

McGinty, Knudtson & Associates, LLP
20422 Beach Blvd Ste 450
Huntington Beach, CA 92648-8301
714-536-7777

Downtown BID - Surf City Nights
315 3rd St
Suite E
Huntington Beach, CA 92648
714-536-8300

Management is responsible for the accompanying financial statements of Downtown BID - Surf City Nights, (a non profit corporation), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of August 31, 2018, and the related statements of revenues and expenses - modified cash basis and cash flows for the 1 Month and the 11 Months then ended in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We 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. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McGinty, Knudtson & Associates, LLP

November 26, 2018

Downtown BID - Surf City Nights
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of August 31, 2018

Assets

Current Assets	
First Bank - Surf City Nights	\$ 252,837.42
Money Market - SCN	<u>1,000.15</u>
Total Current Assets	<u>253,837.57</u>
Property and Equipment	
Machinery & Equipment	1,659.08
Computers	1,306.31
Less Accumulated Depreciation	<u>(2,501.22)</u>
Net Property and Equipment	<u>464.17</u>
Total Assets	<u><u>\$ 254,301.74</u></u>

Downtown BID - Surf City Nights
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of August 31, 2018

Liabilities and Net Assets

Current Liabilities

Total Current Liabilities	0.00
---------------------------	------

Long-Term Liabilities

Total Long-Term Liabilities	0.00
-----------------------------	------

Total Liabilities	0.00
-------------------	------

Net Assets

Other Equity	222,921.15
--------------	------------

Retained Earnings	31,380.59
-------------------	-----------

Total Net Assets	254,301.74
------------------	------------

Total Liabilities and Net Assets	\$ 254,301.74
----------------------------------	---------------

Downtown BID - Surf City Nights
Statement of Revenues & Expenses - Modified Cash Basis
Actual vs. Budget

	1 Month Ended August 31, 2018 Actual	1 Month Ended August 31, 2018 Budget	11 Months Ended August 31, 2018 Actual	11 Months Ended August 31, 2018 Budget
Sales				
Surf City Nights	\$ 31,829.00	\$ 32,000.00	\$ 291,853.80	\$ 288,000.00
Total Sales	<u>31,829.00</u>	<u>32,000.00</u>	<u>291,853.80</u>	<u>288,000.00</u>
Event Expenses				
Surf City Nights - Operational Expenses	0.00	0.00	2,222.00	0.00
Contract Salaries	0.00	3,000.00	21,585.80	33,000.00
Street Cleaning	225.00	200.00	2,306.04	2,200.00
Entertainment	0.00	0.00	3,500.00	0.00
Licenses & Permits	0.00	141.66	2,932.00	1,558.34
Bank Charges	12.50	25.00	62.50	275.00
Marketing & Advertising	724.89	0.00	5,226.89	0.00
Office Supplies	0.00	0.00	117.53	0.00
Rental & Setup	2,730.00	2,500.00	27,778.78	27,500.00
Parking	1,600.00	750.00	7,890.00	8,250.00
Street Closure/City of HB	1,332.09	600.00	4,813.46	6,600.00
Total Event Expenses	<u>6,624.48</u>	<u>7,216.66</u>	<u>78,435.00</u>	<u>79,383.34</u>
Gross Profit	<u>25,204.52</u>	<u>24,783.34</u>	<u>213,418.80</u>	<u>208,616.66</u>
Operating Expenses				
Marketing & Advertising	0.00	2,500.00	20,744.96	29,700.00
Contract Bonus	0.00	4,800.00	29,127.22	40,000.00
Accounting	225.00	225.00	2,975.00	2,475.00
Licenses & Fees	0.00	0.00	1,496.00	0.00
Rent	0.00	0.00	700.00	0.00
Surf City Nights - Transfer to BID	12,000.00	12,000.00	131,533.42	132,000.00
Total Operating Expenses	<u>12,225.00</u>	<u>19,525.00</u>	<u>186,576.60</u>	<u>204,175.00</u>
Operating Income (Loss)	<u>12,979.52</u>	<u>5,258.34</u>	<u>26,842.20</u>	<u>4,441.66</u>
Other Income (Expenses)				
Interest Income	0.00	0.00	0.15	0.00
Other Income	192.00	0.00	4,538.24	0.00
Total Other Income (Expenses)	<u>192.00</u>	<u>0.00</u>	<u>4,538.39</u>	<u>0.00</u>
Net Income (Loss) Before Taxes	<u>13,171.52</u>	<u>5,258.34</u>	<u>31,380.59</u>	<u>4,441.66</u>
Net Income (Loss)	<u>\$ 13,171.52</u>	<u>\$ 5,258.34</u>	<u>\$ 31,380.59</u>	<u>\$ 4,441.66</u>

Downtown BID - Surf City Nights
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Sales													
Surf City Nights	\$ 24,450.00	\$ 22,732.00	\$ 18,472.80	\$ 24,693.00	\$ 23,256.00	\$ 27,997.00	\$ 25,727.00	\$ 37,305.00	\$ 28,284.25	\$ 27,107.75	\$ 31,829.00	\$ 21,313.00	\$ 313,166.80
Total Sales	24,450.00	22,732.00	18,472.80	24,693.00	23,256.00	27,997.00	25,727.00	37,305.00	28,284.25	27,107.75	31,829.00	21,313.00	313,166.80
Cost of Goods Sold													
Surf City Nights - Operational Expenses	0.00	0.00	0.00	0.00	0.00	0.00	2,222.00	0.00	0.00	0.00	0.00	0.00	2,222.00
Contract Salaries	2,917.00	2,917.00	0.00	5,834.00	2,917.00	2,917.00	2,917.00	1,166.80	0.00	0.00	0.00	0.00	21,585.80
Street Cleaning	225.00	0.00	450.00	225.00	112.50	225.00	168.54	225.00	225.00	225.00	225.00	225.00	2,531.04
Entertainment	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	1,500.00	0.00	0.00	0.00	0.00	3,500.00
Licenses & Permits	0.00	0.00	0.00	0.00	0.00	0.00	540.00	0.00	0.00	2,392.00	0.00	0.00	2,932.00
Bank Charges	0.00	12.50	0.00	12.50	0.00	0.00	0.00	0.00	12.50	12.50	12.50	0.00	62.50
Marketing & Advertising	0.00	0.00	2,102.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	724.89	261.72	5,488.61
Office Supplies	0.00	0.00	0.00	0.00	117.53	0.00	0.00	0.00	0.00	0.00	0.00	72.00	189.53
Rental & Setup	2,400.00	2,400.00	0.00	4,200.00	2,400.00	3,002.20	2,400.00	2,650.00	0.00	5,596.58	2,730.00	2,730.00	30,508.78
Parking	468.00	0.00	922.00	834.00	44.00	2.00	808.00	1,612.00	800.00	800.00	1,600.00	0.00	7,890.00
Street Closure/City of HB	0.00	1,157.83	1,157.83	0.00	(40.41)	0.00	0.00	1,206.12	0.00	0.00	1,332.09	0.00	4,813.46
Total Cost of Goods Sold	6,010.00	6,487.33	4,631.83	11,105.50	5,550.62	8,546.20	11,055.54	8,359.92	1,037.50	9,026.08	6,624.48	3,288.72	81,723.72
Gross Profit	18,440.00	16,244.67	13,840.97	13,587.50	17,705.38	19,450.80	14,671.46	28,945.08	27,246.75	18,081.67	25,204.52	18,024.28	231,443.08
Operating Expenses													
Marketing & Advertising	8,067.77	5,836.01	500.00	2,833.10	550.00	500.00	983.08	1,475.00	0.00	0.00	0.00	0.00	20,744.96
Contract Bonus	3,594.36	3,646.16	0.00	5,415.46	3,621.56	3,276.17	0.00	9,573.51	0.00	0.00	0.00	0.00	29,127.22
Accounting	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	725.00	225.00	225.00	0.00	2,975.00
Licenses & Fees	0.00	0.00	0.00	1,496.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,496.00
Rent	700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	700.00
Surf City Nights - Transfer to BID	10,000.00	10,000.00	16,000.00	12,000.00	12,000.00	13,000.00	12,000.00	11,000.00	12,000.00	11,533.42	12,000.00	0.00	131,533.42
Total Operating Expenses	22,587.13	19,707.17	16,725.00	21,969.56	16,396.56	17,001.17	13,208.08	22,273.51	12,725.00	11,758.42	12,225.00	0.00	186,576.60
Operating Income (Loss)	(4,147.13)	(3,462.50)	(2,884.03)	(8,382.06)	1,308.82	2,449.63	1,463.38	6,671.57	14,521.75	6,323.25	12,979.52	18,024.28	44,866.48
Other Income (Expenses)													
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.00	0.00	0.00	0.00	0.15
Other Income	519.00	513.00	312.00	884.00	550.00	110.00	0.00	1,218.24	240.00	0.00	192.00	3,012.00	7,550.24
Total Other Income (Expenses)	519.00	513.00	312.00	884.00	550.00	110.00	0.00	1,218.39	240.00	0.00	192.00	3,012.00	7,550.39
Net Income (Loss) Before Taxes	(3,628.13)	(2,949.50)	(2,572.03)	(7,498.06)	1,858.82	2,559.63	1,463.38	7,889.96	14,761.75	6,323.25	13,171.52	21,036.28	52,416.87

Downtown BID - Surf City Nights
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Net Income (Loss)	<u>\$ (3,628.13)</u>	<u>\$ (2,949.50)</u>	<u>\$ (2,572.03)</u>	<u>\$ (7,498.06)</u>	<u>\$ 1,858.82</u>	<u>\$ 2,559.63</u>	<u>\$ 1,463.38</u>	<u>\$ 7,889.96</u>	<u>\$ 14,761.75</u>	<u>\$ 6,323.25</u>	<u>\$ 13,171.52</u>	<u>\$ 21,036.28</u>	<u>\$ 52,416.87</u>

Downtown BID - Surf City Nights

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
1040	First Bank - Surf City Nights			240,055.90		
08/10/18	2		08/10/18 Collections		9,930.00	
08/10/18	2		08/10/18 Collections		10,194.00	
08/10/18	2		08/10/18 Collections		4,159.00	
08/29/18	2224		City of Huntington Beach		(2,932.09)	
08/29/18	2225		Malco Maintenance Inc.		(3,345.00)	
08/29/18	2226		McGinty, Knudtson & Associates, LLP		(225.00)	
08/29/18	2227		The UPS Store		(724.89)	
08/31/18	2		08/31/18 Collections		2,494.00	
08/31/18	2		08/31/18 Collections		6,746.00	
08/31/18	Rec		Returned item		(458.00)	
08/31/18	Rec		Returned item		(336.00)	
08/31/18	Rec		Returned item		(708.00)	
08/31/18	Rec		Transfer to BID		(12,000.00)	
08/31/18	Rec		Analysis charge		(12.50)	
			Totals for First Bank - Surf City Nights		<u>12,781.52</u>	<u>252,837.42</u>
1050	Money Market - SCN			1,000.15		
			Totals for Money Market - SCN		<u>0.00</u>	<u>1,000.15</u>
1640	Machinery & Equipment			1,269.08		
08/29/18	2225		Malco Maintenance Inc. - Push Cart		240.00	
08/29/18	2225		Malco Maintenance Inc. - cardboard waste receptacles		150.00	
			Totals for Machinery & Equipment		<u>390.00</u>	<u>1,659.08</u>
1670	Computers			1,306.31		
			Totals for Computers		<u>0.00</u>	<u>1,306.31</u>
1700	Accumulated Depreciation			(2,501.22)		
			Totals for Accumulated Depreciation		<u>0.00</u>	<u>(2,501.22)</u>
3100	Unrestricted Retained Earnings			(222,921.15)		
			Totals for Unrestricted Retained Earnings		<u>0.00</u>	<u>(222,921.15)</u>
4450	Surf City Nights			(260,024.80)		
08/10/18	2		Hortencia Purses		(408.00)	
08/10/18	2		Alex's Fruits & Nuts		(336.00)	
08/10/18	2		Matterhorn Gourmet		(328.00)	
08/10/18	2		MO - Howies Beef Jerky		(416.00)	
08/10/18	2		Hypnosis		(316.00)	
08/10/18	2		Keystone Cravings		(336.00)	
08/10/18	2		Acapulco Pico		(336.00)	
08/10/18	2		Empanadas		(716.00)	
08/10/18	2		Baba Foods		(308.00)	
08/10/18	2		Anna's Bakery		(328.00)	
08/10/18	2		Gutierrez		(236.00)	
08/10/18	2		Maria' Flowers		(236.00)	
08/10/18	2		MO - Tamai		(236.00)	
08/10/18	2		Two Cookies		(77.00)	
08/10/18	2		MO - Hannah Ballons		(108.00)	
08/10/18	2		Ohana Hawaiian Jewelry		(616.00)	
08/10/18	2		Tibetan Jewelry		(308.00)	
08/10/18	2		Coach's Comfy Air Beds		(416.00)	
08/10/18	2		Ivy Couture		(336.00)	
08/10/18	2		Simple Scents		(308.00)	
08/10/18	2		Bark City		(376.00)	
08/10/18	2		Coach's Art		(316.00)	

Downtown BID - Surf City Nights

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
08/10/18	2		Salt Lamps		(316.00)	
08/10/18	2		Little Devils & Divas		(621.00)	
08/10/18	2		Natures Pet		(316.00)	
08/10/18	2		Surf City Flags		(308.00)	
08/10/18	2		Gera's Roasted Corn		(316.00)	
08/10/18	2		Sunny Cal Farmers Market		(236.00)	
08/10/18	2		Starla's Boutique		(416.00)	
08/10/18	2		The Almond Guys		(136.00)	
08/10/18	2		Turmeric		(336.00)	
08/10/18	2		Art 4 Shore		(116.00)	
08/10/18	2		Ricky Shoots		(308.00)	
08/10/18	2		Frogs Organic Bakery		(56.00)	
08/10/18	2		Frogs Organic Bakery		(280.00)	
08/10/18	2		Divinty		(316.00)	
08/10/18	2		It Makes Scents		(316.00)	
08/10/18	2		Polynesian Designs		(316.00)	
08/10/18	2		Gama Farm		(236.00)	
08/10/18	2		Style Up Hair Clips		(308.00)	
08/10/18	2		MO - Kisses of Coconut		(316.00)	
08/10/18	2		Barbara's Kettle Corn		(316.00)	
08/10/18	2		Saltena Corner		(308.00)	
08/10/18	2		The Tamale Fiesta		(708.00)	
08/10/18	2		Churro Mex		(316.00)	
08/10/18	2		Snow Biz/Totally Nutz		(316.00)	
08/10/18	2		MO - Islander Access		(416.00)	
08/10/18	2		Edge of the World		(316.00)	
08/10/18	2		MO - Sergio's Leather		(416.00)	
08/10/18	2		Bee Ladies		(116.00)	
08/10/18	2		MO - Pro Garage		(368.00)	
08/10/18	2		HB Fire Pit		(308.00)	
08/10/18	2		Sheet Guys		(458.00)	
08/10/18	2		Redbeards Hot Sauce		(336.00)	
08/10/18	2		George Taco		(716.00)	
08/10/18	2		Istanbul Gifts		(316.00)	
08/10/18	2		Pupusas Yeni		(716.00)	
08/10/18	2		Papas & Dogs		(708.00)	
08/10/18	2		Tiffany's House		(316.00)	
08/10/18	2		MO - World Wide Plants		(316.00)	
08/10/18	2		Ride with Us		(316.00)	
08/10/18	2		Integrative Paind and Wellness Clinic		(316.00)	
08/10/18	2		Sit Means Sit		(368.00)	
08/10/18	2		Eva Designs		(408.00)	
08/10/18	2		Gerwig Avocado Ranch		(168.00)	
08/10/18	2		Your Love Inspires		(316.00)	
08/10/18	2		Bazil Chiropractic Health Ctr		(276.00)	
08/10/18	2		Baby Mini Donuts		(228.00)	
08/10/18	2		Sola Foods		(336.00)	
08/10/18	2		Dolce Monachelli's		(336.00)	
08/10/18	2		Gaytan Family Farm		(228.00)	
08/10/18	2		Back to Basics		(231.00)	
08/31/18	2		Sheet Guys		(310.00)	
08/31/18	2		Fresh from me 2 you		(328.00)	
08/31/18	2		Sheet Guys		(100.00)	
08/31/18	2		MO - Sola Foods		(50.00)	
08/31/18	2		MO - Atkins Farm		(238.00)	
08/31/18	2		MO - Kettle Corn		(336.00)	
08/31/18	2		Planet Cookies		(336.00)	
08/31/18	2		Ana's Bakery		(56.00)	

