

Whipple Creek Place Homeowners Association

Newman Certified Public Accountant, PC
Bellevue, Washington

This representation letter is provided in connection with your audit of the financial statements of Whipple Creek Place Homeowners Association (the "Association"), which comprise the balance sheet as of December 31, 2025, and the related statements of revenues, expenses, and changes in fund balance, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities and, as set out in the terms of the audit engagement letter, including our responsibilities for the preparation and fair presentation of the financial statements.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. If applicable, a list of the uncorrected misstatements is attached to the representation letter.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Significant estimates and material concentrations have been properly disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the Association is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

12. Transfers or designations of fund balance or inter-fund borrowings have been properly authorized and approved and have been properly recorded or disclosed in accordance with GAAP.
13. Uncollectible inter-fund loans have been properly accounted for and disclosed in accordance with GAAP.
14. We have analyzed all contracts per the guidance in FASB ASC 606, *Revenue from Contracts with Customers*. We have considered the terms of the contracts and all relevant facts and circumstances when applying this guidance. We have used the five-step approach established by FASB ASC 606 for recognizing and measuring revenue and have concluded that member assessments fall within the scope of FASB ASC 606 therefore revenue from contracts with customers has been accounted for and disclosed in accordance with FASB ASC 606. All contracts underlying revenue recognized in the financial statements have commercial substance and have been approved by appropriate parties. We have considered side agreements, implied promises, and unstated customary business practices in identifying performance obligations in the contracts. We have sufficient and appropriate documentation supporting all estimates and judgements underlying the amount and timing of revenue recognized in the financial statements.

Information Provided

15. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Association from whom you determined it necessary to obtain audit evidence.
16. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
17. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
18. We have no knowledge of any fraud or suspected fraud that affects the Association and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
19. We have no knowledge of any allegations of fraud or suspected fraud affecting the Association's financial statements communicated by employees, former employees, regulators, or others.
20. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
21. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
22. We have disclosed to you the identity of the Association's related parties and all the related party relationships and transactions of which we are aware.
23. The Association has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
24. We acknowledge our responsibility for presenting the supplementary information on major repairs and replacements in accordance with U.S. GAAP, and we believe the supplementary information on major repairs and replacements, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information on major repairs and replacements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

25. The board of directors is collecting funds for future major repairs and replacements in conformity with the Association's policy to fund for those needs based on the latest study conducted. The board of directors believes the funds will adequately provide for future major repairs and replacements.
26. The Association's allocation of expenses against exempt and nonexempt function income conforms with IRS rules, which require that the allocation be made "on a reasonable basis." We have adequately documented such allocation.
27. The Association's excess income, if applicable, in the current year, has for tax purposes in the event form 1120 is prepared and filed, elected to either (a) offset it against next year's assessments, or (b) refund it to members. We have adequately documented such election in the current year. In the event form 1120-H is prepared and filed, we understand that the resolution to offset or refund is not required.
28. We understand that management is responsible for requesting clarification from the tax preparer, if necessary, for the Association's choice of filing Form 1120 or 1120-H, and the consequences thereof.
29. We have disclosed to you all material events, if any, that would require adjustments to, or disclosure in, the financial statements. In addition, we represent that no other material events have occurred since you completed your audit fieldwork and through the date of this letter. Examples of material events include, but are not limited to, insured or uninsured losses, new litigation or legal settlements and approval of special assessments. Material events that have occurred are:

Whipple Creek Place Homeowners Association. Audit for the year ended December 31, 2025.

BOARD PRESIDENT:

Date: _____

Signature: _____

Print name: _____

BOARD TREASURER:

Date: _____

Signature: _____

Print name: _____

COMMUNITY MANAGER:

Date: _____

Signature: _____

Print name: _____