

## Recent FEE Publications

### FEE-IIRC Roundtable on Assurance on Integrated Reporting - Presentations

A roundtable discussion jointly hosted by FEE and the International Integrated Reporting Council (IIRC) took place on 16 October 2014 in Brussels. The PowerPoint presentations shared during the event are now available on the dedicated [webpage](#).

### FEE provides overview of PIE definitions across Europe

The identification of public interest entities (PIEs) and thus their definition is now crucial to determine who is bound by the new Audit Regulation (EU) [No 537/2014](#). FEE surveyed its Member Bodies in the EU, Iceland and Norway to find that European countries use a wide variety of definitions and to give an insight into the number of PIEs in Europe. Quite a number of countries are currently considering to either extend or reduce the scope of the definition in the process of implementing the new Audit or Accounting Directive. [more...](#)

### FEE issues first two SMP Info Packs: VAT and Cross-Border Supplies & Sustainability

FEE started this series of Info Packs to help accountants in small and medium-size practices (SMPs) to best support their clients that are small and medium sized entities (SMEs) on a variety of subjects. The first two editions deal with [VAT and Cross-Border Supplies](#) and [Sustainability](#).

### FEE issues a Briefing Paper on European Public Sector Accounting Standards (EPSAS)

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### The Juncker Commission 2014-2019

After the much publicized public hearings of the Commissioners-designate, the [Parliament](#) elected the 'Juncker Commission'. Subsequently, the European Council formally appointed the [27 Commissioners](#). On 1 November 2014 they will start a 5 year term guided by Juncker's [10 priorities](#).



### Vacancy at FEE

FEE is seeking a Junior Finance Professional with a university degree in business or law with practical experience in accounting and/or tax as well as an interest in European Affairs. For more details and application, [click here](#).



### Connect with other European accountants

Are you a professional accountant registered with one of FEE's 47 Member Bodies? Do you want to connect with your peers all over Europe? Join our FEE LinkedIN group 'Connect with European Professional Accountants' and become part of the community of accountants that FEE represents. [Join us here!](#) Find us also on Twitter [@FEE\\_Brussels](#)

### ECB disclosed final results of comprehensive assessment

The European Central Bank (ECB) published the [results](#) of its comprehensive assessment of the Eurozone's 130 largest banks. The ECB tested the resilience and positions to prepare for assuming direct supervisory authority over these banks in November 2014.

The European Commission continues to research the possible development of EPSAS, most recently by a [study](#) on the costs and benefits of EPSAS. FEE's Briefing Paper creates an overview of the EPSAS policy debate so far and the related FEE activities. It follows up on the FEE Issues Paper from March 2014, where FEE stated its preference for international standards to mandate uniform and comparable accruals-based accounting throughout the European public sector. However, FEE considers EPSAS acceptable to meet this urgent need if a number of conditions would be met. [more...](#)

### **FEE responds to the European Commission Questionnaire on the Evaluation of the IAS Regulation**

January 2015 marks the 10 year anniversary of the IAS Regulation, which requires European listed companies to use International Financial Reporting Standards (IFRS). The European Commission (EC) is now looking for views on the impact of IFRS in the European Union, which will feed into the EC's review of the IAS Regulation. FEE supports IFRS as they enable Europe to access global markets and enhance the comparability, reliability and relevance of financial reporting. FEE cannot envisage any other alternative to the IFRS. [more...](#)

### **FEE comments on IASB Discussion Paper: Accounting for Dynamic Risk Management: A portfolio Revaluation Approach to Macro Hedging**

FEE welcomes the International Accounting Standards Board (IASB)'s initiative to develop an accounting framework that better reflects dynamic risk management activities in entities' financial statements, otherwise known as macro hedging. We generally support the accounting approaches and principles the IASB explores. However, FEE emphasises that the IASB needs to agree on these approaches and principles first, before discussing the detailed application and implementation guidance. [more...](#)

[more...](#)

