impinge on consumer freedom of choice to select an appropriate service provider from within the accountancy profession within which there is competition.

In the activity areas where there are no market access restrictions, FEE maintains that the most appropriate way to serve the general interest and to protect consumers is to strengthen the relevant professional bodies which promote high quality service provision by their members. Professional bodies acting under appropriate oversight are a necessary and beneficial instrument of consumer protection.

SECTION 1: INTRODUCTION

This report has been prepared by FEE, the representative organisation of the accountancy profession in Europe, in response to the European Commission's recent work in the competition policy sphere where the regulated and liberal professions are concerned.

The European Commission published on 9 February 2004 a report on Competition in Professional Services (Com (2004) 83) which emphasises the importance of professional services, including accountancy, for the European Union economy. The Commission published on 5 September 2005 a communication including a follow-up Report (Com (2005) 405 final). The report's focus is on the relationship between the need for a degree of regulation of the professions and the competition rules of the Treaty and, more specifically, a concern to ensure that the former does not outweigh the latter and thereby undermine the public interest. Included among the areas of interest are existing rules on fixed or recommended prices, advertising, business structures, entry restrictions to professions and, finally, market access regulations and the reserved status of specific tasks.

The Council of FEE considered it important to respond by portraying the current situation of the accountancy profession with regard to the questions of market access and reserved status. This was not discussed in any detail in the Commission's communication of 2005 but received attention in the Commission Staff Working Document relating to progress made by Member States in reviewing and eliminating restrictions to competition in the area of professional services (SEC (2005) 1064).

This survey addresses the degree to which statutory market access rules are applied across European jurisdictions in relation to the provision of the wide range of audit, accountancy and related services. The survey focuses on the degree of freedom of consumer choice, as conditioned by statutory market access rules, to obtain accountancy related services from service providers other than professional accountants. It does not, therefore, discuss competition within the accountancy profession between accountants and accountancy firms and related economic issues.

The current report also serves to update the 1994 FEE survey on the activities of accountants in Europe. However, it should be noted that the earlier survey was of a broader nature than this research which necessarily deals only with market access rules. Finally, this survey can usefully be read in conjunction with the 2003 FEE Study, "Admission to the Profession of Accountant and Auditor," which deals with entry and practising requirements.

Objectives and Scope of the Survey

The survey focuses on the national laws and regulations imposing restrictions with regard to market access of service providers, with consequent implications for consumer choice, in the overall sphere of accountancy, audit and related services. More specifically, the survey seeks to identify the specific activities, or areas of activity, where service provision is subject to becoming a member of one or more professional bodies or obtaining a licence to practice, as issued by a public or other competent authority.

To achieve this, the survey asked, in relation to specific service activities and national contexts, which of the four categories below relating to market access rules is applicable.

Is the service activity:

- 1) Subject to free consumer choice, with no restrictions on market access and therefore choice of service providers. (In the tables, this is referred to as FCC - free consumer choice.)
- 2) Subject to market access restrictions which reserve service provision to other professionals and thereby to the exclusion of professional accountants. (In the tables that follow, this is referred to as ROP - reserved to other professionals.)
- 3) Subject to market access restrictions which reserve service provision to the members of different professions among which professional accountants are included. (In the tables that follow, this is referred to as SOP - shared with other professionals.)
- 4) Subject to market access restrictions which reserve service provision to professionally qualified accountants, to the exclusion of all others. (In the tables that follow, this is referred to as RPA - restricted to professionally qualified accountants.)

It is important to draw attention to a number of assumptions on which the survey has been carried out. These issues should also be borne in mind when considering the above succinct classifications.

- a. For the purposes of this report, statutory auditors are included in the definition of professional accountants, which must be understood in the broadest sense. It should be noted, however, that in many countries, statutory audit requires a specific registration in addition to membership of a professional Institute (and not all holders of the qualification will necessarily wish to apply for audit registration).
- b. Professional ethics may be regarded as a form of restriction, but has not been considered as such for the purposes of this survey. For instance, the independence requirements developed by IFAC (The International Federation of Accountants), as well as national regulations or prohibitions relating to independence, may mean that an individual accountant cannot provide a certain service in a specific case. However, these considerations especially but not only related to auditing have not been included in the survey as the client may choose another professional accountant to provide the service.

It is also the case that in some countries the law allows accountants to be concomitantly a member of another recognised profession, such as the legal profession, if they meet the necessary qualification requirements. For the purpose of this survey, however, these individual situations were not taken into consideration; the local law recognises the existence of two professions separately regulated.

- c. The structure and organisation of the accountancy profession differs widely from one country to another. Similarly, the legal forms and ownership rules of accounting and audit firms vary throughout the European Union and other jurisdictions surveyed. Consequently, the range of services that can be provided by professional accountants while working within these different parameters can differ. Again, however, these issues were not considered in the preparation of the survey as the focus is on the professional accountant considered in the overall national contexts.

Respondents to the Survey

The questionnaire was completed by FEE Member Bodies: 37 institutes in all the 25 EU Member States, and in Norway and Romania.

It is important to note that in completing the questionnaire, FEE Member Bodies were asked to respond, to the best of their knowledge, with regard to the existing situation in their national contexts. Necessarily, therefore, the survey relates to national regulations and includes information not only on non-accountants and other professionals but also on members of professional accountancy bodies which are not members of FEE. The latter have been included in the category of “professional accountants” for the purposes of the survey.

The following Institutes have contributed to this survey:

Austria	Institut Österreichischer Wirtschaftsprüfer Kammer der Wirtschaftstreuhänder
Belgium	Institut des Experts-Comptables et des Conseils Fiscaux Institut des Réviseurs d'Entreprises
Cyprus	Institute of Certified Public Accountants of Cyprus
Czech Republic	Komora Auditoru Ceske Republiky
Denmark	Foreningen af Statsautoriserede Revisorer
Estonia	Auditorkoguu
Finland	KHT – Yhdistys
France	Compagnie Nationale des Commissaires aux Comptes Ordre des Experts Comptables
Germany	Institut der Wirtschaftsprüfer
Greece	Soma Orkoton Elegton Logiston
Hungary	Magyar Konyvvizgaloi Kamara
Ireland	Institute of Chartered Accountants in Ireland Institute of Certified Public Accountants in Ireland
Italy	Consiglio Nazionale dei Dottori Commercialisti Consiglio Nazionale dei Ragionieri e Periti Commerciali
Latvia	Latvijas Zvērinātu Revidentu Asociācija
Lithuania	Lietuvos Auditorių Rūmai
Luxembourg	Institut des Réviseurs d'Entreprises Ordre des Experts Comptables
Malta	The Malta Institute
Netherlands	Koninklijk Nederlands Instituut van Registeraccountants
Norway	Den norske Revisorforening
Poland	Krajowa Izba Biegłych Rewidentów
Portugal	Ordem dos Revisores Oficiais de Contas
Romania	Corpul Expertilor Contabili si Contabililor Autorizati din Romania
Slovak Republic	Slovenská Komora Auditorov
Slovenia	Slovenski Institut za Revizijo
Spain	Instituto de Censores Jurados de Cuentas de España
Sweden	FAR
United Kingdom	Association of Chartered Certified Accountants Chartered Institute of Management Accountants Chartered Institute of Public Finance and Accountancy Institute of Chartered Accountants in England and Wales Institute of Chartered Accountants of Scotland

SECTION 2: DESCRIPTION OF THE SERVICES CARRIED OUT BY ACCOUNTANTS

In the course of the following definitions, reference is made to international standards, guidance and codes and glossary of terms developed by a range of organisations including the International Federation of Accountants (IFAC) and the International Auditing and Assurance Standards Board (IAASB) as well as to relevant European Union legislation.