Downtown BID - Surf City Nights

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
08/31/18	2		Bark City		(376.00)	
08/31/18	2		Tiffany Jewelry		(36.00)	
08/31/18	2		Chesecake in a Cup		(328.00)	
08/31/18	2		House of Bonsai		(228.00)	
08/31/18	2		West Coast Bungy		(91.00)	
08/31/18	2		Dare me Bikini		(26.00)	
08/31/18	2		Baby Mini Donuts		(80.00)	
08/31/18	2		Hawaiian Import		(54.00)	
08/31/18	2		Giddy Up Pony Rides & Petting Zoo		(108.00)	
08/31/18	2		Hawaiian Import		(81.00)	
08/31/18	2		MO - Tropical Island		(783.00)	
08/31/18	2		Diane's		(26.00)	
08/31/18	2		Welk		(1,116.00)	
08/31/18	2		HBBC Easyrider		(26.00)	
08/31/18	2		MO _ Henry's Farm		(136.00)	
08/31/18	2		Creative Mat		(316.00)	
08/31/18	2		Caricature		(54.00)	
08/31/18	2		Ricky Moseley		(308.00)	
08/31/18	2		Spiritual Orgins		(308.00)	
08/31/18	2		Hawaii Station		(416.00)	
08/31/18	2		MO - Sola Foods		(361.00)	
08/31/18	2		MO - Sheet Guys		(458.00)	
08/31/18	2		Toe Ring		(79.00)	
08/31/18	2		Toe Ring		(54.00)	
08/31/18	2		Toe Ring		(158.00)	
08/31/18	2		Fresh from me 2 you		(328.00)	
08/31/18	2		Tamai Farms		(236.00)	
08/31/18	2		Turmeric		(336.00)	
08/31/18	2		Sheet Guys		(25.00)	
08/31/18	2		Caricature		(54.00)	
08/31/18	2		Back Alley		(32.00)	
08/31/18	2		Back Alley		(280.00)	
08/31/18	Rec		Returned item		458.00	
08/31/18	Rec		Returned item		336.00	
08/31/18	Rec		Returned item		708.00	
			Totals for Surf City Nights		<u>(31,829.00)</u>	<u>(291,853.80)</u>
5400	Surf City Nights - Operational Expenses			2,222.00		
			Totals for Surf City Nights - Operational Expenses		<u>0.00</u>	<u>2,222.00</u>
5410	Contract Salaries			21,585.80		
			Totals for Contract Salaries		<u>0.00</u>	<u>21,585.80</u>
5420	Street Cleaning			2,081.04		
08/29/18	2225		Malco Maintenance Inc.		225.00	
			Totals for Street Cleaning		<u>225.00</u>	<u>2,306.04</u>
5425	Entertainment			3,500.00		
			Totals for Entertainment		<u>0.00</u>	<u>3,500.00</u>
5440	Licenses & Permits			2,932.00		
			Totals for Licenses & Permits		<u>0.00</u>	<u>2,932.00</u>
5445	Bank Charges			50.00		
08/31/18	Rec		Analysis charge		12.50	
			Totals for Bank Charges		<u>12.50</u>	<u>62.50</u>

Downtown BID - Surf City Nights

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
5450	Marketing & Advertising			4,502.00		
08/29/18	2227		The UPS Store		<u>724.89</u>	
			Totals for Marketing & Advertising		<u>724.89</u>	<u>5,226.89</u>
5455	Office Supplies			117.53		
			Totals for Office Supplies		<u>0.00</u>	<u>117.53</u>
5465	Rental & Setup			25,048.78		
08/29/18	2225		Malco Maintenance Inc.		<u>2,730.00</u>	
			Totals for Rental & Setup		<u>2,730.00</u>	<u>27,778.78</u>
5485	Parking			6,290.00		
08/29/18	2224		City of Huntington Beach		<u>800.00</u>	
08/29/18	2224		City of Huntington Beach		<u>800.00</u>	
			Totals for Parking		<u>1,600.00</u>	<u>7,890.00</u>
5490	Street Closure/City of HB			3,481.37		
08/29/18	2224		City of Huntington Beach		<u>1,332.09</u>	
			Totals for Street Closure/City of HB		<u>1,332.09</u>	<u>4,813.46</u>
7010	Marketing & Advertising			20,744.96		
			Totals for Marketing & Advertising		<u>0.00</u>	<u>20,744.96</u>
7060	Contract Bonus			29,127.22		
			Totals for Contract Bonus		<u>0.00</u>	<u>29,127.22</u>
7175	Accounting			2,750.00		
08/29/18	2226		McGinty, Knudtson & Associates, LLP		<u>225.00</u>	
			Totals for Accounting		<u>225.00</u>	<u>2,975.00</u>
7180	Licenses & Fees			1,496.00		
			Totals for Licenses & Fees		<u>0.00</u>	<u>1,496.00</u>
7290	Rent			700.00		
			Totals for Rent		<u>0.00</u>	<u>700.00</u>
7340	Surf City Nights - Transfer to BID			119,533.42		
08/31/18	Rec		Transfer to BID		<u>12,000.00</u>	
			Totals for Surf City Nights - Transfer to BID		<u>12,000.00</u>	<u>131,533.42</u>
8000	Interest Income			(0.15)		
			Totals for Interest Income		<u>0.00</u>	<u>(0.15)</u>
8100	Other Income			(4,346.24)		
08/10/18	2		Cash		<u>(4.00)</u>	
08/31/18	2		Cash - parking		<u>(188.00)</u>	
			Totals for Other Income		<u>(192.00)</u>	<u>(4,538.24)</u>
			Report Total			<u>0.00</u>
Net Profit/(Loss)						
Current Period					<u>13,171.52</u>	
Year-to-Date					<u>31,380.59</u>	

Distribution count = 142

Downtown BID - Surf City Nights

Journals

August 1, 2018 - August 31, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
Journal: General						
08/10/18	2	4450		Hortencia Purses		(408.00)
08/10/18	2	4450		Alex's Fruits & Nuts		(336.00)
08/10/18	2	4450		Matterhorn Gourmet		(328.00)
08/10/18	2	4450		MO - Howies Beef Jerky		(416.00)
08/10/18	2	4450		Hypnosis		(316.00)
08/10/18	2	4450		Keystone Cravings		(336.00)
08/10/18	2	4450		Acapulco Pico		(336.00)
08/10/18	2	4450		Empanadas		(716.00)
08/10/18	2	4450		Baba Foods		(308.00)
08/10/18	2	4450		Anna's Bakery		(328.00)
08/10/18	2	4450		Gutierrez		(236.00)
08/10/18	2	4450		Maria' Flowers		(236.00)
08/10/18	2	4450		MO - Tamai		(236.00)
08/10/18	2	4450		Two Cookies		(77.00)
08/10/18	2	4450		MO - Hannah Ballons		(108.00)
08/10/18	2	4450		Ohana Hawaiian Jewelry		(616.00)
08/10/18	2	4450		Tibetan Jewelry		(308.00)
08/10/18	2	4450		Coach's Comfy Air Beds		(416.00)
08/10/18	2	4450		Ivy Couture		(336.00)
08/10/18	2	4450		Simple Scents		(308.00)
08/10/18	2	4450		Bark City		(376.00)
08/10/18	2	4450		Coach's Art		(316.00)
08/10/18	2	4450		Salt Lamps		(316.00)
08/10/18	2	4450		Little Devils & Divas		(621.00)
08/10/18	2	4450		Natures Pet		(316.00)
08/10/18	2	4450		Surf City Flags		(308.00)
08/10/18	2	4450		Gera's Roasted Corn		(316.00)
08/10/18	2	4450		Sunny Cal Farmers Market		(236.00)
08/10/18	2	4450		Starla's Boutique		(416.00)
08/10/18	2	8100		Cash		(4.00)
08/10/18	2	1040		08/10/18 Collections		9,930.00
08/10/18	2	4450		The Almond Guys		(136.00)
08/10/18	2	4450		Turmeric		(336.00)
08/10/18	2	4450		Art 4 Shore		(116.00)
08/10/18	2	4450		Ricky Shoots		(308.00)
08/10/18	2	4450		Frogs Organic Bakery		(56.00)
08/10/18	2	4450		Frogs Organic Bakery		(280.00)
08/10/18	2	4450		Divinty		(316.00)
08/10/18	2	4450		It Makes Scents		(316.00)
08/10/18	2	4450		Polynesian Designs		(316.00)
08/10/18	2	4450		Gama Farm		(236.00)
08/10/18	2	4450		Style Up Hair Clips		(308.00)
08/10/18	2	4450		MO - Kisses of Coconut		(316.00)
08/10/18	2	4450		Barbara's Kettle Corn		(316.00)
08/10/18	2	4450		Saltena Corner		(308.00)
08/10/18	2	4450		The Tamale Fiesta		(708.00)
08/10/18	2	4450		Churro Mex		(316.00)
08/10/18	2	4450		Snow Biz/Totally Nutz		(316.00)
08/10/18	2	4450		MO - Islander Access		(416.00)
08/10/18	2	4450		Edge of the World		(316.00)
08/10/18	2	4450		MO - Sergio's Leather		(416.00)
08/10/18	2	4450		Bee Ladies		(116.00)
08/10/18	2	4450		MO - Pro Garage		(368.00)
08/10/18	2	4450		HB Fire Pit		(308.00)
08/10/18	2	4450		Sheet Guys		(458.00)
08/10/18	2	4450		Redbeards Hot Sauce		(336.00)
08/10/18	2	4450		George Taco		(716.00)
08/10/18	2	4450		Istanbul Gifts		(316.00)

Downtown BID - Surf City Nights

Journals

August 1, 2018 - August 31, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
08/10/18	2	4450		Pupusas Yeni		(716.00)
08/10/18	2	4450		Papas & Dogs		(708.00)
08/10/18	2	1040		08/10/18 Collections		10,194.00
08/10/18	2	4450		Tiffany's House		(316.00)
08/10/18	2	4450		MO - World Wide Plants		(316.00)
08/10/18	2	4450		Ride with Us		(316.00)
08/10/18	2	4450		Integrative Paind and Wellness Clinic		(316.00)
08/10/18	2	4450		Sit Means Sit		(368.00)
08/10/18	2	4450		Eva Designs		(408.00)
08/10/18	2	4450		Gerwig Avocado Ranch		(168.00)
08/10/18	2	4450		Your Love Inspires		(316.00)
08/10/18	2	4450		Bazil Chiropractic Health Ctr		(276.00)
08/10/18	2	4450		Baby Mini Donuts		(228.00)
08/10/18	2	4450		Sola Foods		(336.00)
08/10/18	2	4450		Dolce Monachelli's		(336.00)
08/10/18	2	4450		Gaytan Family Farm		(228.00)
08/10/18	2	4450		Back to Basics		(231.00)
08/10/18	2	1040		08/10/18 Collections		4,159.00
08/29/18	2224	1040	CITYHB	City of Huntington Beach		(2,932.09)
08/29/18	2224	5485	CITYHB	City of Huntington Beach		800.00
08/29/18	2224	5485	CITYHB	City of Huntington Beach		800.00
08/29/18	2224	5490	CITYHB	City of Huntington Beach		1,332.09
08/29/18	2225	1040	Malco	Malco Maintenance Inc.		(3,345.00)
08/29/18	2225	5420	Malco	Malco Maintenance Inc.		225.00
08/29/18	2225	1640	Malco	Malco Maintenance Inc. - Push Cart		240.00
08/29/18	2225	1640	Malco	Malco Maintenance Inc. - cardboard waste receptacles		150.00
08/29/18	2225	5465	Malco	Malco Maintenance Inc.		2,730.00
08/29/18	2226	1040	MKA	McGinty, Knudtson & Associates, LLP		(225.00)
08/29/18	2226	7175	MKA	McGinty, Knudtson & Associates, LLP		225.00
08/29/18	2227	1040	UPS	The UPS Store		(724.89)
08/29/18	2227	5450	UPS	The UPS Store		724.89
08/31/18	2	4450		Sheet Guys		(310.00)
08/31/18	2	4450		Fresh from me 2 you		(328.00)
08/31/18	2	4450		Sheet Guys		(100.00)
08/31/18	2	4450		MO - Sola Foods		(50.00)
08/31/18	2	4450		MO - Atkins Farm		(238.00)
08/31/18	2	4450		MO - Kettle Corn		(336.00)
08/31/18	2	4450		Planet Cookies		(336.00)
08/31/18	2	4450		Ana's Bakery		(56.00)
08/31/18	2	4450		Bark City		(376.00)
08/31/18	2	4450		Tiffany Jewelry		(36.00)
08/31/18	2	4450		Chesecake in a Cup		(328.00)
08/31/18	2	1040		08/31/18 Collections		2,494.00
08/31/18	2	8100		Cash - parking		(188.00)
08/31/18	2	4450		House of Bonsai		(228.00)
08/31/18	2	4450		West Coast Bungy		(91.00)
08/31/18	2	4450		Dare me Bikini		(26.00)
08/31/18	2	4450		Baby Mini Donuts		(80.00)
08/31/18	2	4450		Hawaiian Import		(54.00)
08/31/18	2	4450		Giddy Up Pony Rides & Petting Zoo		(108.00)
08/31/18	2	4450		Hawaiian Import		(81.00)
08/31/18	2	4450		MO - Tropical Island		(783.00)
08/31/18	2	4450		Diane's		(26.00)
08/31/18	2	4450		Welk		(1,116.00)
08/31/18	2	4450		HBBC Easyrider		(26.00)
08/31/18	2	4450		MO _ Henry's Farm		(136.00)
08/31/18	2	4450		Creative Mat		(316.00)
08/31/18	2	4450		Caricature		(54.00)