### **ESMA sets enforcement priorities for listed companies' financial statements**

The European Securities and Markets Authority (ESMA) published its Public Statement on European Common Enforcement Priorities for 2014. Steven Maijor, ESMA Chair, said: "The aim of the common enforcement priorities is to achieve a high level of harmonisation in enforcement and to contribute to consistency in the application of IFRS across the EU." [more...](#)

### **Combating tax evasion: EU Council agrees to extend automatic exchange of information**

The EU Council of Ministers agreed on a draft directive extending the mandatory automatic exchange of information between tax administrations, thereby enabling them to better combat tax evasion. For further information see the specific [Council press release](#) and the frequently asked questions ([MEMO/14/591](#)).

The EU Council also adopted two decisions on electricity tax in Germany and Sweden, and discussed energy taxation. In addition, representatives of EU Member States and Switzerland signed a joint statement on company tax. See the [Council press release](#) on pages 12-13 and 15-16. See Commissioner Šemeta's comments in his [speaking points](#).

FEE contributes to this topic by participating in the European Commission's Platform for Tax Good Governance which holds its next meeting on 9 November 2014.

### **ECB launches public consultation on draft Regulation on reporting of supervisory financial information**

The European Central Bank (ECB) published a draft regulation on reporting of supervisory financial information for public consultation. This draft regulation lays down the requirements regarding reporting on supervisory financial information to be submitted to national competent authorities and the ECB by supervised banks. The consultation is open until 4 December 2014. The ECB will also hold a public hearing on the consultation documents on 13 November 2014, at its premises in Frankfurt. [more...](#)

### **EBA releases work plans for 2015**

The European Banking Authority (EBA) published its work programme for 2015. In 2015, the EBA will progress with its activities aimed at building a single regulatory and supervisory framework for the entire banking sector in the 28 EU Member States, while ensuring that risk assessment in the EU banking sector remains a key priority. [more...](#)

### **Joint Committee of the ESAs publishes 2015 Work Programme**

The Joint Committee of the European Supervisory Authorities (EBA, ESMA and EIOPA) published today its Work Programme for the upcoming year. Throughout 2015, the Joint Committee will continue to give high priority to Consumer Protection and Cross-Sectoral Risk Analysis. [more...](#)

### **Revised corporate governance principles for banks (consultation paper) issued by the Basel Committee**

The Basel Committee released for consultation a set of [revised guidelines on corporate governance at banks](#). The Committee welcomes comments on this consultative document. Comments on the proposals should be [uploaded here](#) by Friday 9 January 2015. [more...](#)

### **New EFRAG organisation effective: EFRAG Board Acting President and Members appointed with immediate effect**

The EFRAG General Assembly of 31 October 2014 appoints the EFRAG Board acting President and its Members, as the new organisation of EFRAG becomes effective. [more...](#) FEE CEO Olivier Boutellis-Taft attended the EFRAG General Assembly on behalf of FEE and was a member of the nominating committee.

FEE has also commented on [EFRAG's draft letter on the IASB Discussion Paper](#).

See the [summary report](#) of the EFRAG, EFFAS, ABAF, and IASB Joint Investor Outreach Event on macro hedging which discussed the IASB Discussion Paper.

### **FEE comments on the PCAOB Staff Consultation on Auditing Accounting Estimates and Fair Value Measurements**

FEE recommends that any new PCAOB standard on Auditing Accounting Estimates and Fair Value Measurements should be aligned with the international IASB standard ISA 540 on the same subject matter. This would help to find the right balance between applying principles and requiring auditors to undertake certain detailed procedures. The standard should include the notion of challenging management, but also allow practitioners to use an appropriate level of judgement and include a level of 'conditionality' to some requirements. [more...](#)

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## **Upcoming Events**

### **A "Future of VAT" Roundtable 18 November 2014**

A new approach to Co-Operation between Taxpayers and Taxation Authorities - VAT Cross-Border Rulings. A unique opportunity to discuss with European and national policymakers, the business community, academics and accountants the new approach to co-operation resulting from this EU VAT initiative. [more...](#)

### **Save the date! FEE Tax Day 29 April 2015, Brussels**

"The Future of Tax Policy: A Matter for Society as a Whole" will be the theme of the fourth FEE Tax Day held on 29 April 2015 at the Royal Museum of Art and History in Brussels.

