

## EFAA Board Meeting Minutes

Monday 1 February 2021, 13.30 – 16.00 CET

Video conference

Board Members	Capacity	Present	Power of Attorney
Salvador Marín (SM)	President, CGE	Yes	n/a
Maurice Buijs (MB)	Board Member, Treasurer, NBA	Yes	n/a
Johan De Coster (JDC)	Board Member, ITAA	Yes	n/a
Carlos Menezes (CM)	Board Member, OCC	Yes	n/a
Aleksander Štefanac (AS)	Board Member, CCIS-CAS	No	Yes
Marcus Tuschen (MBT)	Board Member, DStV	Yes	n/a

### Other Participants

Paul Thompson (PT), EFAA Director

Sara Zambelli (SZ), EFAA Head of Secretariat

**Apologies** Aleksander Štefanac

Minutes by SZ

### 1. Welcome and Apologies, Quorum

SM welcomes all the EFAA Board members and opens the meeting at 13.35. SM notes that AS is absent, but has given proxy to MBT; all the members are present or represented, the quorum is met and the Board can duly deliberate.

### 2. Approval of the Board Agenda

The Board unanimously approves the Agenda.

### 3. Approval of the Minutes

The Board unanimously approves the Minutes of the Board meeting on 9 November.

### 4. Financial Update

SM stresses that EFAA's accounts are sound and that EFAA is financially solid. SM also underlines that despite the COVID 19 crisis, EFAA's activities and engagements have actually grown: several online events have been organised and EFAA has fully moved to virtual settings also for regular expert group meetings, as well as for meetings with MEPs and other relevant stakeholders. Therefore, EFAA's solid financial position is not just due to a reduction in expenses due to COVID 19 but also to good management of organisation before and during the crisis.

MB informs that, although the paying period for the annual contribution was extended until 1 June 2021, many contributions have already been received, so that there are already around 450,000 euros in cash in the accounts. MB explains that the rent for the first quarter of 2021 has not been paid yet, as SMEunited and ZDH are still negotiating for all the tenants the new rental agreement. It is also agreed that the gifts given to experts and Board members are to be mentioned in one line in the balance sheet as "promotional gifts". Experts having received the gift will be reminded that it is their responsibility to declare it to their relevant tax authorities.

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MB explains that the forecast foresees that most restrictions due to COVID19 will end in May 2021.

The EFAA Board unanimously thanks Maurice for the work.

#### **5. EFAA's Strategy: MOU with IFAC and MOU with ACE; EFAA International Conference and AGM in June 2021; EFAA Council in autumn 2021**

SM explains that, since the beginning of his mandate as EFAA President, he has been negotiating with IFAC the possibility of being recognised as a network partner. SM explains that the MOU with IFAC is an excellent result for EFAA while it doesn't entail more work than what is already being done.

SM also informs that one of his first actions as EFAA President was to meet Florin Toma who, at that time, was ACE President. SM aims to coordinate with Accountancy Europe on topics that are relevant for the accountancy profession in general but raise no specific SMP's interest. Therefore, the MoU is limited in the scope, i.e. it covers non-financial reporting (NFR), audit and anti-money laundering (AML). Once a year the leadership of both organisations will meet to exchange views on key topics.

SM explains that these MOUs, by seeking coordination on issues of interest, ensure compliance with the AGM 2018 resolutions. SM also points out that such coordination work is ongoing and will continue also with other organizations of interest to EFAA, without any loss of our important and distinct identity. The Board congratulates SM for these excellent achievements and support the signature of both MOUs.

The EFAA Board considers that both MOUs contribute to the recognition of EFAA as the voice of SMPs, not only at EU level but also at the international level.

JDC suggests that EFAA should try to be represented also at FCM and EGIAN events.

The Board is informed that the Steering Committee is already working on the organisation of the EFAA International Conference. The conference will focus on how to make SMPs Smarter, Stronger, Sustainable in post COVID-19 times. The Steering Committee currently foresees organising a hybrid event where most of the participants will join online while the EFAA Board and members' representatives will attend in person. It is underlined that it is very difficult to predict whether travelling around Europe will be safe in late June. The Board considers that it will be very difficult to have an international face-to-face event and stresses the importance of guaranteeing the safety and security of all the EFAA's members. It is agreed to decide end of March whether the EFAA International Conference should be a purely online event.

SM thanks all the members for their continuous support and the very positive proposals.

#### **6. EFAA activities, working Group and Expert Groups: Accounting Expert Group; Assurance Expert Group; Digital Working Group; EU Professional Regulations Expert Group; EFAA Activities (Expert Groups and Working Group, Cooperation agreements, virtual events)**

SM explains that the EFAA Expert Groups and Working Group have been very active in the last few months.

SM and PT spoke at several events in the last few weeks to represent and promote the views of SMPs. SM, PT and Esther Ortiz (EO) (member of Accounting Expert Group) spoke at two EFRAG outreach events, one for the Spanish market which was attended by over 1,300 participants and one for the EU audience, attended by over 400 participants. SM and PT underline the importance of these events where the views of SMPs are spread and their voice well represented.

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PT explains the last activities of the EFAA EGs and WG. He underlines the role EO is playing in the Project Task Force on non-financial reporting standards (PTF-NFRS) in making sure that a possible NFR standard is scalable, voluntary and adapted to the needs of SMEs.

PT also informs that EFAA has responded to several consultations, contributed to the work on audit of less complex entities and has also been interviewed in relation to the EU Study on VAT in the Digital Age, Audit Reform, etc.

SM stresses the importance of the work of the EU Professional Regulation Expert Group, in particular in relation to the ongoing discussion on the free movement of services and the importance of the provision of quality accountancy services.

Finally, SM and PT stress the role EFAA plays within the EWE network and the work it does with EUIPO and the forthcoming webinar.

PT informs the Board on the developments of "INTEREST", the ERASMUS+ project.

The Board is also informed that both SM and PT presented at the meeting of the IFAC SMP Advisory Group on 28 January 2021.

The Board is also informed about possible changes in the EFRAG governance structure and EFAA's lobbying for significant SME / SMP representation

## **7. EFAA Membership – Applications**

Discussions with potential members are continuing. The Board supports the efforts SM is making to retain current members and attract new members. MBT and JDC express their availability to support SM and eventually attend a meeting with KSW to try retain as members.

In line with the EFAA Statutory requirements, ITAA is invited to share their views on the application of IBR-IRE. JDC will share their comments.

## **8. Next Board meeting(s), follow up on meetings occurred, upcoming meetings/events and Annual Meeting Plan**

It is agreed that to fix the date of the next Board meeting all members will be consulted. It is planned to have one meeting end of March and one end of May/ early June.

## **9. Any Other Business**

Nothing to report.

## **10. Closing of the Meeting**

The meeting is closed at 15:10.