Downtown BID - Surf City Nights

Journals

August 1, 2018 - August 31, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
08/31/18	2	4450		Ricky Moseley		(308.00)
08/31/18	2	4450		Spiritual Orgins		(308.00)
08/31/18	2	4450		Hawaii Station		(416.00)
08/31/18	2	4450		MO - Sola Foods		(361.00)
08/31/18	2	4450		MO - Sheet Guys		(458.00)
08/31/18	2	4450		Toe Ring		(79.00)
08/31/18	2	4450		Toe Ring		(54.00)
08/31/18	2	4450		Toe Ring		(158.00)
08/31/18	2	4450		Fresh from me 2 you		(328.00)
08/31/18	2	4450		Tamai Farms		(236.00)
08/31/18	2	4450		Turmeric		(336.00)
08/31/18	2	4450		Sheet Guys		(25.00)
08/31/18	2	4450		Caricature		(54.00)
08/31/18	2	4450		Back Alley		(32.00)
08/31/18	2	4450		Back Alley		(280.00)
08/31/18	2	1040		08/31/18 Collections		6,746.00
08/31/18	Rec	1040		Returned item		(458.00)
08/31/18	Rec	4450		Returned item		458.00
08/31/18	Rec	1040		Returned item		(336.00)
08/31/18	Rec	4450		Returned item		336.00
08/31/18	Rec	1040		Returned item		(708.00)
08/31/18	Rec	4450		Returned item		708.00
08/31/18	Rec	1040		Transfer to BID		(12,000.00)
08/31/18	Rec	7340		Transfer to BID		12,000.00
08/31/18	Rec	1040		Analysis charge		(12.50)
08/31/18	Rec	5445		Analysis charge		12.50
					Transaction Balance for General	0.00

Transaction Totals

Total Debits	<u>54,264.48</u>
Total Credits	<u>54,264.48</u>
Account Hash Total	<u><u>598545.0000</u></u>

Transaction count = 128
 Distribution count = 142

McGinty, Knudtson & Associates, LLP
20422 Beach Blvd Ste 450
Huntington Beach, CA 92648-8301
714-536-7777

HB Downtown Business Improvement District
315 3rd St
Suite E
Huntington Beach, CA 92648
714-536-8300

Management is responsible for the accompanying financial statements of HB Downtown Business Improvement District, (a non profit corporation), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of August 31, 2018, and the related statements of revenues and expenses - modified cash basis and cash flows for the 1 Month and the 11 Months then ended in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We 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. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McGinty, Knudtson & Associates, LLP

November 27, 2018

HB Downtown Business Improvement District
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of August 31, 2018

Assets

Current Assets	
First Bank - Checking	\$ 26,254.50
Accounts Receivable - Trade	250.00
Accounts Receivable - Miscellaneous	604.00
Prepaid Rent	<u>500.00</u>
Total Current Assets	<u>27,608.50</u>
Property and Equipment	<u> </u>
Net Property and Equipment	<u>0.00</u>
Total Assets	<u><u>\$ 27,608.50</u></u>

HB Downtown Business Improvement District
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of August 31, 2018

Liabilities and Net Assets

Current Liabilities	
Accrued Payroll	\$ 64.86
Payroll Taxes Payable	<u>(853.29)</u>
Total Current Liabilities	<u>(788.43)</u>
Long-Term Liabilities	
Total Long-Term Liabilities	<u>0.00</u>
Total Liabilities	<u>(788.43)</u>
Net Assets	
Other Equity	41,741.88
Retained Earnings	<u>(13,344.95)</u>
Total Net Assets	<u>28,396.93</u>
Total Liabilities and Net Assets	<u>\$ 27,608.50</u>

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
Actual vs. Budget

	1 Month Ended August 31, 2018 Actual	1 Month Ended August 31, 2018 Budget	11 Months Ended August 31, 2018 Actual	11 Months Ended August 31, 2018 Budget
Sales				
BID Assessments - Prior Year	\$ 0.00	\$ 0.00	\$ 16,296.31	\$ 0.00
BID Assessments - Current Year	7,862.04	7,560.00	96,486.31	115,986.68
Chili at the Beach	0.00	0.00	30,747.47	30,000.00
Surf City Nights	12,000.00	12,000.00	131,533.42	124,000.00
Art Walk	0.00	13,000.00	0.00	13,000.00
Miracle on Main Street	0.00	0.00	1,350.00	0.00
He'e Nalu Aloha Pier Festival	0.00	0.00	14,615.00	0.00
Sponsorships	0.00	0.00	0.00	3,000.00
Total Sales	<u>19,862.04</u>	<u>32,560.00</u>	<u>291,028.51</u>	<u>285,986.68</u>
Event Expenses				
Chili at the Beach	0.00	0.00	5,906.81	15,000.00
Administration	0.00	0.00	1,375.47	0.00
Awards	0.00	0.00	1,257.79	0.00
Event Entertainment	0.00	0.00	6,738.99	0.00
Licenses & Permits	0.00	0.00	1,909.25	0.00
Marketing & Banners	0.00	0.00	1,127.52	0.00
Miscellaneous event expenses	0.00	0.00	1,491.91	0.00
Printing & Production	0.00	0.00	2,316.62	0.00
Security	0.00	0.00	1,092.00	0.00
Sponsorships	0.00	0.00	6,000.00	0.00
Parking	0.00	0.00	138.00	0.00
Halloween	0.00	0.00	5,295.00	6,000.00
Marketing & Advertising	219.00	0.00	219.00	0.00
Surf City Days	1,500.00	0.00	3,760.00	0.00
Cleaning	0.00	0.00	100.00	0.00
Marketing & Advertising	219.00	0.00	219.00	0.00
Art Walk/Main Street Late Night	0.00	13,000.00	0.00	13,000.00
Marketing & Advertising	0.00	0.00	6,632.27	0.00
Printing & Production	0.00	0.00	923.69	0.00
Holiday Beautification	2,100.00	0.00	18,725.00	30,000.00
Miracle on Main	0.00	0.00	11,839.34	10,000.00
Licenses & Permits	2,842.00	0.00	3,192.00	0.00
Marketing & Advertising-SC Days	225.00	0.00	225.00	0.00
He'e Nalu Aloha Pier Festival	0.00	0.00	17,472.29	0.00
Sandcastles	0.00	0.00	0.00	8,000.00
Surf-O-Rama	0.00	0.00	260.37	0.00
Total Event Expenses	<u>7,105.00</u>	<u>13,000.00</u>	<u>98,217.32</u>	<u>82,000.00</u>
Gross Profit	<u>12,757.04</u>	<u>19,560.00</u>	<u>192,811.19</u>	<u>203,986.68</u>
Operating Expenses				
Advertising & Marketing	192.90	4,816.66	12,586.77	47,049.98
Bank Charges	0.00	25.00	12.50	241.68
Donations	0.00	600.00	225.00	4,800.00
Dues & Subscriptions	0.00	83.34	6,414.08	916.65
Insurance	0.00	0.00	570.60	2,453.32
Liability Insurance	0.00	0.00	6,723.00	2,266.68
Legal	0.00	0.00	0.00	1,000.00
Accounting	531.61	375.00	5,364.01	3,791.68
Licenses & Fees	60.00	0.00	60.00	100.00
Meeting Expenses	0.00	416.67	357.93	4,583.37
Office Expense	802.43	250.00	4,078.13	2,750.00

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
Actual vs. Budget

	1 Month Ended August 31, 2018 Actual	1 Month Ended August 31, 2018 Budget	11 Months Ended August 31, 2018 Actual	11 Months Ended August 31, 2018 Budget
Office Salaries & Wages	0.00	0.00	20,989.60	0.00
Outside Services	0.00	0.00	22,900.00	0.00
Salaries & Wages	3,525.05	6,666.67	22,062.88	72,000.01
Consulting	5,416.67	0.00	16,250.01	0.00
Payroll Tax Expense	269.67	560.00	2,345.84	6,320.00
Printing & Production	0.00	0.00	2,027.97	0.00
Rent	2,800.00	910.00	10,100.00	10,036.68
Repairs & Maintenance	0.00	41.67	2,548.94	458.37
Security	4,000.00	4,000.00	70,364.00	43,000.00
Taxes	0.00	0.00	10.00	0.00
Telephone	0.00	165.00	808.31	1,988.32
Utilities	0.00	0.00	456.57	0.00
Total Operating Expenses	<u>17,598.33</u>	<u>18,910.01</u>	<u>207,256.14</u>	<u>203,756.74</u>
Operating Income (Loss)	<u>(4,841.29)</u>	<u>649.99</u>	<u>(14,444.95)</u>	<u>229.94</u>
Other Income (Expenses)				
Other Income	0.00	0.00	1,100.00	0.00
Total Other Income (Expenses)	<u>0.00</u>	<u>0.00</u>	<u>1,100.00</u>	<u>0.00</u>
Net Income (Loss) Before Taxes	<u>(4,841.29)</u>	<u>649.99</u>	<u>(13,344.95)</u>	<u>229.94</u>
Net Income (Loss)	<u>\$ (4,841.29)</u>	<u>\$ 649.99</u>	<u>\$ (13,344.95)</u>	<u>\$ 229.94</u>

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Sales													
BID Assessments - Prior Year	\$ 0.00	\$ 16,296.31	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 16,296.31
BID Assessments - Current Year	0.00	0.00	21,012.55	0.00	13,257.63	8,640.00	14,264.40	11,137.02	0.00	20,312.67	7,862.04	0.00	96,486.31
Chili at the Beach	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,747.47	0.00	0.00	0.00	30,747.47
Surf City Nights	10,000.00	10,000.00	16,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	11,533.42	12,000.00	0.00	131,533.42
Miracle on Main Street	0.00	350.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	1,350.00
He'e Nalu Aloha Pier Festival	14,615.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,615.00
Total Sales	24,615.00	26,646.31	37,012.55	12,000.00	25,257.63	20,640.00	27,264.40	23,137.02	42,747.47	31,846.09	19,862.04	0.00	291,028.51
Cost of Goods Sold													
Chili at the Beach	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	4,906.81	0.00	0.00	0.00	5,906.81
Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,375.47	0.00	0.00	0.00	1,375.47
Awards	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	950.00	307.79	0.00	0.00	1,257.79
Event Entertainment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,738.99	0.00	0.00	0.00	6,738.99
Licenses & Permits	0.00	0.00	0.00	0.00	0.00	219.00	0.00	1,360.00	330.25	0.00	0.00	0.00	1,909.25
Marketing & Banners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,127.52	0.00	0.00	0.00	1,127.52
Miscellaneous event expenses	0.00	0.00	0.00	0.00	580.50	0.00	0.00	0.00	959.35	(47.94)	0.00	0.00	1,491.91
Printing & Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	900.00	1,416.62	0.00	0.00	2,316.62
Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,092.00	0.00	0.00	0.00	1,092.00
Sponsorships	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,000.00	0.00	0.00	0.00	6,000.00
Parking	0.00	116.00	0.00	22.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	138.00
Halloween	5,295.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,295.00
Marketing & Advertising	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	219.00	0.00	219.00
Printing & Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	205.04	205.04
Surf City Days	2,260.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	0.00	3,760.00
Cleaning	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
Marketing & Advertising	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	219.00	2,287.50	2,506.50
Outside Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	590.00	590.00
Marketing & Advertising	1,000.00	0.00	0.00	3,632.27	1,000.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	6,632.27
Printing & Production	923.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	923.69
Holiday Beautification	0.00	16,625.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,100.00	0.00	18,725.00
Miracle on Main	515.00	11,324.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,839.34
Licenses & Permits	0.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	2,842.00	0.00	3,192.00
Marketing & Advertising-SC Days	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	225.00	0.00	225.00
He'e Nalu Aloha Pier Festival	11,397.18	6,075.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,472.29
Surf-O-Rama	0.00	0.00	0.00	260.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	260.37
Total Cost of Goods Sold	21,390.87	34,140.45	1,000.00	4,264.64	1,580.50	319.00	1,000.00	1,360.00	24,380.39	1,676.47	7,105.00	3,082.54	101,299.86
Gross Profit	3,224.13	(7,494.14)	36,012.55	7,735.36	23,677.13	20,321.00	26,264.40	21,777.02	18,367.08	30,169.62	12,757.04	(3,082.54)	189,728.65

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Operating Expenses													
Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	308.00	308.00
Advertising & Marketing	0.00	3,365.00	0.00	1,064.29	0.00	1,000.00	190.00	5,125.00	1,574.53	75.05	192.90	1,626.87	14,213.64
Bank Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.50	0.00	0.00	12.50
Donations	0.00	0.00	0.00	0.00	0.00	0.00	225.00	0.00	0.00	0.00	0.00	0.00	225.00
Dues & Subscriptions	0.00	0.00	0.00	5,796.90	0.00	0.00	200.00	0.00	0.00	417.18	0.00	0.00	6,414.08
Insurance	0.00	0.00	0.00	0.00	51.60	519.00	0.00	0.00	0.00	0.00	0.00	0.00	570.60
Liability Insurance	0.00	0.00	0.00	0.00	5,023.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	6,723.00
Accounting	310.74	310.74	85.74	722.74	267.87	1,458.61	436.74	316.74	556.74	365.74	531.61	0.00	5,364.01
Licenses & Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.00	0.00	60.00
Meeting Expenses	0.00	357.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	357.93
Office Expense	(87.47)	75.35	0.00	170.57	1,043.70	156.19	533.36	137.32	390.90	855.78	802.43	0.00	4,078.13
Office Salaries & Wages	0.00	0.00	0.00	0.00	5,416.67	5,416.67	5,416.67	4,739.59	0.00	0.00	0.00	0.00	20,989.60
Outside Services	7,900.00	5,000.00	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22,900.00
Salaries & Wages	2,384.00	1,852.00	1,680.00	1,320.00	1,576.00	1,372.00	1,536.00	1,814.00	2,834.00	2,169.83	3,525.05	0.00	22,062.88
Consulting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,416.67	5,416.67	5,416.67	5,416.67	21,666.68
Payroll Tax Expense	182.38	141.67	128.52	463.62	202.54	176.31	197.38	200.95	216.81	165.99	269.67	0.00	2,345.84
Printing & Production	0.00	0.00	0.00	0.00	1,535.55	0.00	0.00	446.84	45.58	0.00	0.00	0.00	2,027.97
Rent	700.00	700.00	0.00	1,400.00	700.00	700.00	700.00	800.00	800.00	800.00	2,800.00	800.00	10,900.00
Repairs & Maintenance	0.00	0.00	0.00	0.00	2,400.00	148.94	0.00	0.00	0.00	0.00	0.00	0.00	2,548.94
Security	0.00	19,500.00	0.00	8,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	18,864.00	4,000.00	21,472.00	91,836.00
Taxes	0.00	0.00	0.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
Telephone	0.00	0.00	0.00	0.00	0.00	0.00	152.11	151.99	336.14	168.07	0.00	167.97	976.28
Utilities	152.39	0.00	0.00	304.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	456.57
Total Operating Expenses	11,542.04	31,302.69	1,894.26	29,242.30	22,216.93	14,957.72	13,587.26	19,432.43	16,171.37	29,310.81	17,598.33	29,791.51	237,047.65
Operating Income (Loss)	(8,317.91)	(38,796.83)	34,118.29	(21,506.94)	1,460.20	5,363.28	12,677.14	2,344.59	2,195.71	858.81	(4,841.29)	(32,874.05)	(47,319.00)
Other Income (Expenses)													
Other Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	1,100.00
Total Other Income (Expenses)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	1,100.00
Net Income (Loss) Before Taxes	(8,317.91)	(38,796.83)	34,118.29	(21,506.94)	1,460.20	5,363.28	12,677.14	3,444.59	2,195.71	858.81	(4,841.29)	(32,874.05)	(46,219.00)
Net Income (Loss)	\$ (8,317.91)	\$ (38,796.83)	\$ 34,118.29	\$ (21,506.94)	\$ 1,460.20	\$ 5,363.28	\$ 12,677.14	\$ 3,444.59	\$ 2,195.71	\$ 858.81	\$ (4,841.29)	\$ (32,874.05)	\$ (46,219.00)