### **Save the date! FEE Audit Conference 22-23 June 2015, Brussels**

All stakeholders in the

## **Taxation: European Commission presents options for simpler and more robust future VAT regime**

Ideas on how to ensure a simpler, more effective and more fraud-proof VAT system tailored to the Single Market in the EU have been outlined in a paper published by the Commission. The Commission is now undertaking an in-depth assessment to determine the impact of each of the options for businesses and for Member States. On the basis of its findings, it will present the possible way forward in Spring 2015. [more...](#)

## **Taxation: Study confirms billions lost in VAT Gap**

An estimated €177 billion in VAT revenues was lost due to non-compliance or non-collection in 2012, according to the latest [VAT Gap study](#) published by the European Commission. The main trends in the VAT Gap are also presented, along with an analysis of the impact that the economic climate and policy decisions had on VAT revenues. [more...](#)

## **SME Assembly, 1-3 October 2014, Naples, Italy**

The European Commission and the Italian EU Presidency hosted the 2014 SME Assembly with the theme: "Growth through Enterprise: The Opportunities Ahead." Some of the main topics for discussion were: Priorities for a renewed Small Business Act, The SME Chapter of TTIP, Facilitating access to Finance, and Completing the Single Market for SMEs. [more...](#)

## **SMEs still struggled in 2013, in spite of signs of positive economic recovery**

In 2013, economic conditions remained challenging for SMEs in most Member States. Economic results suggest there is a recovery, but it is uneven and not yet following a robust trajectory. These are the conclusions of the annual [SMEs Performance Review](#) and country-specific SBA factsheets published by the European Commission. [more...](#)

Read also the [interview](#) with the Director General of Enterprise and Industry, Daniel Calleja Crespo.

## **Non-bank debt financing for SMEs: The role of securitisation, private placements and bonds**

This article summarises discussions from an OECD Financial Roundtable on reducing bank dependence in financing small-and medium-sized enterprises (SMEs) and non-bank debt financing alternatives. [more...](#)

## **Final report Stoiber Group**

The [High Level Group on Administrative Burdens](#), the so-called Stoiber Group, presented its final report. This contains recommendations on how to reduce administrative burdens linked to its legislation. FEE agrees with the recommendations in the report that are in line with what we previously advocated. [more...](#)

On the recommendation to exempt SMEs from European legislation, the European Association of Craft, Small and Medium-Sized Enterprises (UEAPME) reacted that this, as a general rule, goes against SME interests. The Commission's 'Think Small First' approach requires that legislation should be based on the needs of SMEs, not to remove them from the scope of EU regulation. [more...](#)

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## **IOSCO Consultation on non GAAP financial measures**

The International Organization of Securities Commissions' (IOSCO) Board seeks public comment on its proposed Statement on Non-GAAP Financial Measures. This proposal sets out IOSCO's expectations for issuers presenting financial measures other than those prescribed by Generally Accepted Accounting Principles (GAAP). [more...](#)

European audit debate are welcome to share and discuss their views on the subject: Long Term Vision and Short Term Challenges. This 1.5 day conference will take place in Brussels on 22-23 June 2015. [more...](#)

Check for regular updates on Twitter: [#FEEauditconference](#)

### **VAT 2015: event in Paris on 3 November 2014**

The French tax authorities organise a conference in Paris on 3 November 2014 together with Enterprise Europe Network Paris Ile-de-France Centre and the European Commission to inform businesses of the new VAT 2015 rules that will affect business to consumer (BTC) supplies of broadcasting, telecommunications and electronic services. The presentations will also cover the functioning of the [Mini One Stop Shop](#) (MOSS) to be put in place as part of the 2015 changes. See the [organisers' website](#) for all details.

