

**LATIMER, MASSONI &
ROSA**
ACCOUNTANCY CORPORATION
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS

Board of Directors
Walnut Park Mutual Water Company
Huntington Park, CA 90255

The accompanying summary financial statements, which are comprised of the summary statements of financial position as of December 31, 2020, and 2019, the summary statements of activities, and summary cash flow statements for the years then ended, are derived from the audited financial statements of Walnut Park Mutual Water Company as of and for the years ended December 31, 2020 and 2019. I expressed an unmodified audit opinion on those audited financial statements, in our report dated June 8, 2021. The audited financial statements, and the summary financial statements derived therefrom, do not reflect the effects of events, if any that occurred subsequent to the date of our report on the audited financial statements.

The summary financial statements do not contain any disclosures required by generally accrual accounting principles in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Walnut Park Mutual Water Company.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the presentation of the summary financial statements on the basis of generally accepted accounting principles in the United States of America.

Auditor's Responsibility

My responsibility is to express an opinion about whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with auditing standards generally accepted in the United States of America. The procedures consisted principally of comparing the summary financial statements with the related information in the audited financial statements from which the summary financial statements have been derived and evaluating whether the summary financial statements are prepared in accordance with the basis of generally accepted accounting principle. I did not perform any audit procedures regarding the audited financial statements after the due date of our report on those financial statements.

Opinion

In my opinion, the summary financial statements of Walnut Park Mutual Water Company as of and for the years ended December 31, 2020 and 2019 referred to above are consistent, in all material aspects, with the audited financial statements from which they have been derived, on the basis of generally accepted accounting principles in the United States of America.



Latimer, Massoni and Rosa,
Accountancy Corporation
Certified Public Accountants
Los Angeles, CA 91602
June 8, 2021

WALNUT PARK MUTUAL WATER COMPANY
Summary Statements of Financial Position
December 31, 2020 and 2019

	2020	2019
Assets		
Cash	\$ 516,569	\$ 196,991
Investments	2,717,759	2,703,990
Receivables and other	428,859	362,207
Land, building and equipment (net)	3,342,578	3,333,147
Other assets	525,469	532,028
Total assets	\$ 7,531,234	\$ 7,128,363
 Liabilities and net assets		
Accounts payable	\$ 30,876	\$ 14,623
Accrued expenses	110,435	109,717
Total liabilities	141,311	124,340
Net assets	7,389,923	7,004,023
Total liabilities and net assets	\$ 7,531,234	\$ 7,128,363

Summary Statements of Cash Flows
For the years ended December 31, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 385,900	\$ 388,653
Depreciation and amortization	241,089	229,222
Changes in assets and liabilities	(43,122)	(52,818)
Net cash provided by operating activities	583,867	565,057
 Net cash provided by (used in) investing activities	(264,289)	(620,993)
Net increase or (decrease) in cash	319,578	(55,936)
Cash beginning	196,991	252,927
Cash ending	\$ 516,569	\$ 196,991

WALNUT PARK MUTUAL WATER COMPANY
Summary Statements of Activities
For the years ended December 31, 2020 and 2019

	2020		2019	
	Amount	Percent	Amount	Percent
Water Revenue	\$ 1,940,276	100.00	\$ 1,875,539	100.00
Operating Cost	(1,268,782)	(65.39)	(1,104,559)	(58.89)
General and administrative expenses	(430,028)	(22.16)	(436,714)	(23.28)
Operating income	241,466	12.45	334,266	17.83
Miscellaneous Income (expense)	145,812	7.52	55,837	2.98
Income before Income tax	387,278	19.97	390,103	20.81
State franchise tax	1,378	0.07	1,450	0.08
Change in net assets	<u>\$ 385,900</u>	<u>19.90</u>	<u>\$ 388,653</u>	<u>20.73</u>