EAST VILLAGE ASSOCIATION, INC.

Financial Statements
For The Fiscal Year Ended June 30, 2025 & 2024
Independent Accountants' Review Report

EAST VILLAGE ASSOCIATION, INC.
June 30, 2025 & 2024

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Guerrero, Jimenez, Diaz
& Co. LLP
A Certified Public Accounting Firm

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Board of Directors
East Village Association, Inc.
San Diego, California

We have reviewed the accompanying financial statements of East Village Association, Inc., which comprise of the statements of financial position as of June 30, 2025, and the related statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards of Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of East Village Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the accounting principles generally accepted in the United States of America.

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Guerrero, Jimenez, Diaz & Co. LLP

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Certified Public Accountants
Victor M. Diaz, CPA
California License #86352
San Diego, California
April 23, 2026

EAST VILLAGE ASSOCIATION, INC.
Statements of Financial Position
June 30, 2025 & 2024

ASSETS

		2025		2024
Current Assets				
Cash and Cash Equivalents	$	241,282	$	202,224
Certificate of Deposits (Note 3)		109,628		210,591
Accounts Receivable		45,798		52,525
Total Current Assets		396,708		465,340
Total Assets	$	396,708	$	465,340

LIABILITIES & NET ASSETS

		2025		2024
Current Liabilities				
Accounts Payable	$	16,330	$	-
Accrued Legal Settlement (Note 10)		-		150,000
Total Current Liabilities		16,330		150,000
Total Liabilities		16,330		150,000
Net Assets				
With donor restrictions				
Designated		75,000		-
Without donor restrictions		305,378		315,340
Total Net Assets		380,378		315,340
Total Liabilities & Net Assets	$	396,708	$	465,340

The accompanying notes are an integral part of these financial statements.

EAST VILLAGE ASSOCIATION, INC.
Statements of Activities and Changes in Net Assets
For the Year Ended June 30, 2025 & 2024

	Without Donor Restrictions	With Donor Restritions	2025	2024
Operating activities				
Support and Revenue:				
B.I.D. Reimbursement	$ 192,437	-	$ 192,437	$ 215,085
SBEP	-	33,825	33,825	28,103
Banner/Branding	10,000	-	10,000	10,207
Special Events Income	66,256	-	66,256	124,174
Grants	-	75,000	75,000	-
Donations/Sponshorship	89,490	-	89,490	33,800
Net Assets Released from Restrictions	33,825	(33,825)	-	-
Community Parking District	35,067	-	35,067	248,003
Other Revenue	6,918	-	6,918	9,912
Total Revenues	433,993	75,000	508,993	669,284
Operating Expenses:				
Program Services	366,747	-	366,747	640,587
General & Management	77,209	-	77,209	141,741
Total Expenses	443,955	-	443,955	782,328
Increase/(Decrease) in Undesignated Net Assets	(9,962)	75,000	65,038	(113,044)
Net Assets, Beginning of Year	315,340	-	315,340	428,384
Net Assets, End of Year	$ 305,378	$ 75,000	$ 380,378	$ 315,340

The accompanying notes are an integral part of these financial statements.

EAST VILLAGE ASSOCIATION, INC.
Statements of Functional Expenses
For the Year Ended June 30, 2025 & 2024

	Program Services	General & Management	2025	2024
Expenses:				
Accounting	$ 2,680	$ 1,320	$ 4,000	$ 10,620
Advertising/Promotions	74,104	-	74,104	48,792
Bank Fees	92	46	138	345
Consultants	107,400	52,898	160,298	195,417
Designs	-	-	-	150
Dues & Subscriptions	1,124	553	1,677	3,153
Insurance	3,895	1,918	5,813	4,514
Legal Settlement	-	-	-	150,000
License & Fees	4,167	2,052	6,219	4,267
Miscellaneous	312	153	465	61
Office Expense	22,663	11,162	33,825	31,360
Postage	586	289	875	18
Printing	4,215	2,076	6,291	6,005
Professional fees	70	8	78	5,205
Rent	8,605	4,239	12,844	16,329
Salaries & Payroll Taxes	-	-	-	(513)
Special Projects/Events	135,832	-	135,832	300,597
Supplies	649	319	968	5,495
Telephone/Utilities	354	175	529	513
Total Expenses	$ 366,747	$ 77,209	$ 443,956	$ 782,328

The accompanying notes are an integral part of these financial statements.