### **World Congress of Accountants, 10 – 13 November 2014, Rome, Italy**

The 2014 World Congress of Accountants (WCOA) will be hosted by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (CNDCEC) under the theme '2020 Vision: Learning from the Past, Building the Future'. Join more than 150 institutes and organisations from across the world to discover the latest thinking and the liveliest debates, and become part of an unforgettable professional experience. FEE is one of the sponsors and will be on site with a stand. FEE is one of the sponsors and will be on site with a stand. [more...](#)

### **EIOPA Conference, 19 November 2014, Frankfurt am Main**

The 4th edition of the EIOPA Conference, taking place on 19 November 2014 in Frankfurt am Main, is organised in the framework of Europe's largest meeting point for the finance and insurance industry: the Euro Finance Week. [more...](#)

## **Accountability. Now. We Must Enhance Government Accountability and Transparency**

In the public sector, the lack of transparency and accountability presents a major risk to the efficiency of capital markets, global financial stability, and long term sustainability. We need to create greater public awareness among all levels of society. Read the full article by Andreas Bergmann, Chair, International Public Sector Accounting Standards Board. [more...](#)

## **G-20: IFAC Proposes Eight Recommendations to Support Global Growth and Resilience**

The International Federation of Accountants (IFAC), has submitted eight recommendations to support global economic growth and resilience for consideration at the forthcoming G-20 Leader's Summit in Brisbane, Australia, November 15-16. [more...](#)

## **2014 Handbooks from IAASB, IAESB, IESBA, and IPSASB**

The International Federation of Accountants (IFAC) has announced the availability of the 2014 editions of the handbooks from the:

- [International Auditing and Assurance Standards Board](#) (IAASB);
- [International Accounting Education Standards Board](#) (IAESB);
- [International Ethics Standards Board for Accountants](#) (IESBA); and
- [International Public Sector Accounting Standards Board](#) (IPSASB).

## **Heads of Tax Administration agree global actions to meet global challenges**

The [OECD/G20 Base Erosion and Profit Shifting \(BEPS\)](#) Project and the move to [automatic exchange of financial account information](#) took centre stage when Heads of Tax Administration met on 23-24 October in Dublin, Ireland. [more...](#)

## **Tax Preferences for Environmental Goals: Use, Limitations and Preferred Practices**

This paper reviews the use of tax preferences to achieve environmental policy objectives. Tax preferences involve using the tax system to adjust relative prices with a view to influencing producer or consumer behaviour in favour of goods or services that are considered to be environmentally beneficial. [more...](#)

## **IFRS SME Implementation Group report now available**

The report containing the recommendations of the SME Implementation Group (SMEIG) on the proposals in ED/2013/9 Proposed amendments to the IFRS for SMEs (the ED) is now available. [more...](#)

## **Transparency International issues report "Exporting Corruption"**

Transparency International has published its annual monitoring of the enforcement of OECD Convention on Combating Foreign Bribery. [more...](#)

## **FATF guidance tackles terrorist finance and money laundering risk in banks and corporate entities**

New guidance from the Financial Action Task Force (FATF) will help countries tackle the misuse of corporate entities for money laundering, terrorist financing and other illicit purposes. The FATF's [Guidance on Transparency and Beneficial Ownership](#) explains the requirements for the provision of accurate information about the legal and beneficial owners, the source of the corporate vehicle's assets and its activities. Effective implementation of the measures will also help tackle corruption and tax evasion. [more...](#)

## **PCAOB Held its First Annual Economic Conference on Auditing and Capital Markets**

The Public Company Accounting Oversight Board's Center for Economic Analysis, in conjunction with the Journal of Accounting Research, today held its first annual economic conference on Auditing and Capital Markets. "This inaugural conference brought together leading researchers in auditing, economics and finance from around the world to promote a better understanding of the role and impact

## EBF 2014 Annual Conference, 19 November 2014, Brussels

The European Banking Federation will hold its annual conference on 19 November 2014, bringing together chief executives from leading European banks with international policy-makers, regulators, supervisors and innovators to discuss key challenges facing the sector. [more...](#)