2.1 Audit and Other Assurance Engagements

2.1.1 Audit and Review of Financial Statements

2.1.1.1 Statutory Audit of Historical Financial Statements

International Standard on Auditing 200 (para. 2), published by the IAASB, defines the objective of an audit of financial statements. This enables the auditor to express an opinion whether the financial statements are prepared, in all material respects, in accordance with an identified financial framework.

In the European Union, the Fourth and Seventh Company Law Directives require that annual and consolidated company accounts must be audited by a qualified individual or an audit firm approved under the terms of the Eighth Company Law Directive. In some Member States, statutory auditors have certain other audit responsibilities, for instance in credit institutions and insurance companies etc., where they are required to take part in the prudential control.

Public sector

Public sector auditing includes activities similar to statutory auditing in the private sector but also, depending on national legislation, other specific activities, such as performance measurement, operational audits, diagnoses, etc.

2.1.2 Non Statutory (voluntary) Audit of Historical Financial Statements

Auditing services can be carried out independently of legislation. In most countries accounting firms provided these services well before it became a statutory requirement. There is a wide spectrum of situations related to business operations where audit can be desirable. It may be by private contract or be required by owners, managers, investors, lenders and suppliers. Principles and procedures defined by auditing standards also apply in a voluntary audit engagement.

2.1.3 Reviews of Historical Financial Information

International Standard on Review Engagements 2400 states (para. 3) issued by IAASB: “The objective of a review of financial statements is to enable an auditor to state whether, on the basis of procedures which do not provide all the evidence that would be required in an audit, anything has come to the auditor’s attention that causes the auditor to believe that the financial statements are not prepared, in all material respects, in accordance with an identified financial reporting framework (negative assurance)” (IFAC Glossary of terms).

In some cases, the review engagement is carried out by the statutory auditor as part of his main engagement (for instance the review of interim reports) but a review engagement can also be carried out separately.

2.1.4 Other Assurance Engagements

“Assurance engagement” means an engagement in which a practitioner expresses a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party about the outcome of the evaluation or measurement of a subject matter against criteria (*IFAC Glossary of terms*).

2.1.4.1 Reports on Mergers

The audit of mergers is a service related to the requirements for mergers/demerger/disposals under the company law of each country. In the European Union this activity is governed by the Third and Sixth Company Law Directives, which require that an independent expert, authorised by a judicial or administrative authority, examines the proposed merger (demerger or disposal) and reports to the shareholders of the companies concerned. The expert must indicate whether or not the report on the transaction is, in his opinion, relevant and fair (*Article 10, Third Directive and Article 8, Sixth Directive*). A separate expert can be appointed for each company involved in the merger (demerger/disposal).

2.1.4.2 Audit of Contributions in Kind

The audit of consideration other than in cash given in connection with share issues is an activity subject to the company law in force in the relevant country; it is governed by the rules on company formation and on increases in share capital. In the European Union this activity is governed, as far as limited companies are concerned, by the Second Company Law Directive. This directive requires that shareholders' contributions, other than in cash, are subject to a report prior to the company formation or increase in share capital, (*Article 10 or Article 27*) by one or more experts who are independent of the company and are appointed by an administrative or legal authority.

2.1.4.3 Forensic Audits

Forensic audit is about performing investigation, inspection or examination of books, records and all kinds of documents in an attempt to identify a suspected fraud or financial wrongdoing and developing an expert opinion in matters of disputes referring to accounting issues.

There are a variety of situations where forensic audit can be carried out, including Court cases which are covered by section 3.1.4 below.

2.1.4.4 Operational Audits

Operational audits review the operations of an entity in order to identify potential improvements in efficiency, effectiveness, control procedures, risk management or other specialist areas.

2.1.4.5 Reports on Internal Controls

In a number of countries, management is asked to report internally (to the audit committee) or externally (to shareholders or to regulators) on the effectiveness of the internal control system of the company. Assertions by management resulting from applying a framework for evaluating the effectiveness of internal control can be the subject matter of an assurance engagement.

2.2 Outsourcing Engagements

Outsourcing engagements are services where technical tasks are performed on behalf of the client. Even if this includes advisory responsibilities, the service provider takes a larger responsibility than would be the case in a consulting engagement where the full responsibilities remain with the client (*see below 3*). It is important to note, however, that in most countries, it is not permitted to fully delegate to external service providers the choice of accounting policies and judgments in the preparation of financial statements.

2.2.1 Accounting Engagements

Accounting is a generic term encompassing a wide range of tasks relating to the preparation of financial records. Among these tasks are:

2.2.1.1 Keeping Statutory Books and Records (Financial Accounting)

2.2.1.2 Management of Books and Records (Cost and Management Accounting)

2.2.1.3 IT Implementation

2.2.1.4 Preparation and Compilation of Accounting Documents

In a preparation and compilation engagement, the accountant is engaged to use accounting expertise as opposed to auditing expertise to collect, classify and summarise financial information (IFAC Glossary of terms).

2.2.1.5 Preparation of Periodic Financial Statements

Preparation of financial statements may also be required for monthly or quarterly management accounts for business management.

2.2.1.6 Organisation of Accounting Systems and Related Internal Controls

This service relates to the organisation or reorganisation of accounting systems; such services will normally extend to related internal controls.

Internal control is the process designed and effected by those charged with governance, management, and other personnel to provide reasonable assurance about the achievement of the entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. It follows that internal control is designed and implemented to address identified business risks that threaten the achievement of any of these objectives (ISA 315-412).

2.2.2 Administrative and Human Resources

2.2.2.1 Payroll Preparation

This service includes the collection of data and the verification of the existence with or without accuracy of the elements of the payroll in order to prepare the payslips and the entry of the connected transactions in the payroll journal.

2.2.2.2 Employment Contract and Internal Work Regulations

This service includes assistance in preparing internal work regulations and procedures and the follow up of personnel records (employment contract, copy of salary slips, personal assessment forms, follow up of absence for holidays, illness or other absences, etc.). The service can also include the establishment of systems of remuneration and staff assessment procedures.

2.2.2.3 Relations with Social Security Institutions

The service relates to the preparation of returns to be made to social security institutions with respect to employer and employee contributions. It can also include answering requests of these institutions for information concerning personnel information.

2.2.2.4 Litigation Assistance relating to Human Resources

This service includes the preparation of all documents necessary in case of litigation concerning employment contracts or employment relations.

2.2.2.5 Recruitment

This service may include all or part of the recruitment process, including advertisement, review of candidatures received, pre-selection, negotiations of terms and conditions, establishment of an employment contract.

2.2.2.6 Domiciliation of Organisations

The service consists in providing a legal seat for receiving administrative and Court documents in a given jurisdiction.

2.3 Consulting and Advisory Engagements

2.3.1 Accounting Services

2.3.1.1 Report on Factual Findings

In an engagement to perform agreed-upon procedures, an accountant is engaged to carry out those procedures of an audit nature to which the accountant and the entity and any appropriate third parties have agreed and to report on factual findings. The recipients of the report must form their own conclusions from the report by the accountant. The report is restricted to those parties that have agreed to the procedures to be performed since others, unaware of the reasons for the procedures, may misinterpret the results (*IFAC Glossary of terms*).