HB Downtown Business Improvement District

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
1020	First Bank - Checking			31,095.79		
08/01/18	2		Transfer from SCN		12,000.00	
08/03/18	2		City of HB		7,862.04	
08/08/18	2		City of HB - refund for CATB		382.00	
08/29/18	3218		BrightLife Designs LLC		(2,100.00)	
08/29/18	3219		City of Huntington Beach		(60.00)	
08/29/18	3220		City of Huntington Beach		(3,224.00)	
08/29/18	3221		Galitzen Properties		(800.00)	
08/29/18	3222		Dream-Cleaners		(250.00)	
08/29/18	3223		Enlarge Media Group		(1,862.50)	
08/29/18	3224		Marianne Tonjes		(5,416.67)	
08/29/18	3225		MCGINTY KNUDTSON & ASSOCIATES, LLP		(225.00)	
08/29/18	3226		Robert Koury		(2,000.00)	
08/29/18	3227		Visit Huntington Beach		(4,000.00)	
08/31/18	Payroll		August Payroll		(288.61)	
08/31/18	Payroll		August Payroll		(930.85)	
08/31/18	Payroll		August Payroll		(136.03)	
08/31/18	Payroll		August Payroll		(549.97)	
08/31/18	Payroll		August Payroll		(498.59)	
08/31/18	Payroll		August Payroll		(1,390.67)	
08/31/18	Rec		Facebook		(29.92)	
08/31/18	Rec		Buddy Punch		(49.00)	
08/31/18	Rec		EB 2018		(46.32)	
08/31/18	Rec		ADP		(120.00)	
08/31/18	Rec		Staples		(48.14)	
08/31/18	Rec		Staples		(6.47)	
08/31/18	Rec		Staples		(58.91)	
08/31/18	Rec		Microsoft 365		(62.50)	
08/31/18	Rec		Staples		(27.17)	
08/31/18	Rec		Staples		(5.11)	
08/31/18	Rec		ADP		(45.87)	
08/31/18	Rec		City of HB		(219.00)	
08/31/18	Rec		City of HB		(219.00)	
08/31/18	Rec		Indeed		(25.48)	
08/31/18	Rec		ADP		(45.87)	
08/31/18	Rec		Freshbooks		(25.00)	
08/31/18	Rec		GoDaddy.com		(16.99)	
08/31/18	Rec		ADP		(45.87)	
08/31/18	Rec		Freshbooks		(24.83)	
08/31/18	Rec		Squarespace		(216.00)	
08/31/18	Rec		Adobe		(14.99)	
			Totals for First Bank - Checking		<u>(4,841.29)</u>	<u>26,254.50</u>
1100	Accounts Receivable - Trade			250.00		
			Totals for Accounts Receivable - Trade		<u>0.00</u>	<u>250.00</u>
1140	Accounts Receivable - Miscellaneous			604.00		
			Totals for Accounts Receivable - Miscellaneous		<u>0.00</u>	<u>604.00</u>
1330	Prepaid Rent			500.00		
			Totals for Prepaid Rent		<u>0.00</u>	<u>500.00</u>
2080	Accrued Payroll			(64.86)		
			Totals for Accrued Payroll		<u>0.00</u>	<u>(64.86)</u>
2100	Payroll Taxes Payable			853.29		
			Totals for Payroll Taxes Payable		<u>0.00</u>	<u>853.29</u>

HB Downtown Business Improvement District

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
3100	Unrestricted		Retained Earnings	(41,741.88)		
			Totals for Unrestricted Retained Earnings		<u>0.00</u>	<u>(41,741.88)</u>
4010	BID Assessments - Prior Year			(16,296.31)		
			Totals for BID Assessments - Prior Year		<u>0.00</u>	<u>(16,296.31)</u>
4020	BID Assessments - Current Year			(88,624.27)		
08/03/18	2		City of HB		(7,862.04)	
			Totals for BID Assessments - Current Year		<u>(7,862.04)</u>	<u>(96,486.31)</u>
4100	Chili at the Beach			(30,747.47)		
			Totals for Chili at the Beach		<u>0.00</u>	<u>(30,747.47)</u>
4400	Surf City Nights			(119,533.42)		
08/01/18	2		Transfer from SCN		(12,000.00)	
			Totals for Surf City Nights		<u>(12,000.00)</u>	<u>(131,533.42)</u>
4600	Miracle on Main Street			(1,350.00)		
			Totals for Miracle on Main Street		<u>0.00</u>	<u>(1,350.00)</u>
4800	He'e Nalu Aloha Pier Festival			(14,615.00)		
			Totals for He'e Nalu Aloha Pier Festival		<u>0.00</u>	<u>(14,615.00)</u>
5100	Chili at the Beach			5,906.81		
			Totals for Chili at the Beach		<u>0.00</u>	<u>5,906.81</u>
5100.10	Administration			1,375.47		
			Totals for Administration		<u>0.00</u>	<u>1,375.47</u>
5100.20	Awards			1,257.79		
			Totals for Awards		<u>0.00</u>	<u>1,257.79</u>
5100.25	Event Entertainment			6,738.99		
			Totals for Event Entertainment		<u>0.00</u>	<u>6,738.99</u>
5100.40	Licenses & Permits			1,909.25		
			Totals for Licenses & Permits		<u>0.00</u>	<u>1,909.25</u>
5100.50	Marketing & Banners			1,127.52		
			Totals for Marketing & Banners		<u>0.00</u>	<u>1,127.52</u>
5100.60	Miscellaneous event expenses			1,491.91		
			Totals for Miscellaneous event expenses		<u>0.00</u>	<u>1,491.91</u>
5100.80	Printing & Production			2,316.62		
			Totals for Printing & Production		<u>0.00</u>	<u>2,316.62</u>
5100.90	Security			1,092.00		
			Totals for Security		<u>0.00</u>	<u>1,092.00</u>
5100.95	Sponsorships			6,000.00		
			Totals for Sponsorships		<u>0.00</u>	<u>6,000.00</u>
5140	Parking			138.00		
			Totals for Parking		<u>0.00</u>	<u>138.00</u>
5200	Halloween			5,295.00		

HB Downtown Business Improvement District

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
			Totals for Halloween		<u>0.00</u>	<u>5,295.00</u>
5200.50	Marketing & Advertising			0.00		
08/31/18	Rec		City of HB		<u>219.00</u>	
			Totals for Marketing & Advertising		<u>219.00</u>	<u>219.00</u>
5400	Surf City Days			2,260.00		
08/29/18	3223		Enlarge Media Group		<u>1,500.00</u>	
			Totals for Surf City Days		<u>1,500.00</u>	<u>3,760.00</u>
5420	Cleaning			100.00		
			Totals for Cleaning		<u>0.00</u>	<u>100.00</u>
5450	Marketing & Advertising			0.00		
08/31/18	Rec		City of HB		<u>219.00</u>	
			Totals for Marketing & Advertising		<u>219.00</u>	<u>219.00</u>
5550	Marketing & Advertising			6,632.27		
			Totals for Marketing & Advertising		<u>0.00</u>	<u>6,632.27</u>
5580	Printing & Production			923.69		
			Totals for Printing & Production		<u>0.00</u>	<u>923.69</u>
5600	Holiday Beautification			16,625.00		
08/29/18	3218		BrightLife Designs LLC		<u>2,100.00</u>	
			Totals for Holiday Beautification		<u>2,100.00</u>	<u>18,725.00</u>
5610	Miracle on Main			11,839.34		
			Totals for Miracle on Main		<u>0.00</u>	<u>11,839.34</u>
5740	Licenses & Permits			350.00		
08/08/18	2		City of HB - refund for CATB		<u>(382.00)</u>	
08/29/18	3220		City of Huntington Beach		<u>3,224.00</u>	
			Totals for Licenses & Permits		<u>2,842.00</u>	<u>3,192.00</u>
5750	Marketing & Advertising-SC Days			0.00		
08/29/18	3223		Enlarge Media Group		<u>225.00</u>	
			Totals for Marketing & Advertising-SC Days		<u>225.00</u>	<u>225.00</u>
5800	He'e Nalu Aloha Pier Festival			17,472.29		
			Totals for He'e Nalu Aloha Pier Festival		<u>0.00</u>	<u>17,472.29</u>
5950	Surf-O-Rama			260.37		
			Totals for Surf-O-Rama		<u>0.00</u>	<u>260.37</u>
7010	Advertising & Marketing			12,393.87		
08/29/18	3223		Enlarge Media Group		137.50	
08/31/18	Rec		Facebook		29.92	
08/31/18	Rec		Indeed		<u>25.48</u>	
			Totals for Advertising & Marketing		<u>192.90</u>	<u>12,586.77</u>
7050	Bank Charges			12.50		
			Totals for Bank Charges		<u>0.00</u>	<u>12.50</u>
7090	Donations			225.00		
			Totals for Donations		<u>0.00</u>	<u>225.00</u>
7100	Dues & Subscriptions			6,414.08		

HB Downtown Business Improvement District

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
Totals for Dues & Subscriptions					<u>0.00</u>	<u>6,414.08</u>
7150	Insurance			570.60		
Totals for Insurance					<u>0.00</u>	<u>570.60</u>
7151	Liability Insurance			6,723.00		
Totals for Liability Insurance					<u>0.00</u>	<u>6,723.00</u>
7175	Accounting			4,832.40		
08/29/18	3225		MCGINTY KNUDTSON & ASSOCIATES, LLP		225.00	
08/31/18	Rec		Buddy Punch		49.00	
08/31/18	Rec		ADP		120.00	
08/31/18	Rec		ADP		45.87	
08/31/18	Rec		ADP		45.87	
08/31/18	Rec		ADP		45.87	
Totals for Accounting					<u>531.61</u>	<u>5,364.01</u>
7180	Licenses & Fees			0.00		
08/29/18	3219		City of Huntington Beach		60.00	
Totals for Licenses & Fees					<u>60.00</u>	<u>60.00</u>
7190	Meeting Expenses			357.93		
Totals for Meeting Expenses					<u>0.00</u>	<u>357.93</u>
7210	Office Expense			3,275.70		
08/29/18	3222		Dream-Cleaners		250.00	
08/31/18	Rec		EB 2018		46.32	
08/31/18	Rec		Staples		48.14	
08/31/18	Rec		Staples		6.47	
08/31/18	Rec		Staples		58.91	
08/31/18	Rec		Microsoft 365		62.50	
08/31/18	Rec		Staples		27.17	
08/31/18	Rec		Staples		5.11	
08/31/18	Rec		Freshbooks		25.00	
08/31/18	Rec		GoDaddy.com		16.99	
08/31/18	Rec		Freshbooks		24.83	
08/31/18	Rec		Squarespace		216.00	
08/31/18	Rec		Adobe		14.99	
Totals for Office Expense					<u>802.43</u>	<u>4,078.13</u>
7220	Office Salaries & Wages			20,989.60		
Totals for Office Salaries & Wages					<u>0.00</u>	<u>20,989.60</u>
7240	Outside Services			22,900.00		
Totals for Outside Services					<u>0.00</u>	<u>22,900.00</u>
7241	Salaries & Wages			18,537.83		
08/31/18	Payroll		August Payroll		3,525.05	
Totals for Salaries & Wages					<u>3,525.05</u>	<u>22,062.88</u>
7243	Consulting			10,833.34		
08/29/18	3224		Marianne Tonjes		5,416.67	
Totals for Consulting					<u>5,416.67</u>	<u>16,250.01</u>
7250	Payroll Tax Expense			2,076.17		
08/31/18	Payroll		August Payroll		269.67	
Totals for Payroll Tax Expense					<u>269.67</u>	<u>2,345.84</u>

HB Downtown Business Improvement District

General Ledger

August 1, 2018 - August 31, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
7285			Printing & Production	2,027.97		
			Totals for Printing & Production		<u>0.00</u>	<u>2,027.97</u>
7290			Rent	7,300.00		
08/29/18	3221		Galitzen Properties		800.00	
08/29/18	3226		Robert Koury		<u>2,000.00</u>	
			Totals for Rent		<u>2,800.00</u>	<u>10,100.00</u>
7300			Repairs & Maintenance	2,548.94		
			Totals for Repairs & Maintenance		<u>0.00</u>	<u>2,548.94</u>
7310			Security	66,364.00		
08/29/18	3227		Visit Huntington Beach		4,000.00	
			Totals for Security		<u>4,000.00</u>	<u>70,364.00</u>
7320			Taxes	10.00		
			Totals for Taxes		<u>0.00</u>	<u>10.00</u>
7330			Telephone	808.31		
			Totals for Telephone		<u>0.00</u>	<u>808.31</u>
7360			Utilities	456.57		
			Totals for Utilities		<u>0.00</u>	<u>456.57</u>
8100			Other Income	(1,100.00)		
			Totals for Other Income		<u>0.00</u>	<u>(1,100.00)</u>
			Report Total			<u>0.00</u>
Net Profit/(Loss)						
Current Period			<u>(4,841.29)</u>			
Year-to-Date			<u>(13,344.95)</u>			

Distribution count = 78

HB Downtown Business Improvement District

Journals

August 1, 2018 - August 31, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
Journal: General						
08/01/18	2	1020		Transfer from SCN		12,000.00
08/01/18	2	4400		Transfer from SCN		(12,000.00)
08/03/18	2	1020		City of HB		7,862.04
08/03/18	2	4020		City of HB		(7,862.04)
08/08/18	2	1020		City of HB - refund for CATB		382.00
08/08/18	2	5740		City of HB - refund for CATB		(382.00)
08/29/18	3218	1020	BrightLife	BrightLife Designs LLC		(2,100.00)
08/29/18	3218	5600	BrightLife	BrightLife Designs LLC		2,100.00
08/29/18	3219	1020	City of HB	City of Huntington Beach		(60.00)
08/29/18	3219	7180	City of HB	City of Huntington Beach		60.00
08/29/18	3220	1020	HBSpecific	City of Huntington Beach		(3,224.00)
08/29/18	3220	5740	HBSpecific	City of Huntington Beach		3,224.00
08/29/18	3221	1020	Galitzen	Galitzen Properties		(800.00)
08/29/18	3221	7290	Galitzen	Galitzen Properties		800.00
08/29/18	3222	1020	Dream	Dream-Cleaners		(250.00)
08/29/18	3222	7210	Dream	Dream-Cleaners		250.00
08/29/18	3223	1020	EnlargeMedi	Enlarge Media Group		(1,862.50)
08/29/18	3223	5400	EnlargeMedi	Enlarge Media Group		1,500.00
08/29/18	3223	5750	EnlargeMedi	Enlarge Media Group		225.00
08/29/18	3223	7010	EnlargeMedi	Enlarge Media Group		137.50
08/29/18	3224	1020	MarianneTon	Marianne Tonjes		(5,416.67)
08/29/18	3224	7243	MarianneTon	Marianne Tonjes		5,416.67
08/29/18	3225	1020	MKB	MCGINTY KNUDTSON & ASSOCIATES, LLP		(225.00)
08/29/18	3225	7175	MKB	MCGINTY KNUDTSON & ASSOCIATES, LLP		225.00
08/29/18	3226	1020	RobertKoury	Robert Koury		(2,000.00)
08/29/18	3226	7290	RobertKoury	Robert Koury		2,000.00
08/29/18	3227	1020	VisitHB	Visit Huntington Beach		(4,000.00)
08/29/18	3227	7310	VisitHB	Visit Huntington Beach		4,000.00
08/31/18	Payroll	7241		August Payroll		3,525.05
08/31/18	Payroll	7250		August Payroll		269.67
08/31/18	Payroll	1020		August Payroll		(288.61)
08/31/18	Payroll	1020		August Payroll		(930.85)
08/31/18	Payroll	1020		August Payroll		(136.03)
08/31/18	Payroll	1020		August Payroll		(549.97)
08/31/18	Payroll	1020		August Payroll		(498.59)
08/31/18	Payroll	1020		August Payroll		(1,390.67)
08/31/18	Rec	1020		Facebook		(29.92)
08/31/18	Rec	7010		Facebook		29.92
08/31/18	Rec	1020		Buddy Punch		(49.00)
08/31/18	Rec	7175		Buddy Punch		49.00
08/31/18	Rec	1020		EB 2018		(46.32)
08/31/18	Rec	7210		EB 2018		46.32
08/31/18	Rec	1020		ADP		(120.00)
08/31/18	Rec	7175		ADP		120.00
08/31/18	Rec	1020		Staples		(48.14)
08/31/18	Rec	7210		Staples		48.14
08/31/18	Rec	1020		Staples		(6.47)
08/31/18	Rec	7210		Staples		6.47
08/31/18	Rec	1020		Staples		(58.91)
08/31/18	Rec	7210		Staples		58.91
08/31/18	Rec	1020		Microsoft 365		(62.50)
08/31/18	Rec	7210		Microsoft 365		62.50
08/31/18	Rec	1020		Staples		(27.17)
08/31/18	Rec	7210		Staples		27.17
08/31/18	Rec	1020		Staples		(5.11)
08/31/18	Rec	7210		Staples		5.11
08/31/18	Rec	1020		ADP		(45.87)
08/31/18	Rec	7175		ADP		45.87

