

**SPECIAL CONSIDERATIONS — AUDITS OF SINGLE FINANCIAL STATEMENTS AND SPECIFIC ELEMENTS, ACCOUNTS OR ITEMS OF A FINANCIAL STATEMENT: CAS 805****Scope of this CAS**

- CAS 805 deals with **audit** of a **single F/S** or of a **specific element, account or item of a F/S**
- Examples of specific elements, accounts or items of a F/S
  - Accounts receivable, inventory, the recorded value of identified intangible assets
  - A schedule of net tangible assets, including related notes
  - A schedule of disbursements in relation to a lease property

**Considerations When Accepting the Engagement**

- Must **comply with all other CASs** relevant to the audit
- **If the auditor is not also engaged to audit the entity's complete set of F/S**, determine whether the audit of a single F/S or of a specific element of those F/S is practicable
- Determine the **acceptability of the financial reporting framework** used to prepare the F/S
  - The financial reporting framework should result in a presentation that provides **adequate disclosures** to enable the intended users to understand the information conveyed in the F/S or the element, and the effect of material transactions and events
- The engagement letter should mention the expected form of any reports to be issued by the auditor
- If the auditor takes on an **engagement to report on a single F/S or on a specific element of a F/S** in conjunction with an **engagement to audit the entity's complete set F/S**, express a **separate opinion for each engagement**
- If the opinion in the auditor's report on an entity's complete set of F/S is **modified**, or that report includes an **Emphasis of Matter paragraph** or an **Other Matter paragraph**, determine the effect that this may have on the auditor's report on a single F/S or on a specific element of those F/S
- If the auditor expresses an **adverse opinion or disclaimer of an opinion** on the complete set of F/S, the auditor is not allowed to include in the **same auditor's report** an unmodified opinion on a **single F/S** or a **specific element** that forms part of those F/S
  - Doing so would contradict the adverse opinion or disclaimer of opinion on the whole F/S
- If the auditor expresses an **adverse opinion or disclaimer of an opinion** on the entity's complete set of F/S but in the audit of a specific element the auditor considers it appropriate to express an unmodified opinion on that element, the auditor should only express an unmodified opinion if:
  1. The auditor is not barred by law or regulation from doing so
  2. That opinion is expressed in an auditor's report that is **not published together with the auditor's report containing the adverse opinion or disclaimer of opinion**
  3. The specific element **does not constitute a major portion** of the entity's complete set of F/S
- The auditor is **not allowed** to express an **unmodified opinion on a single F/S** of a complete set of F/S (i.e. the income statement) if the auditor has expressed an **adverse opinion or disclaimed an opinion on the complete set of F/S** as a whole (even if the auditor's report on the single F/S is not published together with the auditor's report containing the adverse or disclaimer of opinion)
  - This is because a single F/S is deemed to constitute a major portion of those F/S