



Federation of Accountants and Auditors for SMEs

International Accounting Education Standards Board (IAESB)
529 5th Avenue, 6th Floor
New York, New York 10017, USA
Attn. IAESB Senior Technical Manager
Brussels, 30 September 2013

Dear Sir

Comment on 2014 – 2016 IAESB Strategy and Work Plan

The European Federation of Accountants and Auditors for SMEs (“EFAA”) represents accountants and auditors providing professional services primarily to small and medium-sized entities (“SMEs”) both within the European Union and Europe as a whole. Constituents are mainly small practitioners (“SMPs”), including a significant number of sole practitioners. EFAA’s members, therefore, are SMEs themselves, and provide a range of professional services (e.g. audit, accounting, bookkeeping, tax and business advice) to SMEs.

EFAA appreciates the opportunity to comment on the 2014 – 2016 IAESB Strategy and Work Plan.

General comments

EFAA is very much supportive of the approach taken by the IAESB in the development of this Strategy and Work Plan. Our comments are made in respect of the matters below.

IAESB Mission Statement and Statement of Higher Purpose

We are pleased to note the inclusion of the IAESB Mission statement along with the Statement of Higher Purpose which places the importance of stakeholder confidence and trust at the forefront of its actions. EFAA, as a body that represents SMPs, is very much aware of the status of the SMP as the acknowledged trusted advisor to SMEs. In this regard we agree that trust is of fundamental importance to the profession.

Standard Setting Body Liaison

We are clear that education standards are an important foundation of the profession. To that end, it seems to us that there is significant merit in an on-going and close dialogue between the IAESB and other IFAC standard setting boards (for example, International Auditing and Assurance Standards Board (“IAASB”) and International Ethics Standards Board for Accountants (“IESBA”). To our mind, the introduction and subsequent application of high quality ethical and assurance standards will be improved by a continual and close liaison between all standard setting boards. Educational improvements or changes to the competency requirements of professional accountants could be informed by the IAESB being party to the longer term strategy of the IAASB and IESBA.

For example, as the IAASB strives to meet the needs of a dynamic and ever changing demand for audit and assurance products there may be merit in the IAESB being aware of the skills and competence requirements needed to apply such standards in the medium to longer term.

We feel that this, in conjunction with the work that is being undertaken by the IAESB to “Scan the Environment for Gaps in the Development, Delivery, and Assessment of Professional Accounting Education” would be of value.



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IAESB Activities and Projects

We are supportive of the IAESB's initiatives that seek to promote the benefits of the revised IESs, develop implementation guidance for the IESs, and that look to facilitate knowledge sharing and capacity building in the professional accounting organization community. We would urge the IAESB to undertake a thorough Cost / Benefit Analysis prior to commencing these initiatives because we are of the opinion that these would be better informed if the IAESB had performed a post implementation review of its IESs once all these have been clarified and finalised and implemented after a period of say 2-3 years.

I trust that the above is clear but should you have any questions on our comments, please do not hesitate to contact me.

Yours faithfully,

Federico Diomeda
Chief Executive Officer