

Northern California Power Agency and Associated Power Corporations

Finance Committee Meeting - 2019 Financial Statement Audit



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Audit Discussion

Agenda

Audit overview

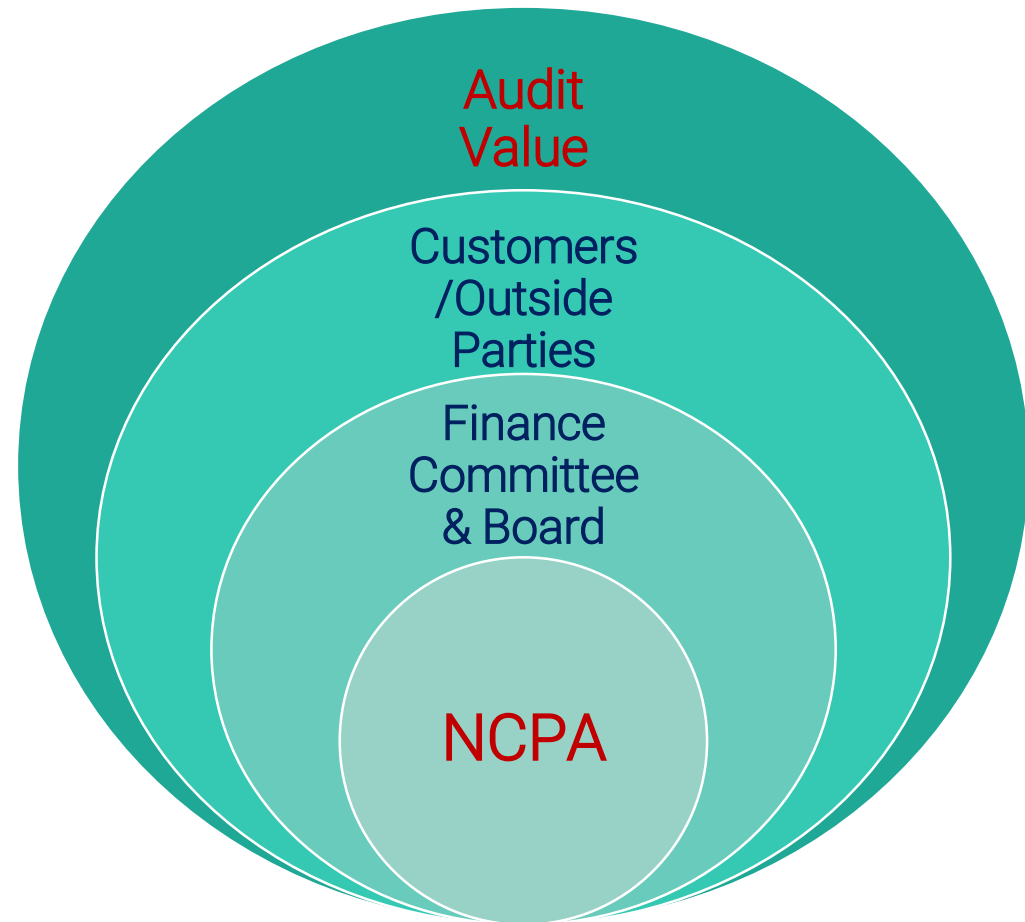
Required communication to Governing Body

Discussion

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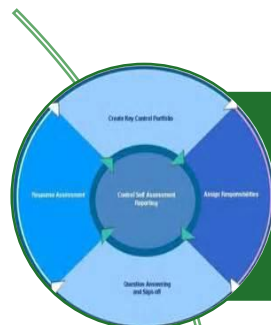
Deriving value from the audit

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

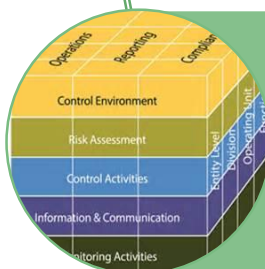


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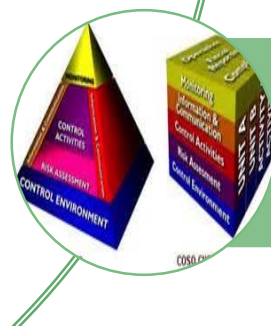
Audit overview



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

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What were the audit results?



Audit performed in accordance with *Generally Accepted Auditing Standards*



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



Financial statements of NCPA received an *Unmodified Opinion*



There were no material weaknesses or significant deficiencies in controls

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Testing methods



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Testing methods



Independent confirmations



Use of specialist reports



Tracing to source documents



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Audit overview

Controls
reviewed in key
transaction
areas

Expenditures

Payroll

Billing and accounts receivable

Cash, investments and derivatives

Capital assets

Information technology

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Auditor communication to those charged with governance

Auditor responsibility
& independence

Board responsibility

Accounting policies
and estimates

Baker Tilly agrees with NCPA's accounting
policies and disclosures

There were no
material adjustments
to the financial
statements

No other audit findings or concerns



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

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Discussion



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