HB Downtown Business Improvement District

Journals

August 1, 2018 - August 31, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
08/31/18	Rec	1020		City of HB		(219.00)
08/31/18	Rec	5200.50		City of HB		219.00
08/31/18	Rec	1020		City of HB		(219.00)
08/31/18	Rec	5450		City of HB		219.00
08/31/18	Rec	1020		Indeed		(25.48)
08/31/18	Rec	7010		Indeed		25.48
08/31/18	Rec	1020		ADP		(45.87)
08/31/18	Rec	7175		ADP		45.87
08/31/18	Rec	1020		Freshbooks		(25.00)
08/31/18	Rec	7210		Freshbooks		25.00
08/31/18	Rec	1020		GoDaddy.com		(16.99)
08/31/18	Rec	7210		GoDaddy.com		16.99
08/31/18	Rec	1020		ADP		(45.87)
08/31/18	Rec	7175		ADP		45.87
08/31/18	Rec	1020		Freshbooks		(24.83)
08/31/18	Rec	7210		Freshbooks		24.83
08/31/18	Rec	1020		Squarespace		(216.00)
08/31/18	Rec	7210		Squarespace		216.00
08/31/18	Rec	1020		Adobe		(14.99)
08/31/18	Rec	7210		Adobe		14.99
					Transaction Balance for General	0.00

Transaction Totals

Total Debits	<u>45,329.37</u>
Total Credits	<u>45,329.37</u>
Account Hash Total	<u>296714.5000</u>

Transaction count = 35

Distribution count = 78

McGinty, Knudtson & Associates, LLP
20422 Beach Blvd Ste 450
Huntington Beach, CA 92648-8301
714-536-7777

HB Downtown Business Improvement District
315 3rd St
Suite E
Huntington Beach, CA 92648
714-536-8300

Management is responsible for the accompanying financial statements of HB Downtown Business Improvement District, (a non profit corporation), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of September 30, 2018, and the related statements of revenues and expenses - modified cash basis and cash flows for the 1 Month and the 12 Months then ended in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We 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. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McGinty, Knudtson & Associates, LLP

November 27, 2018

HB Downtown Business Improvement District
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of September 30, 2018

Assets

Current Assets	
First Bank - Checking	\$ 934.99
Accounts Receivable - Trade	250.00
Accounts Receivable - Miscellaneous	604.00
Prepaid Rent	<u>500.00</u>
Total Current Assets	<u>2,288.99</u>
Property and Equipment	
Net Property and Equipment	<u>0.00</u>
Total Assets	<u><u>\$ 2,288.99</u></u>

HB Downtown Business Improvement District
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of September 30, 2018

Liabilities and Net Assets

Current Liabilities	
Accrued Payroll	\$ 64.86
Payroll Taxes Payable	<u>(853.29)</u>
Total Current Liabilities	<u>(788.43)</u>
Long-Term Liabilities	
Total Long-Term Liabilities	<u>0.00</u>
Total Liabilities	<u>(788.43)</u>
Net Assets	
Other Equity	41,741.88
Retained Earnings	<u>(38,664.46)</u>
Total Net Assets	<u>3,077.42</u>
Total Liabilities and Net Assets	<u>\$ 2,288.99</u>

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
Actual vs. Budget

	1 Month Ended September 30, 2018 Actual	1 Month Ended September 30, 2018 Budget	12 Months Ended September 30, 2018 Actual	12 Months Ended September 30, 2018 Budget
Sales				
BID Assessments - Prior Year	\$ 0.00	\$ 0.00	\$ 16,296.31	\$ 0.00
BID Assessments - Current Year	0.00	8,820.00	96,486.31	124,806.68
Chili at the Beach	0.00	0.00	30,747.47	30,000.00
Surf City Nights	12,000.00	12,000.00	143,533.42	136,000.00
Surf City Days	0.00	15,000.00	0.00	15,000.00
Art Walk	0.00	0.00	0.00	13,000.00
Miracle on Main Street	0.00	0.00	1,350.00	0.00
He'e Nalu Aloha Pier Festival	0.00	0.00	14,615.00	0.00
Other Event Revenue	0.00	16,000.00	0.00	16,000.00
Sponsorships	0.00	0.00	0.00	3,000.00
Total Sales	<u>12,000.00</u>	<u>51,820.00</u>	<u>303,028.51</u>	<u>337,806.68</u>
Event Expenses				
Chili at the Beach	0.00	0.00	5,906.81	15,000.00
Administration	0.00	0.00	1,375.47	0.00
Awards	0.00	0.00	1,257.79	0.00
Event Entertainment	0.00	0.00	6,738.99	0.00
Licenses & Permits	0.00	0.00	1,909.25	0.00
Marketing & Banners	0.00	0.00	1,127.52	0.00
Miscellaneous event expenses	0.00	0.00	1,491.91	0.00
Printing & Production	0.00	0.00	2,316.62	0.00
Security	0.00	0.00	1,092.00	0.00
Sponsorships	0.00	0.00	6,000.00	0.00
Parking	0.00	0.00	138.00	0.00
Halloween	0.00	0.00	5,295.00	6,000.00
Marketing & Advertising	0.00	0.00	219.00	0.00
Printing & Production	205.04	0.00	205.04	0.00
Surf City Days	0.00	5,000.00	3,760.00	5,000.00
Administration	235.77	0.00	235.77	0.00
Cleaning	0.00	0.00	100.00	0.00
Marketing & Advertising	2,287.50	0.00	2,506.50	0.00
Outside Services	590.00	0.00	590.00	0.00
Art Walk/Main Street Late Night	0.00	0.00	0.00	13,000.00
Marketing & Advertising	0.00	0.00	6,632.27	0.00
Printing & Production	0.00	0.00	923.69	0.00
Holiday Beautification	0.00	0.00	18,725.00	30,000.00
Miracle on Main	0.00	0.00	11,839.34	10,000.00
Licenses & Permits	0.00	0.00	3,192.00	0.00
Marketing & Advertising-SC Days	0.00	0.00	225.00	0.00
He'e Nalu Aloha Pier Festival	0.00	0.00	17,472.29	0.00
Sandcastles	0.00	0.00	0.00	8,000.00
Other Events	0.00	13,000.00	0.00	13,000.00
Surf-O-Rama	0.00	0.00	260.37	0.00
Total Event Expenses	<u>3,318.31</u>	<u>18,000.00</u>	<u>101,535.63</u>	<u>100,000.00</u>
Gross Profit	<u>8,681.69</u>	<u>33,820.00</u>	<u>201,492.88</u>	<u>237,806.68</u>
Operating Expenses				
Security	308.00	0.00	308.00	0.00
Advertising & Marketing	1,706.48	4,816.66	14,293.25	51,866.64
Bank Charges	0.00	25.00	12.50	266.68
Donations	0.00	600.00	225.00	5,400.00
Dues & Subscriptions	0.00	83.34	6,414.08	999.99

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
Actual vs. Budget

	1 Month Ended September 30, 2018 Actual	1 Month Ended September 30, 2018 Budget	12 Months Ended September 30, 2018 Actual	12 Months Ended September 30, 2018 Budget
Insurance	0.00	0.00	570.60	2,453.32
Liability Insurance	0.00	0.00	6,723.00	2,266.68
Legal	0.00	0.00	0.00	1,000.00
Accounting	260.74	375.00	5,624.75	4,166.68
Licenses & Fees	0.00	0.00	60.00	100.00
Meeting Expenses	200.00	416.67	557.93	5,000.04
Office Expense	139.49	250.00	4,217.62	3,000.00
Office Salaries & Wages	0.00	0.00	20,989.60	0.00
Outside Services	0.00	0.00	22,900.00	0.00
Salaries & Wages	3,279.00	6,666.67	25,341.88	78,666.68
Bonuses	0.00	5,000.00	0.00	5,000.00
Consulting	5,416.67	0.00	21,666.68	0.00
Payroll Tax Expense	250.85	560.00	2,596.69	6,880.00
Printing & Production	0.00	0.00	2,027.97	0.00
Rent	800.00	910.00	10,900.00	10,946.68
Repairs & Maintenance	0.00	41.67	2,548.94	500.04
Security	21,472.00	4,000.00	91,836.00	47,000.00
Taxes	0.00	0.00	10.00	0.00
Telephone	167.97	165.00	976.28	2,153.32
Utilities	0.00	0.00	456.57	0.00
Total Operating Expenses	<u>34,001.20</u>	<u>23,910.01</u>	<u>241,257.34</u>	<u>227,666.75</u>
Operating Income (Loss)	<u>(25,319.51)</u>	<u>9,909.99</u>	<u>(39,764.46)</u>	<u>10,139.93</u>
Other Income (Expenses)				
Other Income	0.00	0.00	1,100.00	0.00
Other Expenses	0.00	(1,700.00)	0.00	(1,700.00)
Total Other Income (Expenses)	<u>0.00</u>	<u>(1,700.00)</u>	<u>1,100.00</u>	<u>(1,700.00)</u>
Net Income (Loss) Before Taxes	<u>(25,319.51)</u>	<u>8,209.99</u>	<u>(38,664.46)</u>	<u>8,439.93</u>
Net Income (Loss)	<u>\$ (25,319.51)</u>	<u>\$ 8,209.99</u>	<u>\$ (38,664.46)</u>	<u>\$ 8,439.93</u>

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Sales													
BID Assessments - Prior Year	\$ 0.00	\$ 16,296.31	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 16,296.31
BID Assessments - Current Year	0.00	0.00	21,012.55	0.00	13,257.63	8,640.00	14,264.40	11,137.02	0.00	20,312.67	7,862.04	0.00	96,486.31
Chili at the Beach	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,747.47	0.00	0.00	0.00	30,747.47
Surf City Nights	10,000.00	10,000.00	16,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	11,533.42	12,000.00	12,000.00	143,533.42
Miracle on Main Street	0.00	350.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	1,350.00
He'e Nalu Aloha Pier Festival	14,615.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,615.00
Total Sales	24,615.00	26,646.31	37,012.55	12,000.00	25,257.63	20,640.00	27,264.40	23,137.02	42,747.47	31,846.09	19,862.04	12,000.00	303,028.51
Cost of Goods Sold													
Chili at the Beach	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	4,906.81	0.00	0.00	0.00	5,906.81
Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,375.47	0.00	0.00	0.00	1,375.47
Awards	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	950.00	307.79	0.00	0.00	1,257.79
Event Entertainment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,738.99	0.00	0.00	0.00	6,738.99
Licenses & Permits	0.00	0.00	0.00	0.00	0.00	219.00	0.00	1,360.00	330.25	0.00	0.00	0.00	1,909.25
Marketing & Banners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,127.52	0.00	0.00	0.00	1,127.52
Miscellaneous event expenses	0.00	0.00	0.00	0.00	580.50	0.00	0.00	0.00	959.35	(47.94)	0.00	0.00	1,491.91
Printing & Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	900.00	1,416.62	0.00	0.00	2,316.62
Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,092.00	0.00	0.00	0.00	1,092.00
Sponsorships	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,000.00	0.00	0.00	0.00	6,000.00
Parking	0.00	116.00	0.00	22.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	138.00
Halloween	5,295.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,295.00
Marketing & Advertising	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	219.00	0.00	219.00
Printing & Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	205.04	205.04
Surf City Days	2,260.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	0.00	3,760.00
Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	235.77	235.77
Cleaning	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
Marketing & Advertising	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	219.00	2,287.50	2,506.50
Outside Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	590.00	590.00
Marketing & Advertising	1,000.00	0.00	0.00	3,632.27	1,000.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	6,632.27
Printing & Production	923.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	923.69
Holiday Beautification	0.00	16,625.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,100.00	0.00	18,725.00
Miracle on Main	515.00	11,324.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,839.34
Licenses & Permits	0.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	2,842.00	0.00	3,192.00
Marketing & Advertising-SC Days	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	225.00	0.00	225.00
He'e Nalu Aloha Pier Festival	11,397.18	6,075.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,472.29
Surf-O-Rama	0.00	0.00	0.00	260.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	260.37
Total Cost of Goods Sold	21,390.87	34,140.45	1,000.00	4,264.64	1,580.50	319.00	1,000.00	1,360.00	24,380.39	1,676.47	7,105.00	3,318.31	101,535.63
Gross Profit	3,224.13	(7,494.14)	36,012.55	7,735.36	23,677.13	20,321.00	26,264.40	21,777.02	18,367.08	30,169.62	12,757.04	8,681.69	201,492.88

