

Management Report

The Hollywood Partnership

For the period ended September 30, 2026



Prepared by

Lorin Lappin

Prepared on

October 7, 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 September 30, 2026, the related statement of activities and cash flows for the nine (9) 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
October 9, 2026

The Hollywood Partnership

Statement of Financial Position

As of September 30, 2026

	TOTAL
ASSETS	
Current Assets	
Cash and Cash Equivalents - Restricted Cash Accounts	
101 CNB Checking HED 19-28 (6560)	75,000
102 CNB Checking HED 19-28 Sweep (6560)	4,164,360
103 CNB Line of Credit HED 19-28 LC (6056)	1,579
104 CNB Petty Cash HED 19-28 (7200)	1,560
105 CNB MM HED 09-18 (7073)	97,623
110 Bill.com Money In Clearing	(2)
Total Cash and Cash Equivalents - Restricted Cash Accounts	\$4,340,121
Accounts Receivable	
120 Accounts Receivable	
120.1 Accounts Receivable - General	307,344
120.2 Accounts Receivable - Alley	678
120.7 Accounts Receivable - TDOZ	8,757
121.1 Accounts Receivable - General Prior Years	1,035,115
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	505,986
Total Accounts Receivable	\$505,986
Other Current Assets	
145 Prepaid Expenses	32,528
197 FSA Clearing Account	(3,317)
199 Bill.com Payment in transit	12,906
Total Other Current Assets	\$42,117
Total Current Assets	\$4,888,223
Fixed Assets	
150 Furniture, Fixture, & Equipment	133,825

The Hollywood Partnership

Statement of Financial Position

As of September 30, 2026

	TOTAL
150.1 Accumulated Depreciation - Furniture, Fixture, & Equipment	(74,987)
Total Fixed Assets	\$58,838
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	117,614
Total 161 Right of Use Lease - Massandra Harbor Hollywood Owners LLC	117,614
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	249,431
Total 162 Right of Use Lease - Hollywood Studios LLC (Dispatch Center)	249,431
Total Non-Current Assets	\$426,926
TOTAL ASSETS	\$5,373,988
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 Accounts Payable	1,019,469
Total Accounts Payable	\$1,019,469
Credit Cards	
106 Capital One Spark Cash Plus (2173)	69
109 Bill Spend & Expense Credit Card	12,906
Total Credit Cards	\$12,975
Other Current Liabilities	
201 Accrued Vacation	116,361
203 Accrued Expenses	496,044
212 401K - Contributions Payable	6,644
213 Payroll Deductions Liabilities	(3,231)
225 Payroll Tax Liabilities	(103)
281 Due to/from 501c3	(12,636)
Total Other Current Liabilities	\$603,080
Total Current Liabilities	\$1,635,524
Long-Term Liabilities	
207 Lease Liabilities - Massandra Harbor Hollywood Owner LLC - Apr 26-Apr 27	117,614
208 Lease Liabilities - Dispatch Center - Mar 26-Feb 29	251,986
Total Long-Term Liabilities	\$369,600
Total Liabilities	\$2,005,124

Accrual Basis

See accompanying independent accountant's compilation report

The Hollywood Partnership

Statement of Financial Position

As of September 30, 2026

	TOTAL
Equity	
300 Opening Balance Equity	1,150,768
303 Retained Earnings	(15,396)
Net Revenue	2,233,491
Total Equity	\$3,368,864
TOTAL LIABILITIES AND EQUITY	\$5,373,988

Note

1. Sweep Account - City National Bank Deposit Sweep Program held by different "Program-Banks" each with balances under \$250,000.

2. Accounts Receivable - The amount represents outstanding receivables as of 9-30-2026.

3. Prepaid Expenses - Amount includes prepaid insurance premiums for remaining 2025-2026 policy period, partial prepaid insurance premiums for 2026-2027 policy period, 6922 office rent and staff parking and marketing retainer for October 2026.

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

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

Accrual Basis

See accompanying independent accountant's compilation report

The Hollywood Partnership

Statement of Cash Flows

September 2026

	TOTAL
OPERATING ACTIVITIES	\$ (97,916)
INVESTING ACTIVITIES	\$24,333
FINANCING ACTIVITIES	\$ (23,968)
NET CASH INCREASE FOR PERIOD	\$ (97,551)
Cash at beginning of period	4,437,672
CASH AT END OF PERIOD	\$4,340,121

Accrual Basis

See accompanying independent accountant's compilation report

The Hollywood Partnership

Accounts Receivable Aging Summary

As of September 30, 2026

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
City of Los Angeles	316,779				0	\$316,779
City of Los Angeles - Prior Years					189,207	\$189,207
TOTAL	\$316,779	\$0	\$0	\$0	\$189,207	\$505,986

	2026	2025	2024	2023	2022 & Older	Allowance for Doubtful Accounts	Total
Govt Parcels	133,940	130,035	127,672	122,570	480,343	(860,616)	133,944
Non-Govt Parcels	173,404	89,794	69,849	8,749	6,103		347,899
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	316,779	234,326	197,731	131,319	486,446	(860,616)	505,986

Accrual Basis

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The Hollywood Partnership

Statement of Activities: FY26 Amended Budget vs. Actuals

January - September, 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	4,552,778	6,090,293	1,537,515	25.00 %
602 Goal 2	27,483	98,250	70,767	72.00 %
603 Goal 3	148,537	220,050	71,513	32.00 %
604 Goal 4	102,454	119,950	17,496	15.00 %
620.1 Alley Expenses	60,096	111,626	51,530	46.00 %
620.2 EaCa Alley Expenses	41,873	115,310	73,437	64.00 %
620.3 TDOZ Expenses	122,939	245,000	122,061	50.00 %
630 Personnel & Benefits	1,389,165	1,865,980	476,816	26.00 %
650 Admin & Overhead	320,532	431,534	111,002	26.00 %
670 Management	62,090	337,020	274,930	82.00 %
700 Other Expenses	30,793		(30,793)	
Total Expenditures	\$6,858,739	\$9,635,013	\$2,776,274	29.00 %
NET OPERATING REVENUE	\$2,125,107	\$ (651,166)	\$ (2,776,273)	426.00 %
Other Revenue				
410 Interest Income - LA City	20,101		(20,101)	
411 Interest Income - Bank	76,499		(76,499)	
413 Penalty Income - Assessments	11,783		(11,783)	
Total Other Revenue	\$108,384	\$0	\$ (108,384)	0%
NET OTHER REVENUE	\$108,384	\$0	\$ (108,384)	0%
NET REVENUE	\$2,233,491	\$ (651,166)	\$ (2,884,657)	443.00 %

Accrual Basis

See accompanying independent accountant's compilation report