2.3.1.2 Analysis of Accounts and Financial Statements

The purpose of this service is to interpret or draw conclusion from the financial statements or part of the financial statements

2.3.1.3 Consulting with Respect to Accounting Procedures

The objective of these consulting services is to assist management in defining and implementing the most appropriate accounting procedures, for instance when applying new standards (for instance International Financial Reporting Standards) for the first time or if the company has to prepare consolidated accounts for the first time.

2.3.1.4 Consulting with Respect to the Organisation of Accounting Systems and Related Internal Controls

These consulting services relate to the process of operating, testing and compiling the transactions of an organisation in accordance with internal control policies.

2.3.1.5 Expert Witness in Matters of Accounting, Assurance and Related Services and Internal Controls

“Expert witness” means an expert who is to be appointed by the court or by the litigants to clarify a technical question which falls within his or her special competence.

The legal systems in all countries provide for expert witnesses to be appointed in the course of court hearings.

2.3.2 Tax Advisory Services

This activity is very wide in scope, since any operation undertaken by a company or by an individual will have tax implications. The more complex or unusual the operation is and the more companies and countries are involved, the more sophisticated the professional advice will be.

Tax advice encompasses giving an opinion, formulating advice or assisting clients in any tax matter, in particular with regard to personal taxation, corporate taxation, VAT, capital gains tax, etc.

The most frequent tasks are:

- Preparing tax returns,
- Evaluating the tax implications of an operation or transaction,
- Suggesting arrangements or plans which are tax efficient,
- Assistance in negotiations with the taxation authorities and in courts.

2.3.2.1 Tax Planning and consulting for Individuals

2.3.2.2 Tax Planning and consulting for Entities

The purpose of tax planning is the optimal management of tax obligations in compliance with applicable laws and regulations. Tax planning applies to individual taxpayers, to companies and other types of organisations each time they have to complete a transaction using different solutions providing different tax effects. Tax planning must be carefully managed because while tax saving (right to choose the course of action which will result in the lowest tax liability) is legal, tax evasion (reduction of tax through deceit, subterfuge or concealment) is fraudulent.

2.3.2.3 Preparing Tax Returns for Individuals

2.3.2.4 Preparing Tax Returns for Entities

Preparing tax returns involves compiling information received from a client into a format that can be entered on the returns required by the tax authorities.

Preparing tax returns does not per se include client representation which is dealt with separately under 3.2.5 to 3.2.9 below.

2.3.2.5 Submission of Tax Returns for Individuals

2.3.2.6 Submission of Tax Returns for Entities

The purpose of such services is to assist clients in filing tax returns (e.g. company taxes, VAT, etc.), which increasingly involve the use of e-government tools.

2.3.2.7 Representation before Tax Authorities

This representative role applies in dealings between the client and the administrative authorities. This activity can be the logical extension of filing tax returns, though it does, of course, extend further.

2.3.2.8 Representation before Certain Tribunals for Tax Purposes

A difference is made between first and second degree of jurisdiction. Due to the technicality of the subject, the legislation in some countries allows specialists to represent and/or assist their clients in the first degree of jurisdiction.

2.3.2.9 Representation before Courts in Tax Matters

The word “Court” is used to mean second degree of jurisdiction. Accountants are generally not allowed to represent clients at the highest level of jurisdiction. Accordingly this aspect has not been surveyed.

2.3.2.10 Assurance Services in Tax Matters

Assurance engagements are engagements in which a practitioner expresses a conclusion designed to enhance the degree of confidence of the intended user other than the responsible party about the outcome of the evaluation or measurement of the taxable income. Accordingly, the service aimed at providing the client (not a third party) with assurance about the amount he will have to pay to the tax authorities does not meet the conditions raised by the international standard ISAE 3000 to be an assurance engagement. It must then be considered as an advisory service.

2.3.3 Financial Services

2.3.3.1 Business Valuation

The purpose of this service is to provide the client with an opinion related to the assessment of the estimated market value of a business entity. A valuation includes quantitative and qualitative methods to estimate the complex economic benefits that arise from combining physical and intangible assets of the business as a going concern.

When business valuations are performed in an advisory function, the service provider determines a subjective value which, for example, can indicate to a specific investor the maximum which he should invest in a company, taking into account existing individual opportunity and strategies (upper price limit), or the amount which a seller must at least demand (lower price limit) without his financial situation deteriorating as a result of the transaction.

Business valuation can also be performed in an Arbitrator/Intermediary capacity. In such cases, giving due consideration to the various subjective value ideas of the parties concerned, the arbitrator/intermediary works to arrive at a value, which he determines as an arbitrator or proposes as an intermediary.

2.3.3.2 Financial Due Diligence

A due diligence review includes procedures of investigation and analysis that a reasonable and prudent professional considers necessary to perform in order to validate the assumptions made by a client before an important transaction. In the case of an acquisition, financial due diligence gives the buyer a better understanding of the target business, helping him identify and understand factors critical to success so that he can make an informed decision.

2.3.3.3 Investment Analysis

These services range from giving opinions and formulating advice to assisting clients on investment matters (including managing investments and arranging for investments to be bought or sold); this does

not include the tax, legal and accounting aspects, which are dealt with separately. Among the tasks most frequently undertaken are:

- Advice on mergers and acquisitions,
- Investment analysis and advice,
- Development of financing plans,
- Debt restructuring and recapitalisation,
- Portfolio management,
- Trusteeship and fiduciary activities,
- Brokerage.

2.3.3.4 Financial Planning

Financial planning services include advice to managers on optimal management of future investments, financial or other transactions.

2.3.3.5 Debt Restructuring and Recapitalisation

These services include providing advice to management on methods to restructure debts and recapitalise the company to secure its existence as a going concern. Debt restructuring is a method used by companies with outstanding debt obligation to alter the terms of the debt agreements in order to achieve some advantage.

2.3.3.6 Portfolio Management

These services include advising the senior management team which is responsible within an organisation for making decisions about investments. The purpose of such services is to advise the company on its investment strategy and to help management to maximise the profitability or value of the portfolio.

2.3.3.7 Trusteeship

A trustee is a person who is appointed judicially or under a legal document to administer the property of third parties, for example an executor under a will, a trustee of a pension fund or a guardian for a minor.

2.3.3.8 Brokerage

A broker is an agent who buys or sells securities on behalf of his clients.

2.3.4 Legal Services

2.3.4.1 Preparation of Legal Documents for Individuals

2.3.4.2 Preparation of Legal Documents for Companies and Other Entities

This service includes giving opinions, formulating advice and preparing legal documents (acts, contracts, by-laws, etc).

2.3.4.3 Administrative and Legal Support to the General Assembly

Administrative and legal support to the General Assembly includes advising the company on issues such as notice and agenda of the meeting, quorum and proxies, conduct of the meeting and preparing the minutes.

2.3.4.4 Advice on Company Law Pertaining to Organisations

Advice on company law covers a wide range of areas where the company might need assistance, including the conditions to incorporate a company and to issue share capital, the rules on management and corporate governance, the issuance of debentures, the calculation and payment of dividends, etc.

2.3.4.5 Assistance in Legal Action

This service relates to providing expert assistance to clients but does not encompass representation of clients before Tribunals and Courts.