## European conference “Co-operative banks: a model to finance the real economy”, 1 December 2014, Brussels

The European Economic and Social Committee (EESC), the International Confederation of Popular Banks (CIBP), the European Association of Co-operative Banks (EACB), UNICO Banking Group and the European Association of Craft, Small and Medium-Sized Enterprises (UEAPME) will organise a conference on Co-operative banks: a real model to finance the real economy. [more...](#)

of auditing in economies," said PCAOB Chairman James R. Doty. [more...](#)

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The FEE Board met on 7 October. Board members approved proposed actions within FEE's Strategic Review. Other topics on the agenda were corporate reporting, auditing and assurance and governance matters. Approved comment letters are featured under the section FEE Publications.

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► FEE President **André Killesse** was invited, with FEE CEO Olivier Boutellis-Taft, by the IOSCO Committee on Issuer Accounting, Audit and Disclosure (Committee 1) to give an update on the current Integrated Reporting debate and participate to the related committee discussion on 22 October.

On 10 October he spoke at the [69th CSOEC Congress](#) in Lyon. He highlighted EU matters decided at the European level impacting the profession.

On 20 October he delivered a keynote speech about the current audit regulation developments within the EU at the [Treuhand-Kammer](#) Audit Conference in Berne, Switzerland.

He presented on “Evolutions of the accounting profession in light of recent European legislation” at La chambre belge des experts-comptables (CBC ) on the occasion of their the 120th anniversary.

► FEE Deputy President **Petr Kriz** spoke at the ACCA Annual Conference - Education to Employment on 21 October in Warsaw, Poland. On 22 October he presented the EU Audit Reform and its Implementation Challenges at National Level at the KIBR 15th Annual Auditing Conference in Jachranka, Poland.

► FEE CEO **Olivier Boutellis-Taft** opened the ICAEW Contact Members in Europe Meeting hosted by FEE.

On 14 October he spoke at the Caisse des Dépôts Group (CDC) seminar on the EU's contribution to international accounting standards in Brussels. On 15 October he opened the [CIPFA](#) European Annual Seminar with a summary of key challenges and initiatives for FEE.

On 16 October he provided closing remarks at the roundtable discussion jointly hosted by FEE and the International Integrated Reporting Council (IIRC). See presentations [here](#).

On 17 October he delivered conclusions at the Audit Policy Day organised by the Compagnie Nationale des Commissaires aux Comptes ([CNCC](#)) in Paris.

On 23 October he participated in the opening session of [HLB International's annual conference](#) on 23 October in Barcelona and delivered a speech on “Innovation: what does it mean for professional accountants”.

On 29 October he gave a keynote address on “Navigating the future of audit and assurance” at the [RSM](#) World Conference in Barcelona.

► UNCTAD hosted the thirty-first session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting ([ISAR](#)) FEE Manager **Laura Buijs** spoke on 16 and 17 October. (Hyperlink to presentations of [day 1](#) and [day 2](#).)

The following FEE Working Parties held meetings or conference calls in October proceeding with their projects, their major agenda items debated are highlighted below:

**Professional Ethics and Competences:** Audit policy; IESBA Exposure Draft “Proposed Changes to Certain Provisions of the Code Addressing the Long Association of Personnel with an Audit or Assurance Client”

**Accounting:** IASB Exposure Draft "Recognition of Deferred Tax Assets for Unrealised Losses" (proposed amendments to IAS 12); EFRAG Discussion Paper "Separate Financial Statements prepared under IFRS"

**Corporate Reporting:** IOSCO Consultation on non GAAP financial measures; EC Review of the IAS Regulation; EFRAG Review / Implementation Maystadt recommendations; IIRC Assurance Consultation, FEE Discussion Paper on the Future of Corporate Reporting;

**Tax Policy and VAT:** FEE Tax Day 29 April 2015; FEE Compendium "Tax Policy: A Matter for Society as a whole"; OECD BEPS Consultations

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