

Management Report

The Hollywood Partnership
For the period ended August 31, 2026



Prepared by
Lorin Lappin

Prepared on
September 8, 2026

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To Management of
To the Board of Directors of
HOLLYWOOD PROPERTY OWNERS ALLIANCE
Hollywood, CA 90028

Management is responsible for the accompanying financial statements of the Hollywood Property Owners Alliance (a 501(c)(6) nonprofit organization) (the "Organization"), which comprise the statement of financial position as of August 31, 2026, the related statement of activities and cash flows for the eight (8) months then ended in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in the Accounts Receivable Aging Summary schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to my compilation engagement. I have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.



Certified Public Accountant
September 9, 2026

The Hollywood Partnership

Statement of Financial Position

As of August 31, 2026

	TOTAL
ASSETS	
Current Assets	
Cash and Cash Equivalents - Restricted Cash Accounts	
101 CNB Checking HED 19-28 (6560)	4,336,607
103 CNB Line of Credit HED 19-28 LC (6056)	1,924
104 CNB Petty Cash HED 19-28 (7200)	1,560
105 CNB MM HED 09-18 (7073)	97,583
110 Bill.com Money In Clearing	(2)
Total Cash and Cash Equivalents - Restricted Cash Accounts	\$4,437,672
Accounts Receivable	
120 Accounts Receivable	
120.1 Accounts Receivable - General	419,153
120.2 Accounts Receivable - Alley	678
120.7 Accounts Receivable - TDOZ	8,757
121.1 Accounts Receivable - General Prior Years	1,052,732
121.2 Accounts Receivable - Alley Prior Years	976
121.3 Accounts Receivable - Direct Billing Prior Years	4,974
121.5 Accounts Receivable - TDOZ Prior Years	8,757
122.1 Allowance for Doubtful Accounts	(860,616)
Total 120 Accounts Receivable	635,411
Total Accounts Receivable	\$635,411
Other Current Assets	
145 Prepaid Expenses	35,962
197 FSA Clearing Account	(3,317)
Total Other Current Assets	\$32,645
Total Current Assets	\$5,105,728

Accrual Basis

See accompanying independent accountant's compilation report

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The Hollywood Partnership

Statement of Financial Position

As of August 31, 2026

	TOTAL
Fixed Assets	
150 Furniture, Fixture, & Equipment	133,825
150.1 Accumulated Depreciation - Furniture, Fixture, & Equipment	(72,890)
Total Fixed Assets	\$60,935
Non-Current Assets	
140 Deposits	59,881
161 Right of Use Lease - Massandra Harbor Hollywood Owners LLC	
161.1 Right of Use Asset - Massandra Harbor Hollywood Owner, LLC	582,845
161.2 Accumulated Amortization - ROU Lease Liability - Massandra Harbor Hollywood Owner LLC	(582,845)
161.3 Right of Use Asset - Massandra Harbor Hollywood Owner, LLC - Apr 26-Apr 27	134,042
Total 161 Right of Use Lease - Massandra Harbor Hollywood Owners LLC	134,042
162 Right of Use Lease - Hollywood Studios LLC (Dispatch Center)	
162.1 Right of Use Asset - Dispatch Center Lease	259,404
162.2 Accumulated Amortization - ROU Lease Liability - Dispatch Center	(259,404)
162.3 Right of Use Asset - Dispatch Center Lease - Mar 26-Feb 29	257,336
Total 162 Right of Use Lease - Hollywood Studios LLC (Dispatch Center)	257,336
Total Non-Current Assets	\$451,260
TOTAL ASSETS	\$5,617,923
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
106 Capital One Spark Cash Plus (2173)	471
109 Bill Spend & Expense Credit Card	3,797
Total Credit Cards	\$4,268
Other Current Liabilities	
201 Accrued Vacation	119,819
203 Accrued Expenses	995,744
212 401K - Contributions Payable	6,631
213 Payroll Deductions Liabilities	(3,731)
225 Payroll Tax Liabilities	(103)
281 Due to/from 501c3	(1,112)
Total Other Current Liabilities	\$1,117,248
Total Current Liabilities	\$1,121,516
Long-Term Liabilities	
207 Lease Liabilities - Massandra Harbor Hollywood Owner LLC - Apr 26-Apr 27	134,042
208 Lease Liabilities - Dispatch Center - Mar 26-Feb 29	259,526
Total Long-Term Liabilities	\$393,568
Total Liabilities	\$1,515,084

Accrual Basis

See accompanying independent accountant's compilation report

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Statement of Financial Position

As of August 31, 2026

	TOTAL
Equity	
300 Opening Balance Equity	1,150,768
303 Retained Earnings	(15,396)
Net Revenue	2,967,466
Total Equity	\$4,102,839
TOTAL LIABILITIES AND EQUITY	\$5,617,923

Note

1. Sweep Account - City National Bank Deposit Sweep Program held by different "Program-Banks" each with balances under \$250,000. As of 8-31-2026, Sweep Account was under transition to newly enhanced Bank Deposit Sweep Account. Balance of \$4.321M was transferred on 9-1-26 to enhanced Bank Deposit Sweep Account.