HB Downtown Business Improvement District
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Operating Expenses													
Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	308.00	308.00
Advertising & Marketing	0.00	3,365.00	0.00	1,064.29	0.00	1,000.00	190.00	5,125.00	1,574.53	75.05	192.90	1,706.48	14,293.25
Bank Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.50	0.00	0.00	12.50
Donations	0.00	0.00	0.00	0.00	0.00	0.00	225.00	0.00	0.00	0.00	0.00	0.00	225.00
Dues & Subscriptions	0.00	0.00	0.00	5,796.90	0.00	0.00	200.00	0.00	0.00	417.18	0.00	0.00	6,414.08
Insurance	0.00	0.00	0.00	0.00	51.60	519.00	0.00	0.00	0.00	0.00	0.00	0.00	570.60
Liability Insurance	0.00	0.00	0.00	0.00	5,023.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	6,723.00
Accounting	310.74	310.74	85.74	722.74	267.87	1,458.61	436.74	316.74	556.74	365.74	531.61	260.74	5,624.75
Licenses & Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.00	0.00	60.00
Meeting Expenses	0.00	357.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	200.00	557.93
Office Expense	(87.47)	75.35	0.00	170.57	1,043.70	156.19	533.36	137.32	390.90	855.78	802.43	139.49	4,217.62
Office Salaries & Wages	0.00	0.00	0.00	0.00	5,416.67	5,416.67	5,416.67	4,739.59	0.00	0.00	0.00	0.00	20,989.60
Outside Services	7,900.00	5,000.00	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22,900.00
Salaries & Wages	2,384.00	1,852.00	1,680.00	1,320.00	1,576.00	1,372.00	1,536.00	1,814.00	2,834.00	2,169.83	3,525.05	3,279.00	25,341.88
Consulting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,416.67	5,416.67	5,416.67	5,416.67	21,666.68
Payroll Tax Expense	182.38	141.67	128.52	463.62	202.54	176.31	197.38	200.95	216.81	165.99	269.67	250.85	2,596.69
Printing & Production	0.00	0.00	0.00	0.00	1,535.55	0.00	0.00	446.84	45.58	0.00	0.00	0.00	2,027.97
Rent	700.00	700.00	0.00	1,400.00	700.00	700.00	700.00	800.00	800.00	800.00	2,800.00	800.00	10,900.00
Repairs & Maintenance	0.00	0.00	0.00	0.00	2,400.00	148.94	0.00	0.00	0.00	0.00	0.00	0.00	2,548.94
Security	0.00	19,500.00	0.00	8,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	18,864.00	4,000.00	21,472.00	91,836.00
Taxes	0.00	0.00	0.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
Telephone	0.00	0.00	0.00	0.00	0.00	0.00	152.11	151.99	336.14	168.07	0.00	167.97	976.28
Utilities	152.39	0.00	0.00	304.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	456.57
Total Operating Expenses	11,542.04	31,302.69	1,894.26	29,242.30	22,216.93	14,957.72	13,587.26	19,432.43	16,171.37	29,310.81	17,598.33	34,001.20	241,257.34
Operating Income (Loss)	(8,317.91)	(38,796.83)	34,118.29	(21,506.94)	1,460.20	5,363.28	12,677.14	2,344.59	2,195.71	858.81	(4,841.29)	(25,319.51)	(39,764.46)
Other Income (Expenses)													
Other Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	1,100.00
Total Other Income (Expenses)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	1,100.00
Net Income (Loss) Before Taxes	(8,317.91)	(38,796.83)	34,118.29	(21,506.94)	1,460.20	5,363.28	12,677.14	3,444.59	2,195.71	858.81	(4,841.29)	(25,319.51)	(38,664.46)
Net Income (Loss)	\$ (8,317.91)	\$ (38,796.83)	\$ 34,118.29	\$ (21,506.94)	\$ 1,460.20	\$ 5,363.28	\$ 12,677.14	\$ 3,444.59	\$ 2,195.71	\$ 858.81	\$ (4,841.29)	\$ (25,319.51)	\$ (38,664.46)

HB Downtown Business Improvement District

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
1020	First Bank - Checking			26,254.50		
09/04/18	2		Transfer from SCN		12,000.00	
09/14/18	3229		Enlarge Media Group		(225.00)	
09/14/18	3230		Executive Event Services		(17,472.00)	
09/14/18	3231		The UPS Store		(205.04)	
09/14/18	3232		Time Warner Cable		(167.97)	
09/28/18	3233		Galitzen Properties		(800.00)	
09/28/18	3234		Edgar Garcia - Salt Creative		(2,062.50)	
09/28/18	3235		JODI MCKAY		(590.00)	
09/28/18	3236		Marianne Tonjes		(5,416.67)	
09/28/18	3237		Star Pro Security Patrol Inc.		(308.00)	
09/28/18	3238		The UPS Store		(1,626.87)	
09/28/18	3239		Visit Huntington Beach		(4,000.00)	
09/30/18	Payroll		September Payroll		(385.38)	
09/30/18	Payroll		September Payroll		(1,152.67)	
09/30/18	Payroll		September Payroll		(531.83)	
09/30/18	Payroll		September Payroll		(1,459.97)	
09/30/18	Rec		Facebook		(18.03)	
09/30/18	Rec		Indeed		(61.58)	
09/30/18	Rec		Buddy Punch		(49.00)	
09/30/18	Rec		Hasty Awards		(235.77)	
09/30/18	Rec		ADP		(120.00)	
09/30/18	Rec		Microsoft 365		(62.50)	
09/30/18	Rec		City of HB		(200.00)	
09/30/18	Rec		ADP		(45.87)	
09/30/18	Rec		Freshbooks		(60.00)	
09/30/18	Rec		GoDaddy.com		(16.99)	
09/30/18	Rec		ADP		(45.87)	
			Totals for First Bank - Checking		<u>(25,319.51)</u>	<u>934.99</u>
1100	Accounts Receivable - Trade			250.00		
			Totals for Accounts Receivable - Trade		<u>0.00</u>	<u>250.00</u>
1140	Accounts Receivable - Miscellaneous			604.00		
			Totals for Accounts Receivable - Miscellaneous		<u>0.00</u>	<u>604.00</u>
1330	Prepaid Rent			500.00		
			Totals for Prepaid Rent		<u>0.00</u>	<u>500.00</u>
2080	Accrued Payroll			(64.86)		
			Totals for Accrued Payroll		<u>0.00</u>	<u>(64.86)</u>
2100	Payroll Taxes Payable			853.29		
			Totals for Payroll Taxes Payable		<u>0.00</u>	<u>853.29</u>
3100	Unrestricted Retained Earnings			(41,741.88)		
			Totals for Unrestricted Retained Earnings		<u>0.00</u>	<u>(41,741.88)</u>
4010	BID Assessments - Prior Year			(16,296.31)		
			Totals for BID Assessments - Prior Year		<u>0.00</u>	<u>(16,296.31)</u>
4020	BID Assessments - Current Year			(96,486.31)		
			Totals for BID Assessments - Current Year		<u>0.00</u>	<u>(96,486.31)</u>
4100	Chili at the Beach			(30,747.47)		
			Totals for Chili at the Beach		<u>0.00</u>	<u>(30,747.47)</u>

HB Downtown Business Improvement District

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
4400	Surf City Nights			(131,533.42)		
09/04/18	2		Transfer from SCN		(12,000.00)	
			Totals for Surf City Nights		<u>(12,000.00)</u>	<u>(143,533.42)</u>
4600	Miracle on Main Street			(1,350.00)		
			Totals for Miracle on Main Street		<u>0.00</u>	<u>(1,350.00)</u>
4800	He'e Nalu Aloha Pier Festival			(14,615.00)		
			Totals for He'e Nalu Aloha Pier Festival		<u>0.00</u>	<u>(14,615.00)</u>
5100	Chili at the Beach			5,906.81		
			Totals for Chili at the Beach		<u>0.00</u>	<u>5,906.81</u>
5100.10	Administration			1,375.47		
			Totals for Administration		<u>0.00</u>	<u>1,375.47</u>
5100.20	Awards			1,257.79		
			Totals for Awards		<u>0.00</u>	<u>1,257.79</u>
5100.25	Event Entertainment			6,738.99		
			Totals for Event Entertainment		<u>0.00</u>	<u>6,738.99</u>
5100.40	Licenses & Permits			1,909.25		
			Totals for Licenses & Permits		<u>0.00</u>	<u>1,909.25</u>
5100.50	Marketing & Banners			1,127.52		
			Totals for Marketing & Banners		<u>0.00</u>	<u>1,127.52</u>
5100.60	Miscellaneous event expenses			1,491.91		
			Totals for Miscellaneous event expenses		<u>0.00</u>	<u>1,491.91</u>
5100.80	Printing & Production			2,316.62		
			Totals for Printing & Production		<u>0.00</u>	<u>2,316.62</u>
5100.90	Security			1,092.00		
			Totals for Security		<u>0.00</u>	<u>1,092.00</u>
5100.95	Sponsorships			6,000.00		
			Totals for Sponsorships		<u>0.00</u>	<u>6,000.00</u>
5140	Parking			138.00		
			Totals for Parking		<u>0.00</u>	<u>138.00</u>
5200	Halloween			5,295.00		
			Totals for Halloween		<u>0.00</u>	<u>5,295.00</u>
5200.50	Marketing & Advertising			219.00		
			Totals for Marketing & Advertising		<u>0.00</u>	<u>219.00</u>
5380	Printing & Production			0.00		
09/14/18	3231		The UPS Store		205.04	
			Totals for Printing & Production		<u>205.04</u>	<u>205.04</u>
5400	Surf City Days			3,760.00		
			Totals for Surf City Days		<u>0.00</u>	<u>3,760.00</u>
5410	Administration			0.00		
09/30/18	Rec		Hasty Awards		235.77	

HB Downtown Business Improvement District

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
Totals for Administration					<u>235.77</u>	<u>235.77</u>
5420	Cleaning			100.00		
Totals for Cleaning					<u>0.00</u>	<u>100.00</u>
5450	Marketing & Advertising			219.00		
09/14/18	3229		Enlarge Media Group		225.00	
09/28/18	3234		Edgar Garcia - Salt Creative		<u>2,062.50</u>	
Totals for Marketing & Advertising					<u>2,287.50</u>	<u>2,506.50</u>
5465	Outside Services			0.00		
09/28/18	3235		JODI MCKAY		<u>590.00</u>	
Totals for Outside Services					<u>590.00</u>	<u>590.00</u>
5490	Security			0.00		
09/28/18	3237		Star Pro Security Patrol Inc.		<u>308.00</u>	
Totals for Security					<u>308.00</u>	<u>308.00</u>
5550	Marketing & Advertising			6,632.27		
Totals for Marketing & Advertising					<u>0.00</u>	<u>6,632.27</u>
5580	Printing & Production			923.69		
Totals for Printing & Production					<u>0.00</u>	<u>923.69</u>
5600	Holiday Beautification			18,725.00		
Totals for Holiday Beautification					<u>0.00</u>	<u>18,725.00</u>
5610	Miracle on Main			11,839.34		
Totals for Miracle on Main					<u>0.00</u>	<u>11,839.34</u>
5740	Licenses & Permits			3,192.00		
Totals for Licenses & Permits					<u>0.00</u>	<u>3,192.00</u>
5750	Marketing & Advertising-SC Days			225.00		
Totals for Marketing & Advertising-SC Days					<u>0.00</u>	<u>225.00</u>
5800	He'e Nalu Aloha Pier Festival			17,472.29		
Totals for He'e Nalu Aloha Pier Festival					<u>0.00</u>	<u>17,472.29</u>
5950	Surf-O-Rama			260.37		
Totals for Surf-O-Rama					<u>0.00</u>	<u>260.37</u>
7010	Advertising & Marketing			12,586.77		
09/28/18	3238		The UPS Store		1,626.87	
09/30/18	Rec		Facebook		18.03	
09/30/18	Rec		Indeed		<u>61.58</u>	
Totals for Advertising & Marketing					<u>1,706.48</u>	<u>14,293.25</u>
7050	Bank Charges			12.50		
Totals for Bank Charges					<u>0.00</u>	<u>12.50</u>
7090	Donations			225.00		
Totals for Donations					<u>0.00</u>	<u>225.00</u>
7100	Dues & Subscriptions			6,414.08		
Totals for Dues & Subscriptions					<u>0.00</u>	<u>6,414.08</u>
7150	Insurance			570.60		

HB Downtown Business Improvement District

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
Totals for Insurance					<u>0.00</u>	<u>570.60</u>
7151	Liability Insurance			6,723.00		
Totals for Liability Insurance					<u>0.00</u>	<u>6,723.00</u>
7175	Accounting			5,364.01		
09/30/18	Rec		Buddy Punch		49.00	
09/30/18	Rec		ADP		120.00	
09/30/18	Rec		ADP		45.87	
09/30/18	Rec		ADP		45.87	
Totals for Accounting					<u>260.74</u>	<u>5,624.75</u>
7180	Licenses & Fees			60.00		
Totals for Licenses & Fees					<u>0.00</u>	<u>60.00</u>
7190	Meeting Expenses			357.93		
09/30/18	Rec		City of HB		200.00	
Totals for Meeting Expenses					<u>200.00</u>	<u>557.93</u>
7210	Office Expense			4,078.13		
09/30/18	Rec		Microsoft 365		62.50	
09/30/18	Rec		Freshbooks		60.00	
09/30/18	Rec		GoDaddy.com		16.99	
Totals for Office Expense					<u>139.49</u>	<u>4,217.62</u>
7220	Office Salaries & Wages			20,989.60		
Totals for Office Salaries & Wages					<u>0.00</u>	<u>20,989.60</u>
7240	Outside Services			22,900.00		
Totals for Outside Services					<u>0.00</u>	<u>22,900.00</u>
7241	Salaries & Wages			22,062.88		
09/30/18	Payroll		September Payroll		3,279.00	
Totals for Salaries & Wages					<u>3,279.00</u>	<u>25,341.88</u>
7243	Consulting			16,250.01		
09/28/18	3236		Marianne Tonjes		5,416.67	
Totals for Consulting					<u>5,416.67</u>	<u>21,666.68</u>
7250	Payroll Tax Expense			2,345.84		
09/30/18	Payroll		September Payroll		250.85	
Totals for Payroll Tax Expense					<u>250.85</u>	<u>2,596.69</u>
7285	Printing & Production			2,027.97		
Totals for Printing & Production					<u>0.00</u>	<u>2,027.97</u>
7290	Rent			10,100.00		
09/28/18	3233		Galitzen Properties		800.00	
Totals for Rent					<u>800.00</u>	<u>10,900.00</u>
7300	Repairs & Maintenance			2,548.94		
Totals for Repairs & Maintenance					<u>0.00</u>	<u>2,548.94</u>
7310	Security			70,364.00		
09/14/18	3230		Executive Event Services		17,472.00	
09/28/18	3239		Visit Huntington Beach		4,000.00	
Totals for Security					<u>21,472.00</u>	<u>91,836.00</u>

HB Downtown Business Improvement District

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
7320	Taxes			10.00		
			Totals for Taxes		<u>0.00</u>	<u>10.00</u>
7330	Telephone			808.31		
09/14/18	3232		Time Warner Cable		<u>167.97</u>	
			Totals for Telephone		<u>167.97</u>	<u>976.28</u>
7360	Utilities			456.57		
			Totals for Utilities		<u>0.00</u>	<u>456.57</u>
8100	Other Income			(1,100.00)		
			Totals for Other Income		<u>0.00</u>	<u>(1,100.00)</u>
			Report Total			<u>0.00</u>
Net Profit/(Loss)						
	Current Period		<u>(25,319.51)</u>			
	Year-to-Date		<u>(38,664.46)</u>			

