

Audit Background

Each year, Ava conducts an audit of the fiscal year-end financial statements.

The annual audit is conducted by Sorren CPAs, P.C., an independent, external CPA team.

The Independent Auditor's Report concludes their opinion of the financial statements as materially accurate with no significant deficiencies or material weakness in internal controls identified. This will be included in the final financial statements delivered to the Board on Nov 19th.

The Management Discussion and Analysis (MD&A) provides an overview of Ava's financial activities for the fiscal years reported and gives information on financial position, reporting protocols, and overall economic factors that relate to Ava activities.

The Basic Financial Statements provide an independently verified, accurate portrait of Ava's financial position as of June 30, 2025.

Notes to the Basic Financial Statements discuss accounting policies, cash and capital positions, risk management, commitments, and known subsequent events.

Audit and FY24-25 Financial Highlights

A formal Auditor's Presentation will be at the November 19th Board meeting, but highlights of the audit are as follows:

- While the audit isn't completed yet, it's expected that the auditors will report an unmodified opinion – financial statements are materially accurate
- No significant deficiencies or material weakness in internal controls identified
- Significant areas of focus are revenue recognition, cash, accrued costs, REC expenses, supplier security deposits, and financial statements note disclosures
- No proposed adjustments to the financial statements
- No unusual transactions or applications of accounting principles identified
- Annual Operating Revenues: \$815,835,960 (gross operating revenue was \$905,543,988 and net revenue transferred to the Rate Stabilization Fund was \$89,708,028)
- Annual Operating Expenses: \$821,860,082
- Annual Net Nonoperating Revenues: \$24,587,957
- Net position increase by \$18,563,835 to \$553,897,866