Usually, lawyers receive the benefit of legal professional privilege which means that except in some rare cases only members of the Bar may represent the client in Courts; therefore this specific service is not part of this survey.

2.3.4.6 Regulated Insolvency Services

Insolvency or corporate recovery refers to the appointment by the court of an administrator to manage a company during the process of recovery, or liquidation, as the case may be.

Insolvency (liquidation) and corporate recovery are two separate activities, which both relate to companies in financial difficulties or which are going bankrupt. The provision of these two services presupposes that there has been a corporate failure or bankruptcy, depending on the terminology used in the various countries.

2.3.5 Sustainability Services

2.3.5.1 Sustainability Reporting Advice

Sustainability reporting at the enterprise level involves:

- Environmental aspects include impact through process, products or services. These may include air, water, land, natural resources, flora, fauna and human health;
- Social aspects include for example treatment of minorities and women, involvement in shaping local, national and international public policy, and child labour, and labour union issues;
- Economic aspects include, but extend beyond, financial performance. They include activities related to shaping demand for products and services, employee compensation, community contributions, and local procurement policies.

Sustainability reporting advice includes assisting companies and other entities in providing information to stakeholders in the development of reliable sustainability information.

2.3.5.2 Assurance Engagement in Relation to Sustainability Matters

“Assurance engagement” means an engagement in which a conclusion is expressed to enhance the degree of confidence of the intended users and other than the responsible party about the outcome of the evaluation or measurement of a subject matter against criteria. Assurance services in relation to sustainability matters aims at improving the credibility of sustainability reporting.

2.3.5.3 EMAS Verifier

An EMAS term “accredited environmental verifier” is a person or organisation independent of the company being verified who has obtained accreditation in line with the conditions and procedures referred to in Article 6 (accreditation and supervision of verifiers) of the Council regulation establishing the EC Eco-Management and Audit Scheme (29 June 1996, n° 1836/93, revised by 19 March 2001, n° 761/2001). This voluntary environmental management scheme, based on harmonised lines and principles throughout the European Union, is open to organisations operating in the European Union. The overall objective of the scheme is to promote continuous environmental performance improvements of industrial activities by committing sites to evaluate and improve their environmental performance and provide relevant information to the public.

2.3.6 Other Consultancy Services

Management consultancy services include giving opinions, formulating advice or assisting clients in any area, other than those which have already been dealt with separately (e.g. accountancy, taxation, the law, investment). Although this activity is wide-ranging, experience has shown, however, that the main (but not exclusive) areas of management consultancy in which practitioners are active are:

- Strategic and management consultancy,
- Advice on outsourcing facilities,
- Consulting in cash and treasury management,
- IT consultancy.

SECTION 3: OVERVIEW OF ANSWERS

The detailed answers to the survey of national regulations regarding specific service activities are presented in Appendix 1. This section provides an overview of the findings, drawn from the national responses, in the form of two tables. Section 4 draws some conclusions from these tables and the detailed findings.

It should be recalled when reading the following tables, and in particular Table 2, that this survey is limited to addressing statutory market access rules relating to service provision in the overall accountancy, audit and related services sphere. The survey and tables below do not, therefore, address the restrictions on professional accountants regarding the provision of different services to the same client which emanate from ethical requirements such as those on the independence of statutory auditors.

Table 1: Percentage of countries allowing full market access/free consumer choice: by service activity

Percentage of countries surveyed	Service activities where consumers have free choice
> 75 %	<ul style="list-style-type: none"> ▪ Operational audits ▪ Organisation of accounting systems and IT ▪ Accounting advisory services (except assurance services) ▪ Administrative and human resources ▪ Consulting in financial services ▪ Sustainability reporting and assurance on sustainability reports ▪ Consulting services
>50<75 %	<ul style="list-style-type: none"> ▪ Assurance engagements with respect to internal control ▪ Forensic auditing ▪ Outsourced accounting engagements – compilation ▪ Tax services (except for representation before courts and tribunals) ▪ Portfolio management, trusteeship and brokerage ▪ Preparation of legal documents ▪ EMAS verifier
>25<50 %	<ul style="list-style-type: none"> ▪ Voluntary audits and reviews ▪ Representation before courts and tribunals in tax matters ▪ Legal assistance ▪ Expert witness ▪ Insolvency services
<25 %	<ul style="list-style-type: none"> ▪ Reports on mergers and divisions of public companies ▪ Reports on contributions in kind
0%	<ul style="list-style-type: none"> ▪ Statutory audit

Table 2: Aggregate of national responses on market access regulations/consumer choice in relation to specific services

It should be recalled that respondents to the survey were asked to classify specific services into one of four categories (Fuller definitions are given on page 4):

- 1) FCC = *free consumer choice*
- 2) ROP = *restricted to other professionals*
- 3) SOP = *shared with other professionals*
- 4) RPA = *restricted to professionally qualified accountants*

	FCC	ROP	SOP	RPA
1. Audit and Other Assurance Engagements				
<i>Audit and Review of Financial Statements</i>				
Statutory audits of historical financial statements	0	0	0	27
Non statutory audits of historical financial statements	9	0	2	15
Reviews of historical financial information	13	0	3	11
<i>Other Assurance Engagements</i>				
Report on mergers (3rd & 6th EC Directive)	2	0	3	22
Audit of contributions in kind (2nd EC Directive)	3	0	8	16
Forensic audits and other litigation services	15	1	10	1
Operational audits	21	0	5	1
Assurance engagements with respect to internal controls	19	0	5	3
2. Outsourcing Engagements				
<i>Accounting Engagements</i>				
Statutory books and records	18	1	3	5
Management books and records	21	1	2	3
IT implementation	24	1	1	1
Preparation and compilation of accounting documents (financial statements/annual report)	19	2	1	5
Preparation of periodic financial statements	18	2	2	5
Organisation of accounting systems and related internal control	22	2	1	2
<i>Administrative and Human Resources</i>				
Payroll preparation	23	2	1	1
Employment contract and internal work regulations	22	4	1	0
Relations with social security institutions	22	3	2	0
Litigation assistance	20	6	1	0
Recruitment	26	1	0	0
Domiciliation of organisations	25	1	1	0
3. Consulting and Advisory Engagements				
<i>Accounting</i>				
Reports on factual findings	21	0	3	3
Analyses of accounts and financial statements	24	0	2	1
Consulting with respect to accounting procedures	24	0	2	1
Consulting with respect to the organisation of accounting systems and related internal control	25	0	1	1
Expert Witness in Matters of Accounting, Assurance and Related Services, and Internal Control	19	2	5	1

	FCC	ROP	SOP	RPA
Tax Services				
Preparing tax returns for individuals	17	2	6	2
Preparing tax returns for organisations	15	3	6	3
Tax planning for individuals	19	2	6	0
Tax planning for organisations	19	2	6	0
Submission of tax returns for individuals	19	2	4	2
Submission of tax returns for organisations	18	2	4	3
Representation before tax authorities	16	4	6	1
Representation before certain tribunals for tax purpose	13	7	5	2
Representation before Courts in tax matters	11	12	3	1
Assurance services in tax matters	16	5	4	2
Financial Services				
Advice on mergers and acquisitions	25	0	2	0
Business valuations	23	1	3	0
Financial due diligence	22	0	4	1
Investment analysis (for individuals or organisations)	24	0	3	0
Financial planning (for individuals or organisations)	24	0	3	0
Debt restructuring and recapitalisation	26	0	1	0
Portfolio management	13	9	5	0
Trusteeship	19	6	0	1
Brokerage	9	13	5	0
Legal Advice				
Preparation of legal documents for individuals	13	11	3	0
Preparation of legal documents for companies and other entities	13	10	4	0
Administrative and legal support to general assembly	15	8	4	0
Advice on company law pertaining to organisations	14	9	4	0
Assistance in legal action	9	17	1	0
Insolvency services	3	4	9	0
Sustainability				
Sustainability reporting advice	25	0	2	0
Assurance engagements in relation to sustainability matters	23	0	2	2
EMAS verifier	19	5	3	0
Other consulting services				
Strategic consultancy	25	0	2	0
Consulting in cash and treasury management	25	0	2	0
Advices on outsourcing facilities	26	0	1	0
IT consultancy	26	0	1	0

N.B. 27 Countries participated in the survey. Where the total by activity in the above table is lower than this figure, it is because one or more countries did not provide a response for a specific activity (due to a lack of relevance in the particular national context).

