Agenda Item 11

Committee: IAASB  
Meeting Location: New Orleans  
Meeting Date: December 6–10, 2004

Qualifications to the Opinion in the Independent Auditor’s Report

Objectives of Agenda Item
To conduct a first read of the proposed ISA 701, *Qualifications to the Opinion in the Independent Auditor’s Report*, and proposed conforming changes to ISA 700 on the use of emphasis of matter (EOM) paragraphs in the independent auditor’s report.

Background
The Task Force has representation from INTOSAI. Members of the Task Force are:

- Jan Bo Hansen, Chair  
- Philip Ashton (IAASB) [supported by Josephine Jackson]  
- Craig Crawford (US ASB)  
- Bettina Jakobsen (INTOSAI)  
- Roger Simnett (IAASB)  
- Sylvia Smith (IAASB)

The IAASB provided comments to the Task Force during IAASB discussions of issues at the April (Toronto) and September (New York) IAASB meetings.

Activities since the Last IAASB Meeting
The Task Force has met twice since the September IAASB meeting. The Task Force chair also has met with the CAG in late November for their input on the proposed EOM guidance. The Task Force will also have the input of Bob Waller, the IAASB “plain language” advisor, on the current draft of ISA 701.

Material Presented
- Agenda Item 11-A Draft ED, ISA 701 (Clean)  
  (Pages 2469 - 2486)  
- Agenda Item 11-B Proposed Conforming Amendments to ISA 700 for Emphasis of Matter  
  (Pages 2487 - 2490)  
- Agenda Item 11-C Excerpts from Extant ISAs re: Emphasis of Matter Paragraphs (for information purposes only)  
  (Pages 2491 - 2492)

Action Requested
The IAASB is asked to conduct a first read of the proposed exposure draft.