2. Accounts Receivable - The amount represents outstanding receivables as of 8-31-2026.

3. Prepaid Expenses - Amount includes prepaid insurance premiums for remaining 2025-2026 policy period, 6922 office rent and staff parking and marketing retainer for September 2026.

4. Accrued Expenses - Amounts includes Block by Block contract services for July and August and legal retainer for August.

5. Contributions Payables - Amount includes 401k contribution cleared in September 2026.

6. ASC 842 Right-of-Use Asset Accounting - Required lease obligation accounting for office space leases for Hollywood Studios, LLC & Massandra Harbor Hollywood Owner, LLC

The Hollywood Partnership

Statement of Cash Flows

August 2026

	TOTAL
OPERATING ACTIVITIES	\$ (142,914)
INVESTING ACTIVITIES	\$24,199
FINANCING ACTIVITIES	\$ (23,834)
NET CASH INCREASE FOR PERIOD	\$ (142,549)
Cash at beginning of period	4,580,221
CASH AT END OF PERIOD	\$4,437,672

Accrual Basis

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The Hollywood Partnership

A/R Aging Summary Report
As of Aug 31, 2026

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	Total
City of Los Angeles	428,587.57				0.00	428,587.57
City of Los Angeles - Prior Years					206,823.61	206,823.61
TOTAL	428,587.57				206,823.61	\$635,411.18

	2026	2025	2024	2023	2022 & Older	Allowance for Doubtful Accounts	Total
Govt Parcels	207,927	130,035	127,672	122,570	480,343	(860,616)	207,931
Non-Govt Parcels	211,225	100,271	76,989	8,749	6,103		403,337
Alley	678	766	210		-		1,654
EaCa Alley	-		-	-	-		-
TDOZ	8,757	8,757	-	-	-		17,515
Direct Billing	-	4,974	-	-	-		4,974
General Benefit	-						-
Grand Total	428,588	244,803	204,871	131,319	486,446	(860,616)	635,411

Accrual Basis

See accompanying independent accountant's compilation report

The Hollywood Partnership

Statement of Activities: FY26 Amended Budget vs. Actuals

January - August, 2026

	TOTAL			
	ACTUAL	BUDGET	REMAINING	% REMAINING
Revenue				
400 General Assessment Revenue	8,313,096	8,313,096	0	0.00 %
401 General Benefit Revenue	278,628	278,628	0	0.00 %
403 Alley Assessment Revenue	100,392	100,392	(0)	(0.00 %)
404 General Benefit Revenue - Alley	2,574	2,574	0	0.00 %
405 EaCa Alley Assessment Revenue	44,157	44,157	(0)	(0.00 %)
406 Tourism Assessment Revenue	245,000	245,000	0	0.00 %
Total Revenue	\$8,983,847	\$8,983,847	\$0	0.00 %
GROSS PROFIT	\$8,983,847	\$8,983,847	\$0	0.00 %
Expenditures				
601 Goal 1	4,034,610	6,090,293	2,055,683	34.00 %
602 Goal 2	24,694	98,250	73,556	75.00 %
603 Goal 3	126,826	220,050	93,224	42.00 %
604 Goal 4	100,192	119,950	19,758	16.00 %
620.1 Alley Expenses	54,439	111,626	57,187	51.00 %
620.2 EaCa Alley Expenses	33,787	115,310	81,523	71.00 %
620.3 TDOZ Expenses	110,324	245,000	134,676	55.00 %
630 Personnel & Benefits	1,254,574	1,865,980	611,406	33.00 %
650 Admin & Overhead	281,296	431,534	150,238	35.00 %
670 Management	59,993	337,020	277,027	82.00 %
700 Other Expenses	33,885		(33,885)	
Total Expenditures	\$6,114,620	\$9,635,013	\$3,520,393	37.00 %
NET OPERATING REVENUE	\$2,869,227	\$ (651,166)	\$ (3,520,393)	541.00 %
Other Revenue				
410 Interest Income - LA City	20,101		(20,101)	
411 Interest Income - Bank	66,209		(66,209)	
413 Penalty Income - Assessments	11,929		(11,929)	
Total Other Revenue	\$98,240	\$0	\$ (98,240)	0%
NET OTHER REVENUE	\$98,240	\$0	\$ (98,240)	0%
NET REVENUE	\$2,967,466	\$ (651,166)	\$ (3,618,632)	556.00 %

Accrual Basis

See accompanying independent accountant's compilation report

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