Distribution count = 52

HB Downtown Business Improvement District

Journals

September 1, 2018 - September 30, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
Journal: General						
09/04/18	2	1020		Transfer from SCN		12,000.00
09/04/18	2	4400		Transfer from SCN		(12,000.00)
09/14/18	3229	1020	EnlargeMedi	Enlarge Media Group		(225.00)
09/14/18	3229	5450	EnlargeMedi	Enlarge Media Group		225.00
09/14/18	3230	1020	Executive E	Executive Event Services		(17,472.00)
09/14/18	3230	7310	Executive E	Executive Event Services		17,472.00
09/14/18	3231	1020	UPS	The UPS Store		(205.04)
09/14/18	3231	5380	UPS	The UPS Store		205.04
09/14/18	3232	1020	Time Warner	Time Warner Cable		(167.97)
09/14/18	3232	7330	Time Warner	Time Warner Cable		167.97
09/28/18	3233	1020	Galitzen	Galitzen Properties		(800.00)
09/28/18	3233	7290	Galitzen	Galitzen Properties		800.00
09/28/18	3234	1020	EdgarGarcia	Edgar Garcia - Salt Creative		(2,062.50)
09/28/18	3234	5450	EdgarGarcia	Edgar Garcia - Salt Creative		2,062.50
09/28/18	3235	1020	JODIMCKAY	JODI MCKAY		(590.00)
09/28/18	3235	5465	JODIMCKAY	JODI MCKAY		590.00
09/28/18	3236	1020	MarianneTon	Marianne Tonjes		(5,416.67)
09/28/18	3236	7243	MarianneTon	Marianne Tonjes		5,416.67
09/28/18	3237	1020	StarPro	Star Pro Security Patrol Inc.		(308.00)
09/28/18	3237	5490	StarPro	Star Pro Security Patrol Inc.		308.00
09/28/18	3238	1020	UPS	The UPS Store		(1,626.87)
09/28/18	3238	7010	UPS	The UPS Store		1,626.87
09/28/18	3239	1020	VisitHB	Visit Huntington Beach		(4,000.00)
09/28/18	3239	7310	VisitHB	Visit Huntington Beach		4,000.00
09/30/18	Payroll	7241		September Payroll		3,279.00
09/30/18	Payroll	7250		September Payroll		250.85
09/30/18	Payroll	1020		September Payroll		(385.38)
09/30/18	Payroll	1020		September Payroll		(1,152.67)
09/30/18	Payroll	1020		September Payroll		(531.83)
09/30/18	Payroll	1020		September Payroll		(1,459.97)
09/30/18	Rec	1020		Facebook		(18.03)
09/30/18	Rec	7010		Facebook		18.03
09/30/18	Rec	1020		Indeed		(61.58)
09/30/18	Rec	7010		Indeed		61.58
09/30/18	Rec	1020		Buddy Punch		(49.00)
09/30/18	Rec	7175		Buddy Punch		49.00
09/30/18	Rec	1020		Hasty Awards		(235.77)
09/30/18	Rec	5410		Hasty Awards		235.77
09/30/18	Rec	1020		ADP		(120.00)
09/30/18	Rec	7175		ADP		120.00
09/30/18	Rec	1020		Microsoft 365		(62.50)
09/30/18	Rec	7210		Microsoft 365		62.50
09/30/18	Rec	1020		City of HB		(200.00)
09/30/18	Rec	7190		City of HB		200.00
09/30/18	Rec	1020		ADP		(45.87)
09/30/18	Rec	7175		ADP		45.87
09/30/18	Rec	1020		Freshbooks		(60.00)
09/30/18	Rec	7210		Freshbooks		60.00
09/30/18	Rec	1020		GoDaddy.com		(16.99)
09/30/18	Rec	7210		GoDaddy.com		16.99
09/30/18	Rec	1020		ADP		(45.87)
09/30/18	Rec	7175		ADP		45.87
Transaction Balance for General						0.00

Transaction Totals

Total Debits	49,319.51
Total Credits	49,319.51
Account Hash Total	194109.0000

HB Downtown Business Improvement District

Journals

September 1, 2018 - September 30, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
------	-----------	---------	----------	-------------	------	--------

Transaction count = 24
Distribution count = 52

McGinty, Knudtson & Associates, LLP
20422 Beach Blvd Ste 450
Huntington Beach, CA 92648-8301
714-536-7777

Downtown BID - Surf City Nights
315 3rd St
Suite E
Huntington Beach, CA 92648
714-536-8300

Management is responsible for the accompanying financial statements of Downtown BID - Surf City Nights, (a non profit corporation), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of September 30, 2018, and the related statements of revenues and expenses - modified cash basis and cash flows for the 1 Month and the 12 Months then ended in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We 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. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McGinty, Knudtson & Associates, LLP

November 26, 2018

Downtown BID - Surf City Nights
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of September 30, 2018

Assets

Current Assets	
First Bank - Surf City Nights	\$ 260,465.00
Money Market - SCN	<u>1,000.57</u>
 Total Current Assets	 <u>261,465.57</u>
 Property and Equipment	
Machinery & Equipment	2,941.08
Computers	1,306.31
Less Accumulated Depreciation	<u>(2,501.22)</u>
 Net Property and Equipment	 <u>1,746.17</u>
 Total Assets	 <u><u>\$ 263,211.74</u></u>

Downtown BID - Surf City Nights
Statement of Assets, Liabilities, and Net Assets - Income Tax Basis
As of September 30, 2018

Liabilities and Net Assets

Current Liabilities

Total Current Liabilities	0.00
---------------------------	------

Long-Term Liabilities

Total Long-Term Liabilities	0.00
-----------------------------	------

Total Liabilities	0.00
-------------------	------

Net Assets

Other Equity	222,921.15
--------------	------------

Retained Earnings	40,290.59
-------------------	-----------

Total Net Assets	263,211.74
------------------	------------

Total Liabilities and Net Assets	\$ 263,211.74
----------------------------------	---------------

Downtown BID - Surf City Nights
Statement of Revenues & Expenses - Modified Cash Basis
Actual vs. Budget

	1 Month Ended September 30, 2018 Actual	1 Month Ended September 30, 2018 Budget	12 Months Ended September 30, 2018 Actual	12 Months Ended September 30, 2018 Budget
Sales				
Surf City Nights	\$ 21,223.80	\$ 20,000.00	\$ 313,077.60	\$ 308,000.00
Total Sales	<u>21,223.80</u>	<u>20,000.00</u>	<u>313,077.60</u>	<u>308,000.00</u>
Event Expenses				
Surf City Nights - Operational Expenses	0.00	0.00	2,222.00	0.00
Contract Salaries	0.00	3,000.00	21,585.80	36,000.00
Street Cleaning	225.00	200.00	2,531.04	2,400.00
Entertainment	0.00	0.00	3,500.00	0.00
Licenses & Permits	0.00	141.66	2,932.00	1,700.00
Bank Charges	37.50	25.00	100.00	300.00
Marketing & Advertising	261.72	0.00	5,488.61	0.00
Office Supplies	72.00	0.00	189.53	0.00
Rental & Setup	2,730.00	2,500.00	30,508.78	30,000.00
Parking	0.00	750.00	7,890.00	9,000.00
Street Closure/City of HB	0.00	600.00	4,813.46	7,200.00
Total Event Expenses	<u>3,326.22</u>	<u>7,216.66</u>	<u>81,761.22</u>	<u>86,600.00</u>
Gross Profit	<u>17,897.58</u>	<u>12,783.34</u>	<u>231,316.38</u>	<u>221,400.00</u>
Operating Expenses				
Marketing & Advertising	0.00	2,500.00	20,744.96	32,200.00
Contract Bonus	0.00	2,400.00	29,127.22	42,400.00
Accounting	0.00	225.00	2,975.00	2,700.00
Licenses & Fees	0.00	0.00	1,496.00	0.00
Rent	0.00	0.00	700.00	0.00
Surf City Nights - Transfer to BID	12,000.00	12,000.00	143,533.42	144,000.00
Total Operating Expenses	<u>12,000.00</u>	<u>17,125.00</u>	<u>198,576.60</u>	<u>221,300.00</u>
Operating Income (Loss)	<u>5,897.58</u>	<u>(4,341.66)</u>	<u>32,739.78</u>	<u>100.00</u>
Other Income (Expenses)				
Interest Income	0.42	0.00	0.57	0.00
Other Income	3,012.00	0.00	7,550.24	0.00
Total Other Income (Expenses)	<u>3,012.42</u>	<u>0.00</u>	<u>7,550.81</u>	<u>0.00</u>
Net Income (Loss) Before Taxes	<u>8,910.00</u>	<u>(4,341.66)</u>	<u>40,290.59</u>	<u>100.00</u>
Net Income (Loss)	<u>\$ 8,910.00</u>	<u>\$ (4,341.66)</u>	<u>\$ 40,290.59</u>	<u>\$ 100.00</u>

Downtown BID - Surf City Nights
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Sales													
Surf City Nights	\$ 24,450.00	\$ 22,732.00	\$ 18,472.80	\$ 24,693.00	\$ 23,256.00	\$ 27,997.00	\$ 25,727.00	\$ 37,305.00	\$ 28,284.25	\$ 27,107.75	\$ 31,829.00	\$ 21,223.80	\$ 313,077.60
Total Sales	24,450.00	22,732.00	18,472.80	24,693.00	23,256.00	27,997.00	25,727.00	37,305.00	28,284.25	27,107.75	31,829.00	21,223.80	313,077.60
Cost of Goods Sold													
Surf City Nights - Operational Expenses	0.00	0.00	0.00	0.00	0.00	0.00	2,222.00	0.00	0.00	0.00	0.00	0.00	2,222.00
Contract Salaries	2,917.00	2,917.00	0.00	5,834.00	2,917.00	2,917.00	2,917.00	1,166.80	0.00	0.00	0.00	0.00	21,585.80
Street Cleaning	225.00	0.00	450.00	225.00	112.50	225.00	168.54	225.00	225.00	225.00	225.00	225.00	2,531.04
Entertainment	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	1,500.00	0.00	0.00	0.00	0.00	3,500.00
Licenses & Permits	0.00	0.00	0.00	0.00	0.00	0.00	540.00	0.00	0.00	2,392.00	0.00	0.00	2,932.00
Bank Charges	0.00	12.50	0.00	12.50	0.00	0.00	0.00	0.00	12.50	12.50	12.50	37.50	100.00
Marketing & Advertising	0.00	0.00	2,102.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	724.89	261.72	5,488.61
Office Supplies	0.00	0.00	0.00	0.00	117.53	0.00	0.00	0.00	0.00	0.00	0.00	72.00	189.53
Rental & Setup	2,400.00	2,400.00	0.00	4,200.00	2,400.00	3,002.20	2,400.00	2,650.00	0.00	5,596.58	2,730.00	2,730.00	30,508.78
Parking	468.00	0.00	922.00	834.00	44.00	2.00	808.00	1,612.00	800.00	800.00	1,600.00	0.00	7,890.00
Street Closure/City of HB	0.00	1,157.83	1,157.83	0.00	(40.41)	0.00	0.00	1,206.12	0.00	0.00	1,332.09	0.00	4,813.46
Total Cost of Goods Sold	6,010.00	6,487.33	4,631.83	11,105.50	5,550.62	8,546.20	11,055.54	8,359.92	1,037.50	9,026.08	6,624.48	3,326.22	81,761.22
Gross Profit	18,440.00	16,244.67	13,840.97	13,587.50	17,705.38	19,450.80	14,671.46	28,945.08	27,246.75	18,081.67	25,204.52	17,897.58	231,316.38
Operating Expenses													
Marketing & Advertising	8,067.77	5,836.01	500.00	2,833.10	550.00	500.00	983.08	1,475.00	0.00	0.00	0.00	0.00	20,744.96
Contract Bonus	3,594.36	3,646.16	0.00	5,415.46	3,621.56	3,276.17	0.00	9,573.51	0.00	0.00	0.00	0.00	29,127.22
Accounting	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	725.00	225.00	225.00	0.00	2,975.00
Licenses & Fees	0.00	0.00	0.00	1,496.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,496.00
Rent	700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	700.00
Surf City Nights - Transfer to BID	10,000.00	10,000.00	16,000.00	12,000.00	12,000.00	13,000.00	12,000.00	11,000.00	12,000.00	11,533.42	12,000.00	12,000.00	143,533.42
Total Operating Expenses	22,587.13	19,707.17	16,725.00	21,969.56	16,396.56	17,001.17	13,208.08	22,273.51	12,725.00	11,758.42	12,225.00	12,000.00	198,576.60
Operating Income (Loss)	(4,147.13)	(3,462.50)	(2,884.03)	(8,382.06)	1,308.82	2,449.63	1,463.38	6,671.57	14,521.75	6,323.25	12,979.52	5,897.58	32,739.78
Other Income (Expenses)													
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.00	0.00	0.00	0.42	0.57
Other Income	519.00	513.00	312.00	884.00	550.00	110.00	0.00	1,218.24	240.00	0.00	192.00	3,012.00	7,550.24
Total Other Income (Expenses)	519.00	513.00	312.00	884.00	550.00	110.00	0.00	1,218.39	240.00	0.00	192.00	3,012.42	7,550.81
Net Income (Loss) Before Taxes	(3,628.13)	(2,949.50)	(2,572.03)	(7,498.06)	1,858.82	2,559.63	1,463.38	7,889.96	14,761.75	6,323.25	13,171.52	8,910.00	40,290.59

Downtown BID - Surf City Nights
Statement of Revenues & Expenses - Modified Cash Basis
12 Month Comparison for 2018

	10/31/17	11/30/17	12/31/17	01/31/18	02/28/18	03/31/18	04/30/18	05/31/18	06/30/18	07/31/18	08/31/18	09/30/18	Total
Net Income (Loss)	<u>\$ (3,628.13)</u>	<u>\$ (2,949.50)</u>	<u>\$ (2,572.03)</u>	<u>\$ (7,498.06)</u>	<u>\$ 1,858.82</u>	<u>\$ 2,559.63</u>	<u>\$ 1,463.38</u>	<u>\$ 7,889.96</u>	<u>\$ 14,761.75</u>	<u>\$ 6,323.25</u>	<u>\$ 13,171.52</u>	<u>\$ 8,910.00</u>	<u>\$ 40,290.59</u>

Downtown BID - Surf City Nights

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
1040	First Bank - Surf City Nights			252,837.42		
09/06/18	2		09/06/18 Collections		2,980.00	
09/06/18	2		09/06/18 Collections		7,533.00	
09/06/18	2		09/06/18 Collections		7,912.00	
09/14/18	2228		Malco Maintenance Inc.		(4,237.00)	
09/18/18	2		09/18/18 Surf City Days		5,900.00	
09/28/18	2229		Malco Maintenance Inc.		(72.00)	
09/28/18	2230		The UPS Store		(261.72)	
09/30/18	Rec		Transfer to BID		(12,000.00)	
09/30/18	Rec		Analysis charge		(37.50)	
09/30/18	Rec		HP Fire Pit		(10.00)	
09/30/18	Rec		Turmeric		(79.20)	
			Totals for First Bank - Surf City Nights		<u>7,627.58</u>	<u>260,465.00</u>
1050	Money Market - SCN			1,000.15		
09/30/18	AJE1		Interest on account		0.42	
			Totals for Money Market - SCN		<u>0.42</u>	<u>1,000.57</u>
1640	Machinery & Equipment			1,659.08		
09/14/18	2228		Malco Maintenance Inc. - Generator		1,282.00	
			Totals for Machinery & Equipment		<u>1,282.00</u>	<u>2,941.08</u>
1670	Computers			1,306.31		
			Totals for Computers		<u>0.00</u>	<u>1,306.31</u>
1700	Accumulated Depreciation			(2,501.22)		
			Totals for Accumulated Depreciation		<u>0.00</u>	<u>(2,501.22)</u>
3100	Unrestricted Retained Earnings			(222,921.15)		
			Totals for Unrestricted Retained Earnings		<u>0.00</u>	<u>(222,921.15)</u>
4450	Surf City Nights			(291,853.80)		
09/06/18	2		Baby Mini Donuts		(228.00)	
09/06/18	2		West Coast Bungy		(112.00)	
09/06/18	2		Gerwig Avocado Ranch		(168.00)	
09/06/18	2		Sit Means Sit		(360.00)	
09/06/18	2		211 Ocean Art		(272.00)	
09/06/18	2		Giddy Up Pony Rides and Petting Zoo		(108.00)	
09/06/18	2		Welk		(368.00)	
09/06/18	2		Bazil Chiropractic Health Ctr		(368.00)	
09/06/18	2		Spiritual Origins		(272.00)	
09/06/18	2		Back to Basics		(272.00)	
09/06/18	2		Dolce Monachelli's		(280.00)	
09/06/18	2		Hawaiian Import		(172.00)	
09/06/18	2		MO - Atkins Farm		(196.00)	
09/06/18	2		Keystone Cravings		(280.00)	
09/06/18	2		IV Couture		(280.00)	
09/06/18	2		MO - Don Betos/Gama		(196.00)	
09/06/18	2		Nature's Pet		(280.00)	
09/06/18	2		Tamai Farms		(196.00)	
09/06/18	2		Hawaii Station		(280.00)	
09/06/18	2		Surf City Flags		(272.00)	
09/06/18	2		Anna's Bakery		(272.00)	
09/06/18	2		MO - Islander Access		(416.00)	
09/06/18	2		Hortencia Purses		(136.00)	
09/06/18	2		Ohana Hawaiian Jewelry		(412.00)	
09/06/18	2		MO - Gutierrez		(197.00)	
09/06/18	2		MO - Pro Garage		(368.00)	

