

**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

***Opinion***

The summary financial statements, which comprise the summary statements of financial position as of December 31, 2021, and 2020, 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, 2021 and 2020. I expressed an unmodified audit opinion on those audited financial statements in my report dated March 18, 2022. 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 my report on the audited financial statements.

In my opinion, the accompanying summary financial statements of Walnut Park Mutual Water Company as of and for the year ended December 31, 2021 and 2022 referred to above are consistent, in all material respects, with the audited financial statements from which they have been derived, on the basis described below in "*Responsibility of Management for the Summary Financial Statements.*"

***Summary Financial Statements***

The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements and the auditor's report hereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of my report on the audited financial statements.

***Responsibility of Management for the Summary Financial Statements***

Management is responsible for the preparation of the financial statements in accordance with the following criteria:

- (a) The summary financial statements include the statement of financial position and related statements of activities, and cash flows included in the audited financial statements;
- (b) Information in the summary financial statements agrees with the related information in the audited financial statements; and
- (c) Major subtotals, totals and comparative information from the audited financial statements are included.

***Auditor's Responsibility***

My responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on my 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 described in section above titled "*Responsibility of Management for the Summary Financial Statements.*" I did not perform any audit procedures regarding the audited financial statements after the date of my report on those financial statements.

  
**Latimer, Massoni and Rosa,**  
Accountancy Corporation  
Certified Public Accountants  
Los Angeles, CA 91602  
March 18, 2022

**WALNUT PARK MUTUAL WATER COMPANY**  
**Summary Statements of Financial Position**  
**December 31, 2021 and 2020**

	2021	2020
<b>Assets</b>		
Cash and cash equivalents	\$ 536,699	\$ 516,569
Investments	3,058,850	2,717,759
Receivables and other	421,024	428,859
Land, building and equipment (net)	3,129,194	3,342,578
Other assets	525,369	525,469
<b>Total assets</b>	<b>\$ 7,671,136</b>	<b>\$ 7,531,234</b>
 <b>Liabilities and net assets</b>		
Accounts payable	\$ 24,481	\$ 30,876
Accrued expenses	126,574	110,435
<b>Total liabilities</b>	151,055	141,311
Net assets	7,520,081	7,389,923
<b>Total liabilities and net assets</b>	<b>\$ 7,671,136</b>	<b>\$ 7,531,234</b>

**Summary Statements of Cash Flows**  
**For the years ended December 31, 2021 and 2020**

	2021	2020
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 130,158	\$ 385,900
Depreciation and amortization	250,726	241,089
Changes in assets and liabilities	17,678	(43,122)
<b>Net cash provided by operating activities</b>	398,562	583,867
 <b>Net cash provided by (used in) investing activities</b>	<b>(378,432)</b>	<b>(264,289)</b>
<b>Net increase or (decrease ) in cash</b>	20,130	319,578
Cash beginning	516,569	196,991
<b>Cash ending</b>	<b>\$ 536,699</b>	<b>\$ 516,569</b>

**WALNUT PARK MUTUAL WATER COMPANY**  
**Summary Statements of Activities**  
**For the years ended December 31, 2021 and 2020**

	2021		2020	
	Amount	Percent	Amount	Percent
Water Revenue	\$ 1,883,730	100.00	\$ 1,940,276	100.00
Operating Cost	(1,326,490)	(70.42)	(1,268,782)	(65.39)
General and administrative expenses	(458,079)	(24.32)	(430,028)	(22.16)
Operating income	99,161	5.26	241,466	12.45
Miscellaneous Income (expense)	31,219	1.66	145,812	7.52
Income before Income tax	130,380	6.92	387,278	19.97
State franchise tax	222	0.01	1,378	0.07
Change in net assets	<u>\$ 130,158</u>	<u>6.91</u>	<u>\$ 385,900</u>	<u>19.90</u>