SECTION 4: CONCLUSIONS

The main conclusions to be drawn from the overall findings of the survey are as follows:

1. In the vast majority of activity areas in which professional accountants are engaged, there are no market access rules restricting or prohibiting the entry of other service providers in the overwhelming majority of countries surveyed. In these cases, there are no statutory requirements obliging consumers to acquire services from members of the accountancy profession. As a consequence, professional accountants compete with other service providers who are not submitted to the same education and training requirements, ethics and quality control practices. However, it is important to note that in these activity areas where there are no market access rules, there appears to be significant market appreciation of the benefits of using the services of professional accountants.
2. The number of activities which are reserved by law to professional accountants is very limited. In fact, there is only one activity which is reserved in all countries surveyed: the provision of statutory audit. This is the case because approval to undertake statutory audit is regulated by a specific EU Directive, the Eighth Company Law Directive (84/253/EC). In turn, EU practice is in line with the global approach and reflects the major public interest dimension of statutory audit. It should also be noted that a revision of the Eighth Directive has been approved by the European Parliament and Council (but not yet published) in a way which confirms the current approach on market access, and also introduces more detailed regulation on the practice of statutory audit, including public oversight of the profession.

Registration of statutory auditors is organised in different ways across EU Member States. In a minority of EU countries, individuals who are not members of a FEE Member Body are also permitted to carry out statutory audit, usually in the case of small companies or not for profit entities. However, registration with the local authorities is required.

3. EU Directives regulate some other activities in the accountancy and audit spheres but this has not resulted, as one might expect, in the reservation of these activities to professional accountants in all countries surveyed. The final decision in this respect is made at national level. Consequently, expert reports in a merger of public companies (Third Directive of 9 October 1978 – 78/855/EEC) or in a division of public companies (Sixth Directive of 17 December 1982 – 82/91/EEC) are reserved to accountants in 22 countries. Expert reports on contributions in kind (Second Directive of 17 December 1976 – 77/91/EEC) are reserved to professional accountants only in 15 countries.
4. Contractual engagements to provide non-statutory audit and review services are reserved to professional accountants in many countries as an extension of the statutory audit. However, in Cyprus, Finland, Germany, Ireland, Italy, Latvia, Norway, Sweden and the United Kingdom, the activity is not reserved in this way. Again, this does not mean indeed that benefits of the professional preparation and expertise of professional accountants are not recognised by the market. In practice, in all countries surveyed, non-statutory (or voluntary) audits and reviews are carried out by professional accountants whether or not the activity is reserved to them.
5. The provision of accounting services, whether through outsourcing engagements or pure consulting assignments, is a core activity of the accountancy profession. However, in the overwhelming majority of countries surveyed, there are no market access rules and therefore there is free consumer choice with regard to the selection of service providers. Only in Austria, Belgium, France, Luxembourg and Portugal are accountancy services, or specific services within this broad category, reserved to professional accountants.

6. In the overwhelming majority of countries surveyed, professional accountants are recognised as having expertise in tax matters. For technical reasons, some aspects of tax services are hardly separable from accounting services, particularly in small companies. In only a very small minority of countries surveyed is the provision of tax services reserved to professional accountants. Over half of all countries surveyed treat the bulk of tax services as an area of free consumer choice. A small number reserve the provision of these services to regulated professions, principally lawyers in addition to professional accountants.

In a significant number of countries, representation of clients in Courts on tax matters is subject to some restrictions. In many cases, the activities are reserved to the legal profession.

Furthermore it is highly relevant and somewhat surprising to note that in several countries professional accountants can provide the most common form of tax services only under considerable restrictions.

7. Arrangements regarding the provision of assurance services relating to environmental regulation /sustainability vary across the countries surveyed but it is interesting to note that most countries allow free consumer choice in this area of service provision.

The EMAS regulation established an EU environmental management scheme. Registration of “verifiers” is organised at national level. It is significant to note that in 6 countries market access rules exist which exclude professional accountants from registering as EMAS verifiers.

8. In some countries, professional accountants are prohibited from providing certain services. In most Continental European countries, there is a general prohibition regarding the carrying out of commercial activities by liberal professions.
9. It is relevant to note the impact which market access rules which grant exclusive rights to other professionals, such as lawyers, has on the accountancy profession in many countries. It is not surprising that many countries have reserved not only representation but also assistance in legal actions to members of the bar or the preparation of legal documents to notaries. However, in a substantial number of countries, professional accountants are not totally excluded from legal services in areas where they have a special expertise, e.g. administrative support to the general assembly of a company and advice on company law.
10. In the activity areas of free consumer choice where no market access rules are applied, FEE maintains that the most appropriate way to serve the general interest and to protect consumers is to strengthen the relevant professional bodies, which promote high quality service provision by their members. This is achieved by rigorous entry requirements, continuous education and code of ethics, enforced by appropriate disciplinary systems and sanctions. It is important for consumers to make an informed choice based on transparency giving adequate knowledge of the credentials and responsibilities of the service provider.

In conclusion, professional bodies of accountants acting under appropriate oversight are a necessary and beneficial instrument of consumer protection in that they ensure that the market can have recourse to the necessary professional expertise and safeguards to maintain standards, without creating privileged and protected market positions.