EAST VILLAGE ASSOCIATION, INC.
Statements of Cash Flow
For the Year Ended June 30, 2025 & 2024

	2025	2024
Cash Flows from Operating Activities:		
Increase/(Decrease) in Unrestricted Net Assets	$ 65,038	$ (113,044)
Adjustments to reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Decrease/(Increase) in Accounts Receivable	6,727	(42,525)
Decrease/(Increase) in Certificate of Deposit	100,963	(9,179)
Increase/(Decrease) in Accounts Payable	16,330	(8,047)
Increase/(Decrease) in Assessments Payable	-	1,152
Increase/(Decrease) in Legal Settlement Payable	(150,000)	150,000
Total Adjustments	(25,980)	91,401
Net Cash Provided by Operating Activities	39,058	(21,643)
Cash Flows from Investing Activities	-	-
Cash Flows from Financing Activities	-	-
Net Increase/(Decrease) in Cash	39,058	(21,643)
Cash at Beginning of Period	202,224	223,867
Cash at End of Period	$ 241,282	$ 202,224

The accompanying notes are an integral part of these financial statements.

EAST VILLAGE ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2025 & 2024

NOTE 1- Summary of Significant Accounting Policies

Nature of Business
East Village Association, Inc. (the "Association") is a non-profit association incorporated in 2008 under the laws of the State of California. Its primary purposes are to be an advocate for business and promote a desirable destination to live, play, and work in the East Village area of San Diego.

Income tax status
The Association has been granted exemption from federal income tax under Section 501(c)3 of the Internal Revenue Code and the corresponding provision of section 23701(d) of the California Revenue and Taxation Code. The Association is not subject to income tax except for taxes on the receipt of income, if any, which is unrelated to the Association's tax-exempt purpose.

The Financial Accounting Standards Board (FASB) issued Accounting Standards Codifications No. 740-10, Accounting for Uncertainties in Income Tax, which sets a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. The Association's management has reviewed its positions for all open tax years and has determined that it has no uncertain tax positions requiring accrual or disclosures.

Basis of Accounting
The financial statements of the Association are prepared on the accrual basis of accounting.

Use of Estimates in the Preparation of Financial Statements
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts. These estimates are based on information available as of the date of the financial statements, therefore, actual results could differ from these estimates.

Basis of Presentation
The financial statements of the Association have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Association to report information regarding its financial position and activities according for the following net asset classifications:

> **Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Association. These net assets may be used at the discretion of the Association's management and the board of directors.
>
> **Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities and changes in net assets.

Measure of Operations
The statement of activity reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Association's ongoing programs. Nonoperating activities are limited to resources that generate return from long-term investments and other activities considered to be of a more unusual or nonrecurring nature.

Cash and Cash Equivalents
The Association considers all highly liquid investments with an original maturity of less than three months to be cash equivalents. Cash and cash equivalents include cash in readily available checking and savings accounts.

Revenue Recognition
East Village Association, Inc. is funded principally through the administration of contracts and grants with the City and County of San Diego (special assessment districts BID, SBEP, Parking, etc.). Additional funds are generated from special projects and special events.

Functional Allocation of Expenses
The statement of functional expenses presents expense by function and natural classification. Expenses directly attributable to a specific functional area of the Association are reported as expenses of those functional areas. A portion of costs that benefit multiple functional areas (indirect costs) have been allocated across programs and supporting services based on the full-time employee equivalents of programs or supporting service.

New Accounting Pronouncement
In August 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities.* This ASU amends the current nonprofit reporting model and enhances nonprofit Associations required disclosures. The ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Association has adjusted the presentation of these statements accordingly.

