



Presentation to CEA Board of Directors

January 21, 2021

Focused
on YOU



Audit Responsibilities and Process

- LSL has been engaged by CEA to perform a ***financial audit*** and to assist in preparing your annual audited financial statements.
- Design audit to obtain reasonable assurance on fair presentation of financial statements in accordance with Generally Accepted Accounting Principles.
- Obtain understanding of internal controls over financial reporting to determine audit procedures.



Audit Process and Report

- Fieldwork
 - Planning
 - Internal controls
 - Risk assessment
 - Account analysis
 - Substantive testing of transactions and accounts
- Annual Financial Report
 - Introductory Section
 - Financial Section
- Other Reports
 - Auditor Communication Letter
 - Report on Internal Control and Compliance



Audit Highlights

- Audit work was performed 100% remotely this year, due to COVID-19 pandemic. Special consideration was taken to address such risks associated with the remote work environment.
- Additional considerations and testing procedures were performed as this is CEA's first audit.
- This audit work was all performed in order to render an “opinion” on the basic financial statements (i.e., the statements and footnotes).
- Introductory Section of the Annual Financial Report is unaudited and prepared for by management for purposes of additional transparency and analysis.



Audit Highlights

- Management is responsible for the form and content of the Annual Financial Report.
- LSL issued an “unmodified” opinion on the basic financial statements, which is the highest opinion that can be rendered.
- Due to this being CEA’s first annual audit, with no comparative data for the prior year being available, management opted to not present a management’s discussion and analysis or statistical section, as neither would provide any useful data. This had no impact on our audit opinion.



Other Audit Communications

- Report on Internal Control and Compliance (SAS 115 Letter)
 - Discusses deficiencies in internal control or material instances of noncompliance
 - We did not identify any deficiencies in internal control that we consider to be significant deficiencies or material weaknesses.
 - We did not identify any instances of noncompliance with laws, regulations, grant agreements, debt covenants, etc.



Other Audit Communications

- Auditor Communication Letter (SAS 114 Letter)
 - Discusses Significant Audit Findings
 - Accounting policies, use of estimates, and significant disclosures
 - Nothing of significance to report.
 - Difficulties encountered during the audit
 - None to report
 - Corrected and uncorrected misstatements
 - No material misstatements, all misstatements were corrected by management
 - Disagreements with management
 - None to report



Summary

- LSL was engaged to perform a financial audit.
- The financial audit resulted in an unmodified opinion.
- The financial audit did not disclose any material weaknesses or significant deficiencies in internal control or material noncompliance.