APPENDICES: DETAILED ANSWERS BY ACTIVITY AND BY COUNTRY

APPENDIX 1: AUDIT AND ASSURANCE ENGAGEMENTS

	Statutory audits of historical financial statements	Voluntary audits of historical financial statements	Reviews of historical financial information	Report on mergers (3 rd & 6 th EC Directive)	Audit of contributions in kind (2 nd EC Directive)	Forensic audits and other litigation services	Operational audits	Reports on internal control (1)
Austria	RPA	RPA	RPA	RPA	RPA	SOP	SOP	SOP
Belgium	RPA	RPA	RPA	RPA	RPA	FCC	FCC	FCC
Cyprus	RPA	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Czech Republic	RPA	RPA	FCC	SOP(3)	SOP(3)	FCC	FCC	FCC
Denmark (2)	RPA	RPA	RPA	RPA	RPA	FCC	FCC	FCC
Estonia	RPA	RPA	FCC	RPA	RPA	SOP	FCC	FCC
Finland	RPA (5)	FCC	FCC	RPA	RPA	FCC	FCC	FCC
France	RPA	RPA	RPA	RPA	RPA	SOP	SOP	SOP
Germany	RPA	FCC	FCC	RPA	SOP	FCC	FCC	FCC
Greece	RPA	SOP	SOP	RPA	SOP	FCC	FCC	RPA
Hungary	RPA	RPA	RPA	RPA	RPA	SOP	SOP	RPA
Ireland	RPA	FCC	FCC	RPA	RPA	FCC	FCC	FCC
Italy	RPA	FCC	FCC	RPA	RPA	SOP	FCC	SOP
Latvia	RPA	FCC	RPA	RPA	SOP	FCC	FCC	FCC
Lithuania	RPA	RPA	FCC	RPA	FCC	SOP	SOP	FCC
Luxembourg	RPA	RPA	FCC	RPA	RPA	FCC	FCC	FCC
Malta	RPA	RPA	FCC	FCC	FCC	FCC	FCC	FCC
Netherlands	RPA	RPA	FCC	RPA	RPA	FCC	FCC	FCC
Norway	RPA	FCC	FCC	RPA	RPA	FCC	FCC	FCC
Poland	RPA	RPA	RPA	RPA	SOP	SOP	FCC	FCC
Portugal	RPA	RPA	RPA	RPA	RPA	FCC	FCC	FCC
Romania	SOP	SOP	SOP	SOP	SOP	SOP	SOP	SOP
Slovak Republic	RPA	RPA	RPA	RPA	RPA	SOP	FCC	FCC
Slovenia	RPA	RPA	RPA	RPA	RPA	ROP	FCC	FCC
Spain	RPA	RPA	RPA	SOP	SOP	RPA	FCC	SOP (4)
Sweden	RPA	FCC	FCC	RPA	RPA	FCC	FCC	RPA
United Kingdom	RPA	FCC	FCC	RPA	RPA	FCC	FCC	FCC

Notes related to Appendix 1: Audit and Assurance Engagements

- (1) It is worth mentioning that in several countries, regulators may ask accountants to carry out specific assurance engagements on the internal control systems in specific sectors such as banks or insurance companies.
- (2) In Denmark, a state authorized or registered public accountant must perform voluntary audits and reviews of historical financial statements if you assume that the audit or review in question is requested for as a professional service performed for the benefit of third parties (the different users of financial statements). Assurance engagements must be performed by a state authorised or registered public accountant if you assume that assurance engagement in question is requested for as a professional service performed for the benefit of third parties.
- (3) Must be approved by the court.
- (4) The law against money laundering requires certain companies to have specific internal control procedures which are reviewed annually by an external expert.
- (5) In Finland, statutory audits of the historical statutory accounts are reserved to qualified accountants in compliance with the European 4th and 8th Directives. However since all limited liability companies and some non profit associations are also subject to the statutory audit in Finland, the national law stipulated lower qualification requirements for those who want to be authorized to carry out statutory audit in smaller companies or associations below the thresholds defined by the European Directive.

APPENDIX 2: OUTSOURCED ACCOUNTING ENGAGEMENTS

	Statutory books and records	Management books and records	IT implementation	Preparation and compilation of accounting documents (financial statements/annual report)	Preparation of periodic financial statements	Organisation of accounting systems and related internal control
Austria	RPA	RPA	SOP	RPA	RPA	SOP
Belgium (1)	RPA	FCC	FCC	RPA	RPA	FCC
Cyprus	FCC	FCC	FCC	FCC	FCC	FCC
Czech Republic	FCC	FCC	FCC	FCC	FCC	FCC
Denmark	FCC	FCC	FCC	FCC	FCC	FCC
Estonia	FCC	FCC	FCC	FCC	FCC	FCC
Finland	FCC	FCC	FCC	FCC	FCC	FCC
France	RPA	RPA	FCC	RPA	RPA	SOP
Germany	FCC	FCC	FCC	FCC	FCC	FCC
Greece (2)	ROP	ROP	ROP	ROP	ROP	ROP
Hungary	FCC	FCC	FCC	SOP	SOP	FCC
Ireland	FCC	FCC	FCC	FCC	FCC	FCC
Italy	FCC	FCC	FCC	FCC	FCC	FCC
Latvia	FCC	FCC	FCC	FCC	FCC	FCC
Lithuania	FCC	FCC	FCC	FCC	FCC	FCC
Luxembourg (1)	RPA	RPA	FCC	RPA	RPA	RPA
Malta	FCC	FCC	FCC	FCC	FCC	FCC
Netherlands	FCC	FCC	FCC	FCC	FCC	FCC
Norway	SOP	FCC	FCC	FCC	ROP	FCC
Poland	SOP	SOP	FCC	SOP	SOP	FCC
Portugal	RPA	FCC	FCC	RPA	RPA	RPA (3)
Romania	SOP	SOP	FCC	FCC	FCC	FCC
Slovak Republic	FCC	FCC	FCC	FCC	FCC	FCC
Slovenia	FCC	FCC	FCC	FCC	FCC	FCC
Spain	FCC	FCC	FCC	FCC	FCC	FCC
Sweden	FCC	FCC	FCC	FCC	FCC	FCC
United Kingdom	FCC	FCC	FCC	FCC	FCC	FCC

Notes related to Appendix 2: Outsourced Accounting Engagements

- (1) In Belgium and Luxembourg, accounting constructive engagements may also be carried out by licensed accountants or bookkeepers who are not members of the FEE Member Bodies. In Luxembourg, the latter group may only provide some of the above-mentioned services to smaller companies.
- (2) Answers on the situation in Greece do only consider the situation of statutory auditors members of SOEL.
- (3) Only organisation of accounting systems is restricted to accountants (Technicos Officiais de Contas).

APPENDIX 3: TAX SERVICES

	Preparing tax returns for individuals	Preparing tax returns for organisations	Tax planning for individuals	Tax planning for organisations	Submission of tax declarations for individuals	Submission of tax declarations for organisations	Representation before tax authorities	Representation before certain tribunals for tax purpose	Representation before Courts in tax matters	Assurance services in tax matters (also assurance engagement)
Austria	RPA	RPA	SOP	SOP	RPA	RPA	RPA	RPA	SOP	SOP
Belgium	SOP	SOP	SOP	SOP	SOP	SOP	SOP	SOP	SOP	SOP
Cyprus	RPA	RPA	FCC	FCC	RPA	RPA	FCC	FCC	FCC	FCC
Czech Republic	ROP	ROP	FCC	FCC	ROP	ROP	ROP	ROP	ROP	FCC
Denmark	FCC	FCC	FCC	FCC	FCC	FCC	FCC	ROP	ROP	FCC
Estonia	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Finland	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
France (1)	SOP	SOP	SOP	SOP	SOP	SOP	ROP	ROP	ROP	SOP
Germany	SOP	SOP	SOP	SOP	SOP	SOP	SOP	SOP	SOP	SOP
Greece	ROP	ROP	ROP	ROP	ROP	ROP	ROP	ROP	ROP	ROP
Hungary	SOP	SOP	FCC	FCC	FCC	FCC	SOP	FCC	FCC	ROP
Ireland	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Italy	FCC	FCC	FCC	FCC	FCC	FCC	SOP	SOP	ROP	SOP
Latvia	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Lithuania	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Luxembourg	FCC	FCC	FCC (3)	FCC (3)	FCC	FCC	FCC	SOP	ROP	FCC
Malta	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	RPA
Netherlands	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Norway	SOP	SOP	SOP	SOP	FCC	FCC	SOP	SOP	ROP	RPA
Poland	SOP	SOP	SOP	SOP	SOP	SOP	SOP	ROP	ROP	ROP
Portugal	FCC	RPA (3)	FCC	FCC	FCC	RPA (2)	ROP	ROP	ROP	FCC
Romania	FCC	FCC	FCC	FCC	FCC	FCC	FCC	RPA	RPA	FCC
Slovak Republic	ROP	ROP	ROP	ROP	FCC	FCC	FCC	FCC	ROP	ROP
Slovenia	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Spain	FCC	FCC	FCC	FCC	FCC	FCC	FCC	ROP	ROP	FCC
Sweden	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
United Kingdom	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	ROP	FCC

Notes related to Appendix 3: Tax Services

- (1) For engagements shared with lawyers the expert comptable can only perform engagements as accessories of the main accounting assignment with the same client. The expert comptable cannot represent his client before the courts.
- (2) Restricted to Technicos Officiels de Contas.
- (3) Also subject to legal advice regulations.