Subsequent Events
Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are available to be issued. The Association recognizes in the financial statements, the effects of all subsequent events that provide additional evidence about conditions that existed at that date, including the estimates inherent in the process of preparing financial statements. The Association's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position, but arose after that date and before the financial statements are available to be issued.

The Association has evaluated subsequent events through April 23, 2026, which is the date the financial statements are available for issuance, and concluded that there were no events or transactions that needed to be disclosed.

NOTE 2 – Cash in Banks

As of June 30, 2025 and 2024, cash and cash equivalents are listed as follows:

	2025	2024
Operating Checking	$ 241,282	$201,342
Savings	-	882
Total	$ 241,282	$ 202,224

NOTE 3 – Certificate of Deposits

As of June 30, 2025 and 2024, the balances in the Certificate of Deposits accounts are:

	2025	2024
Certificate of Deposit #3532	$ -	$105,285
Certificate of Deposit #3433	109,628	105,306
Total	$ 109,628	$210,591

Certificate of Deposit #3532 has an annual percentage yield (APY) of 3.15% and matures on January 3, 2026. Withdrawals from the CDs can be made without excessive penalties.

NOTE 4 – Accounts Receivable

The accounts receivable represents unpaid claims submitted to the City of San Diego and various customers for expenditures incurred through the fiscal year ended June 30, 2025 and 2024, listed as follows:

	2025	2024
City of San Diego	$32,795	$37,525
Taste of East Village	2,003	-
Comicon	10,000	10,000
Block Party	1,000	5,000
Total	$45,798	$ 52,525

NOTE 5 – Liquidity and Availability of Resources

The Association's financial assets available for general expenditure, that is without donor restrictions limiting their use within one year of the statement of position date, are as follows:

	2025	2024
Cash and cash equivalents	$241,282	$202,224
Certificate of Deposits	109,628	105,306
Accounts Receivable	45,798	52,525
Total financial assets available within one year	396,708	360,055

Less:		
Amounts unavailable for general expenditures within one year due to:		
Restricted by donors with purpose restrictions (Note 7)	75,000	-
Amounts unavailable to management without Board of Directors approval:	-	-
Total financial assets available to management for General expenditure within one year	$321,708	$360,055

The Association maintains policies of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Donor restricted funds are not available for general expenditures

NOTE 6 – Net Assets without Donor Restrictions

The Association has undesignated Net Assets without donor restrictions of $305,378 at June 30, 2025. And $315,340 at June 30, 2024.

NOTE 7 – Net Assets with Donor Restrictions

The Association received Neighborhood Reinvestment Program grant from the County of San Diego in the amount of $75,000. This grant is designated for equipment and infrastructure needed to stage regular events in East Village, and for holiday/seasonal décor to decorate the district.

NOTE 8 – Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. During the fiscal year ended June 30, 2025 and June 30, 2024, the net assets were released for the following purposes.

	2025	2024
SBEP Management	18,825	16,641
SBEP Tech. Assistant	2,000	-
SBEP Bookkeeping	3,000	3,000
SBEP City Fees & Services	10,000	8,462
Total	$33,825	$28,103

NOTE 8 – Lease Agreement

Association has an office lease agreement with the University of California for at $600 a month. The lease term is on a month-to-month basis. The Association also rents a small storage unit at $321 per month on a month-to-month basis.

NOTE 9 – Related Party

The Association, during the year ending June 30, 2025 paid New City America, Inc. $160,298 to administer the BID and Parking District contracts and all other Association's activities. The Association's Executive Director is also the President and owner of New City America, Inc. The Association paid New City of America $180,000 for the fiscal year ending June 30, 2024.

NOTE 10 – Claimed Legal Actions

On February 28, 2024, former employee Diane Peabody-Straw filed a lawsuit alleging that she was sexually harassed by a member of the Board of Directors and subsequently unlawfully terminated while on maternity leave. The initial pre-litigation demand was in the amount of $450,000. On May 30, 2024 the Association settled with Ms. Peabody-Straw in the amount of $150,000, payable by the Association in 3 installments as follows;

7/1/2024	$50,000
11/5/2024	50,000
3/31/2025	50,000
Total	$150,000