

ENGAGEMENTS TO REPORT ON SUMMARY FINANCIAL STATEMENTS: CAS 810

Definitions

- **Summary F/S** – Historical financial information that is derived from F/S but that contains less detail than the F/S

Engagement Acceptance

- The auditor should **only accept an engagement** to report on summary F/S only when the auditor has been engaged to conduct an audit of the complete F/S from which the summary F/S are derived
- **Before accepting** an engagement to report on summary F/S:
 - Determine whether the applied **criteria are acceptable**
 - Obtain the **agreement of management** that it acknowledges and understands its responsibility:
 - For the preparation of the summary F/S in **accordance with the applied criteria**
 - To make the **audited F/S available** to the intended users of the summary F/S without undue difficulty
 - To include the auditor's report on the summary F/S in any document that contains the summary F/S and that indicates that the auditor has reported on them
 - Agree with management the form of opinion to be expressed on the summary F/S

Nature of Procedures

- Must Evaluate whether the summary F/S adequately **disclose their summarized nature** and **identify the audited F/S**
- When summary F/S are not accompanied by the audited F/S, evaluate whether they describe **from whom or where the audited F/S are available**
- Evaluate whether the summary F/S **adequately disclose the applied criteria**
- Compare the summary F/S with the related information in the audited F/S to determine whether the **summary F/S agree with the related information in the audited F/S**
- Evaluate whether the summary F/S are prepared **in accordance with the applied criteria**
- Evaluate whether the summary F/S **contain the information necessary**, and are at an **appropriate level of aggregation**, so as not to be misleading
- Evaluate whether the **audited F/S are available to the intended users** of the summary F/S without undue difficulty

Form of Opinion and Other Issues

- When issuing an unmodified opinion on the summary F/S, use one of the following phrases:
 1. The summary F/S are consistent, in all material respects, with the audited F/S, in accordance with IFRS/ASPE, ETC...
 2. The summary F/S are a fair summary of the audited F/S, in accordance with IFRS/ASPE, ETC...
- The **auditor's report on the summary F/S may be dated later than the date of the auditor's report on the audited F/S** (make sure to state in the audit report that the summary F/S and audited F/S do not reflect events that occurred subsequent to] the audit report date on the complete audited F/S)
- When the **complete audited F/S contains a qualified opinion**, but the auditor is satisfied that the summary F/S are consistent or are a fair summary of the audited F/S, the audit report on the summary F/S should:
 1. **State** that the auditor's report on the audited F/S contains a qualified opinion; and

2. Describe:
 - The **basis for the qualified opinion** on the audited F/S
 - The **effect** of the qualification on the summary F/S, if any
- When the **complete audited F/S contains an adverse or disclaimer of opinion**, the audit report on the summary F/S should:
 1. **State** that the auditor's report on the audited F/S contains an adverse or disclaimer of opinion
 2. **Describe** the basis for that adverse or disclaimer of opinion
 3. State that, due to the adverse or disclaimer of opinion, it is **inappropriate to express an opinion on the summary F/S**
- If the summary F/S are not consistent with or are not a fair summary of the audited F/S, express an **adverse opinion** on the summary F/S