APPENDIX 4: CONSULTING AND ADVISORY ENGAGEMENTS

	Reports on factual findings	Analyses of accounts and financial statements	Consulting with respect to accounting procedures	Consulting with respect to the organisation of accounting systems and related internal control	Expert witness in matters of accounting, assurance and related services, and internal control (1)
Austria	SOP	SOP	SOP	SOP	SOP
Belgium	FCC	FCC	FCC	FCC	FCC
Cyprus	FCC	FCC	FCC	FCC	FCC
Czech Republic	FCC	FCC	FCC	FCC	SOP
Denmark	FCC	FCC	FCC	FCC	FCC
Estonia	FCC	FCC	FCC	FCC	FCC
Finland	FCC	FCC	FCC	FCC	FCC
France	SOP	FCC	FCC	FCC	SOP
Germany	FCC	FCC	FCC	FCC	FCC
Greece	FCC	FCC	FCC	FCC	FCC
Hungary	RPA	FCC	FCC	FCC	FCC
Ireland	FCC	FCC	FCC	FCC	FCC
Italy	FCC	FCC	FCC	FCC	SOP
Latvia	FCC	FCC	FCC	FCC	FCC
Lithuania	FCC	FCC	FCC	FCC	SOP
Luxembourg	FCC	RPA	RPA (2)	RPA (2)	FCC
Malta	FCC	FCC	FCC	FCC	FCC
Netherlands	FCC	FCC	FCC	FCC	FCC
Norway	FCC	FCC	FCC	FCC	FCC
Poland	FCC	SOP	SOP	FCC	RPA
Portugal	RPA	FCC	FCC	FCC	FCC
Romania	SOP	FCC	FCC	FCC	FCC
Slovak Republic	FCC	FCC	FCC	FCC	ROP
Slovenia	RPA	FCC	FCC	FCC	ROP
Spain	FCC	FCC	FCC	FCC	FCC
Sweden	FCC	FCC	FCC	FCC	FCC
United Kingdom	FCC	FCC	FCC	FCC	FCC

Notes related to Appendix 4: Consulting and Advisory Engagements

- (1) In some countries, expert witness in Court may require a special authorisation after demonstrating expertise.
- (2) See remark under Accounting constructive engagements.

APPENDIX 5: ADMINISTRATIVE AND HUMAN RESOURCES

	Payroll preparation	Employment contract and internal work regulations	Relations with social security institutions	Litigation assistance (1)	Recruitment	Domiciliation of organisations
Austria	RPA	ROP	SOP	ROP	FCC	FCC
Belgium	FCC	FCC	FCC	FCC	FCC	FCC
Cyprus	FCC	FCC	FCC	FCC	FCC	FCC
Czech Republic	FCC	FCC	FCC	FCC	FCC	FCC
Denmark	FCC	FCC	FCC	FCC	FCC	FCC
Estonia	FCC	FCC	FCC	FCC	FCC	FCC
Finland	FCC	FCC	FCC	FCC	FCC	FCC
France (2)	FCC	SOP	SOP	SOP	FCC	FCC
Germany	FCC	FCC	FCC	FCC	FCC	FCC
Greece	ROP	ROP	ROP	ROP	ROP	ROP
Hungary	FCC	FCC	FCC	FCC	FCC	FCC
Ireland	FCC	FCC	FCC	FCC	FCC	FCC
Italy	FCC	FCC	FCC	ROP	FCC	FCC
Latvia	FCC	FCC	FCC	FCC	FCC	FCC
Lithuania	FCC	FCC	FCC	FCC	FCC	FCC
Luxembourg	FCC	FCC	FCC	FCC	FCC	SOP
Malta	FCC	FCC	FCC	ROP	FCC	FCC
Netherlands	FCC	FCC	FCC	FCC	FCC	FCC
Norway	ROP	FCC	FCC	ROP	FCC	FCC
Poland	SOP	ROP	ROP	FCC	FCC	FCC
Portugal	FCC	ROP	ROP	ROP	FCC	FCC
Romania	FCC	FCC	FCC	FCC	FCC	FCC
Slovak Republic	FCC	FCC	FCC	FCC	FCC	FCC
Slovenia	FCC	FCC	FCC	FCC	FCC	FCC
Spain	FCC	FCC	FCC	FCC	FCC	FCC
Sweden	FCC	FCC	FCC	FCC	FCC	FCC
United Kingdom	FCC	FCC	FCC	FCC	FCC	FCC

Notes related to Appendix 5: Administrative and Human Resources

- (1) Not covering representation of clients in Court.
- (2) For engagements shared with lawyers the expert comptable can only perform engagements as accessories of the main accounting assignment with the same client. The expert comptable cannot represent his client before the courts. Domiciliation is allowed on very rare cases: provisional, extraordinary and free of charge.

APPENDIX 6: FINANCIAL SERVICES

	Advice on mergers and acquisitions	Business valuations	Financial due diligence (also related service)	Investment analysis (for individuals or organisations)	Financial planning (for individuals or organisations)	Debt restructuring and recapitalisation	Portfolio management	Trusteeship	Brokerage
Austria	SOP	SOP	SOP	SOP	SOP	SOP	SOP	RPA	SOP
Belgium	FCC	FCC	FCC	FCC	FCC	FCC	ROP	FCC	ROP
Cyprus	FCC	FCC	FCC	FCC	FCC	FCC	ROP	FCC	ROP
Czech Republic	FCC	SOP	FCC	FCC	FCC	FCC	ROP	ROP	ROP
Estonia	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Denmark	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Finland	FCC	FCC	FCC	FCC	FCC	FCC	FCC		needs licence
France	FCC	FCC	FCC	FCC	FCC	FCC	ROP	ROP	ROP
Germany	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Greece	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Hungary	FCC	FCC	SOP	FCC	FCC	FCC	FCC	FCC	ROP
Ireland (1)	FCC	FCC	FCC	SOP	SOP	FCC	SOP	FCC	ROP
Italy	FCC	FCC	FCC	FCC	FCC	FCC	ROP	FCC	ROP
Latvia	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Lithuania	FCC	SOP	SOP	FCC	FCC	FCC	SOP	FCC	SOP
Luxembourg	FCC	FCC	FCC	FCC	FCC	FCC	ROP	ROP	ROP
Malta	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Netherlands	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Norway	FCC	FCC	FCC	FCC	FCC	FCC	ROP	ROP	ROP
Poland	SOP	SOP	SOP	FCC	FCC	FCC	FCC	ROP	ROP
Portugal	FCC	FCC	RPA	FCC	FCC	FCC	ROP	ROP	ROP
Romania	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
Slovak Republic	FCC	FCC	FCC	FCC	FCC	FCC	needs licence	FCC	needs licence
Slovenia	FCC	ROP	FCC	FCC	FCC	FCC	ROP	FCC	ROP
Spain	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	ROP
Sweden	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC
United Kingdom (2)	FCC	FCC	FCC	SOP	SOP	FCC	SOP	FCC	SOP