Downtown BID - Surf City Nights

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
09/06/18	2		HP Fire Pit		(272.00)	
09/06/18	2		Polynesian Designs		(280.00)	
09/06/18	2		Bee Ladies		(116.00)	
09/06/18	2		MO - Kisses of Coconut		(272.00)	
09/06/18	2		Style Up Hair Clips		(272.00)	
09/06/18	2		Hannah Balloon		(116.00)	
09/06/18	2		Baba Foods		(272.00)	
09/06/18	2		House of Bonsai		(196.00)	
09/06/18	2		Redbeards Hot Sauce		(280.00)	
09/06/18	2		Hypnosis		(40.00)	
09/06/18	2		Coach's Art		(280.00)	
09/06/18	2		Ricky Shoot		(544.00)	
09/06/18	2		Turmeric		(280.00)	
09/06/18	2		Himalayan Salt Lamps		(280.00)	
09/06/18	2		Hypnosis		(240.00)	
09/06/18	2		Ride with Us		(280.00)	
09/06/18	2		Eva Designs		(328.00)	
09/06/18	2		MO - World Wide Plants		(280.00)	
09/06/18	2		MO - Howies Beef Jerky		(416.00)	
09/06/18	2		MO - Henry's Farm		(136.00)	
09/06/18	2		Back Alley Art		(280.00)	
09/06/18	2		Acapulco Pico		(280.00)	
09/06/18	2		Alex's Fruits & Nuts		(280.00)	
09/06/18	2		MO - Sunny Cal Farm		(196.00)	
09/06/18	2		The Tamale Fiesta		(416.00)	
09/06/18	2		MO - Cheesecake in a Cup		(272.00)	
09/06/18	2		Istanbul Gifts		(328.00)	
09/06/18	2		Gera's Roasted Corn		(236.00)	
09/06/18	2		MO - Sergio's Leather		(280.00)	
09/06/18	2		Saltena Corner		(228.00)	
09/06/18	2		Starla's Boutique		(336.00)	
09/06/18	2		Coach's Comfu Air Beds		(336.00)	
09/06/18	2		Frogs Organic Bakery		(280.00)	
09/06/18	2		It Makes Scents		(280.00)	
09/06/18	2		Creative Mat		(316.00)	
09/06/18	2		Snow Biz/Totally Nuts		(236.00)	
09/06/18	2		Churro Mex		(236.00)	
09/06/18	2		Art 4 Shore		(116.00)	
09/06/18	2		Barbara's Keattle Corn		(236.00)	
09/06/18	2		Sheet Guys		(336.00)	
09/06/18	2		George Taco		(416.00)	
09/06/18	2		Tibetan Jewelry		(272.00)	
09/06/18	2		Edle of the World		(280.00)	
09/18/18	2		Rosewood Enterprises		(200.00)	
09/18/18	2		West Coast Deals		(400.00)	
09/18/18	2		Artelos		(200.00)	
09/18/18	2		HB Sky Cam		(200.00)	
09/18/18	2		Silver World		(200.00)	
09/18/18	2		Suzanne Derouin		(200.00)	
09/18/18	2		Carol Gardner		(100.00)	
09/18/18	2		Polynesian Designs		(200.00)	
09/18/18	2		William Whitterghan		(200.00)	
09/18/18	2		Ricky Shoot		(300.00)	
09/18/18	2		Michel Mechael		(100.00)	
09/18/18	2		Designs by Veronica		(200.00)	
09/18/18	2		Gloria Padilla		(200.00)	
09/18/18	2		Cashe Fashions		(200.00)	
09/30/18	Rec		HP Fire Pit		10.00	

Downtown BID - Surf City Nights

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
09/30/18	Rec		Turmeric		79.20	
			Totals for Surf City Nights		<u>(21,223.80)</u>	<u>(313,077.60)</u>
5400			Surf City Nights - Operational Expenses	2,222.00		
			Totals for Surf City Nights - Operational Expenses		<u>0.00</u>	<u>2,222.00</u>
5410			Contract Salaries	21,585.80		
			Totals for Contract Salaries		<u>0.00</u>	<u>21,585.80</u>
5420			Street Cleaning	2,306.04		
09/14/18	2228		Malco Maintenance Inc.		225.00	
			Totals for Street Cleaning		<u>225.00</u>	<u>2,531.04</u>
5425			Entertainment	3,500.00		
			Totals for Entertainment		<u>0.00</u>	<u>3,500.00</u>
5440			Licenses & Permits	2,932.00		
			Totals for Licenses & Permits		<u>0.00</u>	<u>2,932.00</u>
5445			Bank Charges	62.50		
09/30/18	Rec		Analysis charge		37.50	
			Totals for Bank Charges		<u>37.50</u>	<u>100.00</u>
5450			Marketing & Advertising	5,226.89		
09/28/18	2230		The UPS Store		261.72	
			Totals for Marketing & Advertising		<u>261.72</u>	<u>5,488.61</u>
5455			Office Supplies	117.53		
09/28/18	2229		Malco Maintenance Inc.		72.00	
			Totals for Office Supplies		<u>72.00</u>	<u>189.53</u>
5465			Rental & Setup	27,778.78		
09/14/18	2228		Malco Maintenance Inc.		2,730.00	
			Totals for Rental & Setup		<u>2,730.00</u>	<u>30,508.78</u>
5485			Parking	7,890.00		
			Totals for Parking		<u>0.00</u>	<u>7,890.00</u>
5490			Street Closure/City of HB	4,813.46		
			Totals for Street Closure/City of HB		<u>0.00</u>	<u>4,813.46</u>
7010			Marketing & Advertising	20,744.96		
			Totals for Marketing & Advertising		<u>0.00</u>	<u>20,744.96</u>
7060			Contract Bonus	29,127.22		
			Totals for Contract Bonus		<u>0.00</u>	<u>29,127.22</u>
7175			Accounting	2,975.00		
			Totals for Accounting		<u>0.00</u>	<u>2,975.00</u>
7180			Licenses & Fees	1,496.00		
			Totals for Licenses & Fees		<u>0.00</u>	<u>1,496.00</u>
7290			Rent	700.00		
			Totals for Rent		<u>0.00</u>	<u>700.00</u>
7340			Surf City Nights - Transfer to BID	131,533.42		

Downtown BID - Surf City Nights

General Ledger

September 1, 2018 - September 30, 2018

Date	Reference	Journal	Description	Beginning Balance	Current Amount	Period End Balance
09/30/18	Rec		Transfer to BID		12,000.00	
			Totals for Surf City Nights - Transfer to BID		<u>12,000.00</u>	<u>143,533.42</u>
8000	Interest Income			(0.15)		
09/30/18	AJE1		Interest on account		(0.42)	
			Totals for Interest Income		<u>(0.42)</u>	<u>(0.57)</u>
8100	Other Income			(4,538.24)		
09/06/18	2		Cash		(12.00)	
09/18/18	2		Cash		(3,000.00)	
			Totals for Other Income		<u>(3,012.00)</u>	<u>(7,550.24)</u>
			Report Total			<u>0.00</u>

Net Profit/(Loss)

Current Period	<u>8,910.00</u>
Year-to-Date	<u>40,290.59</u>

Distribution count = 107

**Downtown BID - Surf City Nights
Journals**

September 1, 2018 - September 30, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
Journal: General						
09/06/18	2	4450		Baby Mini Donuts		(228.00)
09/06/18	2	4450		West Coast Bungy		(112.00)
09/06/18	2	4450		Gerwig Avocado Ranch		(168.00)
09/06/18	2	4450		Sit Means Sit		(360.00)
09/06/18	2	4450		211 Ocean Art		(272.00)
09/06/18	2	4450		Giddy Up Pony Rides and Petting Zoo		(108.00)
09/06/18	2	4450		Welk		(368.00)
09/06/18	2	4450		Bazil Chiropractic Health Ctr		(368.00)
09/06/18	2	4450		Spiritual Origins		(272.00)
09/06/18	2	4450		Back to Basics		(272.00)
09/06/18	2	4450		Dolce Monachelli's		(280.00)
09/06/18	2	4450		Hawaiian Import		(172.00)
09/06/18	2	1040		09/06/18 Collections		2,980.00
09/06/18	2	4450		MO - Atkins Farm		(196.00)
09/06/18	2	4450		Keystone Cravings		(280.00)
09/06/18	2	4450		IV Couture		(280.00)
09/06/18	2	4450		MO - Don Betos/Gama		(196.00)
09/06/18	2	4450		Nature's Pet		(280.00)
09/06/18	2	4450		Tamai Farms		(196.00)
09/06/18	2	4450		Hawaii Station		(280.00)
09/06/18	2	4450		Surf City Flags		(272.00)
09/06/18	2	4450		Anna's Bakery		(272.00)
09/06/18	2	4450		MO - Islander Access		(416.00)
09/06/18	2	4450		Hortencia Purses		(136.00)
09/06/18	2	4450		Ohana Hawaiian Jewelry		(412.00)
09/06/18	2	4450		MO - Gutierrez		(197.00)
09/06/18	2	4450		MO - Pro Garage		(368.00)
09/06/18	2	4450		HP Fire Pit		(272.00)
09/06/18	2	4450		Polynesian Designs		(280.00)
09/06/18	2	4450		Bee Ladies		(116.00)
09/06/18	2	4450		MO - Kisses of Coconut		(272.00)
09/06/18	2	4450		Style Up Hair Clips		(272.00)
09/06/18	2	4450		Hannah Balloon		(116.00)
09/06/18	2	4450		Baba Foods		(272.00)
09/06/18	2	4450		House of Bonsai		(196.00)
09/06/18	2	4450		Redbeards Hot Sauce		(280.00)
09/06/18	2	4450		Hypnosis		(40.00)
09/06/18	2	4450		Coach's Art		(280.00)
09/06/18	2	4450		Ricky Shoot		(544.00)
09/06/18	2	4450		Turmeric		(280.00)
09/06/18	2	8100		Cash		(12.00)
09/06/18	2	4450		Himalayan Salt Lamps		(280.00)
09/06/18	2	4450		Hypnosis		(240.00)
09/06/18	2	1040		09/06/18 Collections		7,533.00
09/06/18	2	4450		Ride with Us		(280.00)
09/06/18	2	4450		Eva Designs		(328.00)
09/06/18	2	4450		MO - World Wide Plants		(280.00)
09/06/18	2	4450		MO - Howies Beef Jerky		(416.00)
09/06/18	2	4450		MO - Henry's Farm		(136.00)
09/06/18	2	4450		Back Alley Art		(280.00)
09/06/18	2	4450		Acapulco Pico		(280.00)
09/06/18	2	4450		Alex's Fruits & Nuts		(280.00)
09/06/18	2	4450		MO - Sunny Cal Farm		(196.00)
09/06/18	2	4450		The Tamale Fiesta		(416.00)
09/06/18	2	4450		MO - Cheesecake in a Cup		(272.00)
09/06/18	2	4450		Istanbul Gifts		(328.00)
09/06/18	2	4450		Gera's Roasted Corn		(236.00)
09/06/18	2	4450		MO - Sergio's Leather		(280.00)

Downtown BID - Surf City Nights Journals

September 1, 2018 - September 30, 2018

Date	Reference	Account	Payee ID	Description	1099	Amount
09/06/18	2	4450		Saltena Corner		(228.00)
09/06/18	2	4450		Starla's Boutique		(336.00)
09/06/18	2	4450		Coach's Comfu Air Beds		(336.00)
09/06/18	2	4450		Frogs Organic Bakery		(280.00)
09/06/18	2	4450		It Makes Scents		(280.00)
09/06/18	2	4450		Creative Mat		(316.00)
09/06/18	2	4450		Snow Biz/Totally Nuts		(236.00)
09/06/18	2	4450		Churro Mex		(236.00)
09/06/18	2	4450		Art 4 Shore		(116.00)
09/06/18	2	4450		Barbara's Keattle Corn		(236.00)
09/06/18	2	4450		Sheet Guys		(336.00)
09/06/18	2	4450		George Taco		(416.00)
09/06/18	2	4450		Tibetan Jewelry		(272.00)
09/06/18	2	4450		Edle of the World		(280.00)
09/06/18	2	1040		09/06/18 Collections		7,912.00
09/14/18	2228	1040	Malco	Malco Maintenance Inc.		(4,237.00)
09/14/18	2228	5465	Malco	Malco Maintenance Inc.		2,730.00
09/14/18	2228	5420	Malco	Malco Maintenance Inc.		225.00
09/14/18	2228	1640	Malco	Malco Maintenance Inc. - Generator		1,282.00
09/18/18	2	8100		Cash		(3,000.00)
09/18/18	2	4450		Rosewood Enterprises		(200.00)
09/18/18	2	4450		West Coast Deals		(400.00)
09/18/18	2	4450		Artelos		(200.00)
09/18/18	2	4450		HB Sky Cam		(200.00)
09/18/18	2	4450		Silver World		(200.00)
09/18/18	2	4450		Suzanne Derouin		(200.00)
09/18/18	2	4450		Carol Gardner		(100.00)
09/18/18	2	4450		Polynesian Designs		(200.00)
09/18/18	2	4450		William Whitterghan		(200.00)
09/18/18	2	4450		Ricky Shoot		(300.00)
09/18/18	2	4450		Michel Mechael		(100.00)
09/18/18	2	4450		Designs by Veronica		(200.00)
09/18/18	2	4450		Gloria Padilla		(200.00)
09/18/18	2	4450		Cashe Fashions		(200.00)
09/18/18	2	1040		09/18/18 Surf City Days		5,900.00
09/28/18	2229	1040	Malco	Malco Maintenance Inc.		(72.00)
09/28/18	2229	5455	Malco	Malco Maintenance Inc.		72.00
09/28/18	2230	1040	UPS	The UPS Store		(261.72)
09/28/18	2230	5450	UPS	The UPS Store		261.72
09/30/18	AJE1	8000		Interest on account		(0.42)
09/30/18	AJE1	1050		Interest on account		0.42
09/30/18	Rec	1040		Transfer to BID		(12,000.00)
09/30/18	Rec	7340		Transfer to BID		12,000.00
09/30/18	Rec	1040		Analysis charge		(37.50)
09/30/18	Rec	5445		Analysis charge		37.50
09/30/18	Rec	1040		HP Fire Pit		(10.00)
09/30/18	Rec	4450		HP Fire Pit		10.00
09/30/18	Rec	1040		Turmeric		(79.20)
09/30/18	Rec	4450		Turmeric		79.20
Transaction Balance for General						0.00

Transaction Totals

Total Debits	<u>41,022.84</u>
Total Credits	<u>41,022.84</u>
Account Hash Total	<u>451155.0000</u>

Transaction count = 97
Distribution count = 107