



**Northern California Power Agency and Associated Power  
Corporations  
Finance Committee Meeting - 2017 Financial Statement Audit**

**October 17, 2017**

# NCPA

## *Audit Discussion*



Candor. Insight. Results.

### Agenda

Audit overview

Required communication to  
Governing Body

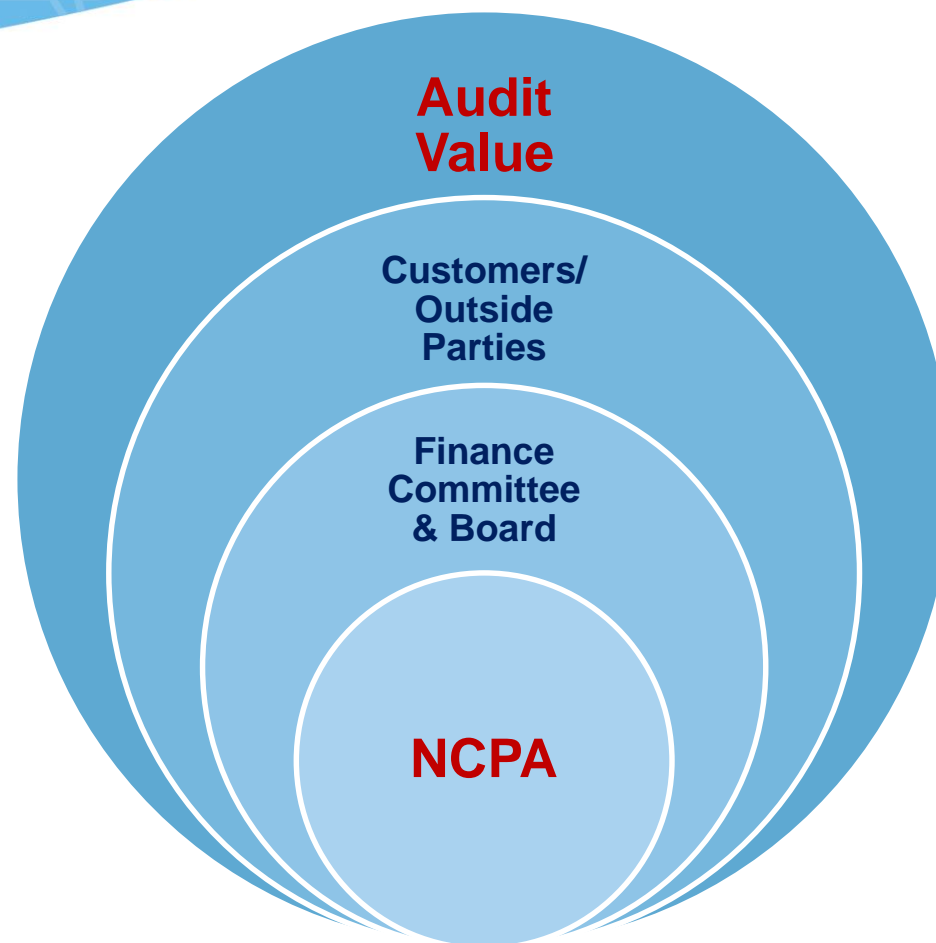
Discussion

# NCPA

## *Deriving value from the audit*



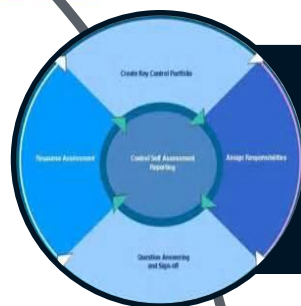
Candor. Insight. Results.



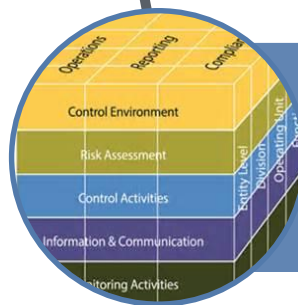
***We view the audit as an opportunity to provide an opinion on the reliability of financial reporting to the Committee, Customer-Owners and Outside Parties and to provide value to NCPA***



***We appreciate the assistance of NCPA accounting staff and management  
in preparing for and assisting in the audit!***



## Audit assesses internal controls



“....a means by which an organization’s resources are directed, monitored, and measured. It plays an important role in preventing and detecting fraud and protecting the organization’s resources”



Controls must meet the goal and objectives of Operations, Reporting and Compliance

Controls  
reviewed  
in key  
transaction  
areas

Expenditures

Payroll

Billing and accounts receivable

Cash, investments and derivatives

Capital assets

Information technology

# NCPA

## Audit overview



Candor. Insight. Results.



Audit performed in accordance with *Generally Accepted Auditing Standards* and *Government Auditing Standards*



Audit objective - reasonable assurance that financial statements are free from material misstatement



Financial statements of NCPA and associated corporations received an *Unmodified Opinion*

# NCPA

## *Auditor communication to those charged with governance*



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Area to be Communicated	Area to be Communicated
Our responsibility under Auditing Standards Generally Accepted in the United States and Government Auditing Standards	Other Information in Documents Containing Audited Financial Statements
Planned Scope and Timing of the Audit	Accounting Policies
Accounting Estimates	Financial Statement Disclosures



# NCPA

## *Auditor communication to those charged with governance*



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### Area to be Communicated

### Area to be Communicated

Difficulties Encountered in Performing the Audit

Corrected and Uncorrected Misstatements

Audit Adjustments

Disagreements with Management

Consultations with Other Independent Accountants

Management Representations

Auditor Independence

Other Audit Findings or Issues

We appreciate the help of the **NCPA's** Accounting and Management teams in assisting in the audit!



# Discussion

## Contact Info



Candor. Insight. Results.

### **Russ Hissom, Partner**

D: 608 240 2361

M: 608 628 4020

[Russ.Hissom@bakertilly.com](mailto:Russ.Hissom@bakertilly.com)

### **Jeff Stanek, Manager**

D: 608 240 2315

M: 608 658 2485

[Jeff.Stanek@bakertilly.com](mailto:Jeff.Stanek@bakertilly.com)