Notes related to Appendix 6: Financial Services

- (1) To the extent these activities fall within "investment business" they are regulated by the Irish Financial Service Regulatory Authority - IFSRA. Professionally qualified accountants, meeting the IFSRA criteria, are qualified to provide this advice as are other qualified professionals meeting the statutory criteria.
- (2) Under the Financial Services and Markets Act 2000, responsibility for the regulation of investment business falls primarily within the scope of the Financial Services Authority. There is a problem answering some of the questions as, depending on the exact nature of the activity, the correct answer could be non-regulated or restricted to a number of professionals. It is also relevant who the advice is to, e.g. the company doing the merger / acquisition or the shareholders.

APPENDIX 7: LEGAL ADVICE

	Preparation of legal documents for individuals	Preparation of legal documents for companies and other entities	Administrative and legal support to general assembly	Advice on company law pertaining to organisations	Assistance in legal action (2)	Regulated insolvency services
Austria	ROP	ROP	ROP	ROP	ROP	/
Belgium	FCC	FCC	FCC	FCC	FCC	SOP
Cyprus	SOP	SOP	SOP	SOP	SOP	
Czech Republic	FCC	FCC	FCC	FCC	ROP	SOP
Denmark	FCC	FCC	FCC	FCC	ROP	SOP 3)
Estonia	FCC	FCC	FCC	FCC	FCC	FCC
Finland	FCC	FCC	FCC	FCC	FCC	
France	ROP	SOP	SOP	SOP	ROP	ROP
Germany (1)	ROP	ROP	ROP	ROP	ROP	
Greece	ROP	ROP	ROP	ROP	ROP	ROP
Hungary	ROP	ROP	ROP	ROP	ROP	SOP
Ireland	FCC	FCC	FCC	FCC	FCC	SOP
Italy	SOP	SOP	FCC	FCC	ROP	SOP
Latvia	FCC	FCC	FCC	FCC	FCC	SOP
Lithuania	FCC	FCC	FCC	FCC	ROP	ROP
Luxembourg (4)	SOP	SOP	SOP	SOP	ROP	FCC
Malta	ROP	ROP	ROP	ROP	ROP	
Netherlands	FCC	FCC	FCC	FCC	FCC	
Norway	ROP	ROP	ROP	ROP	ROP	
Poland	ROP	ROP	ROP	ROP	ROP	
Portugal	ROP	ROP	SOP	SOP	ROP	
Romania	ROP	ROP	FCC	ROP	SOP	
Slovak Republic	ROP	ROP	ROP	ROP	ROP	ROP
Slovenia	FCC	FCC	FCC	FCC	ROP	
Spain	FCC	FCC	FCC	FCC	FCC	SOP
Sweden	FCC	FCC	FCC	FCC	FCC	FCC
United Kingdom	FCC	FCC	FCC	FCC	FCC	SOP

Notes related to Appendix 7: Legal Advice

- (1) Wirtschaftsprüfer are, as an exception, permitted to provide legal advice as an integral part of business consultancy and advisory services that they undertake. The provision of legal advice by a Wirtschaftsprüfer is only permissible when such advice is both directly connected, and secondary to the business consultancy and advisory services in substance, to a particular service. The stipulation that such advice must be directly connected underlines that the WP only has the authority to provide legal advice when essential for the competent completion of the consultancy engagement.
- (2) Note that in most countries where other professionals can provide legal advice, only lawyers would receive the benefit of legal professional privilege. For that reason, the issue of representation of clients in courts was not raised in the questionnaire (except in tax matters).
- (3) Only individuals authorised by the Court may carry out such activity.
- (4) Also subject to legal advice regulations.

APPENDIX 8: SUSTAINABILITY

	Sustainability reporting advice	Assurance engagements in relation to sustainability matters (also assurance engagement)	EMAS verifier
Austria	SOP	SOP	SOP
Belgium	FCC	FCC	FCC
Cyprus	FCC	FCC	FCC
Czech Republic	FCC	FCC	ROP
Denmark	FCC	RPA (1)	ROP
Estonia	FCC	FCC	FCC
Finland	FCC	FCC	FCC
France	FCC	FCC	FCC
Germany	FCC	FCC	ROP
Greece	FCC	FCC	FCC
Hungary	FCC	FCC	FCC
Ireland	FCC	FCC	FCC
Italy	FCC	FCC	FCC
Latvia	FCC	FCC	FCC
Lithuania	FCC	FCC	FCC
Luxembourg	SOP	SOP	SOP
Malta	FCC	RPA	ROP
Netherlands	FCC	FCC	FCC
Norway	FCC	FCC	FCC
Poland	FCC	FCC	ROP
Portugal	FCC	FCC	FCC
Romania	FCC	FCC	FCC
Slovak Republic	FCC	FCC	FCC
Slovenia	FCC	FCC	FCC
Spain	FCC	FCC	SOP (2)
Sweden	FCC	FCC	FCC
United Kingdom	FCC	FCC	FCC

Notes related to Appendix 8: Sustainability

- (1) In Denmark, a state authorized or registered public accountant must perform voluntary audits and reviews of historical financial statements if you assume that the audit or review in question is requested for as a professional service performed for the benefit of third parties (the different users of financial statements). Assurance engagements must be performed by a state authorised or registered public accountant if you assume that assurance engagement in question is requested for as a professional service performed for the benefit of third parties.
- (2) Needs specific registration.

APPENDIX 9: OTHER CONSULTING SERVICES

	Strategic management consultancy	Advices on Outsourcing facilities	Consulting in cash and treasury management	IT consultancy
Austria	SOP	SOP	SOP	ROP
Belgium	FCC	FCC	FCC	FCC
Cyprus	FCC	FCC	FCC	FCC
Czech Republic	FCC	FCC	FCC	FCC
Denmark	FCC	FCC	FCC	FCC
Estonia	FCC	FCC	FCC	FCC
Finland	FCC	FCC	FCC	FCC
France	FCC	FCC	FCC	FCC
Germany	FCC	FCC	FCC	FCC
Greece	FCC	FCC	FCC	FCC
Hungary	FCC	FCC	FCC	FCC
Ireland	FCC	FCC	FCC	FCC
Italy	FCC	FCC	FCC	FCC
Latvia	FCC	FCC	FCC	FCC
Lithuania	FCC	FCC	FCC	FCC
Luxembourg	SOP	FCC	SOP	FCC
Malta	FCC	FCC	FCC	FCC
Netherlands	FCC	FCC	FCC	FCC
Norway	FCC	FCC	FCC	FCC
Poland	FCC	FCC	FCC	FCC
Portugal	FCC	FCC	FCC	FCC
Romania	FCC	FCC	FCC	FCC
Slovak Republic	FCC	FCC	FCC	FCC
Slovenia	FCC	FCC	FCC	FCC
Spain	FCC	FCC	FCC	FCC
Sweden	FCC	FCC	FCC	FCC
United Kingdom	FCC	FCC	FCC	FCC

