



PRESS RELEASE

December 3, 2019

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Long Beach City Auditor to Conduct Audit of Queen Mary Lease Agreement

Long Beach, CA – Long Beach City Auditor Laura Doud today announced that she is commencing an audit of the City's lease agreement with Urban Commons to operate the Queen Mary. The purpose of the audit is to ensure that the City received all revenues owed.

With this audit, the City Auditor's Office will complete a more detailed analysis of Urban Commons' recently released 2017 and 2018 audited financial statements of the Queen Mary. Additionally, in light of the initial public offering (IPO) on the Singapore Stock Exchange by Urban Common's Eagle Hospitality Trust, the audit will reconcile the audited financial statements and the financial information contained in Eagle Hospitality Trust's investor prospectus related to the Queen Mary.

City Auditor Doud notified Urban Commons and City Management of her intent to conduct this audit in partnership with a forensics accounting firm.

"The iconic Queen Mary has for generations been a significant and meaningful part of our City's history, but the ship has gone through some very challenging times," said City Auditor Doud. "Since I was first elected to this office, I have tracked the Queen Mary's developments, voiced my concerns about the progress of capital improvements as well as City oversight of the ship, pushed for reporting transparency, and conducted a number of audits of the Queen Mary. This latest audit is a continuation of our work to ensure good stewardship of this historical asset."

The upcoming audit of the Queen Mary's financials and lease compliance will be the sixth audit of the Queen Mary conducted by City Auditor Doud. The previous audits recommended improvements concerning asset management, capital improvements, internal controls and accounting, tenant contract compliance, and the City's oversight of the lease agreement.

About the Long Beach City Auditor's Office

The Long Beach City Auditor's Office's mission is to make Long Beach better through independent audits and fraud investigations. The Office works to provide assurance City funds are spent as intended, promote transparency and accountability of City operations, and prevent fraud, waste and abuse of City resources. For more information visit CityAuditorLauraDoud.com and connect with the Office @LBCityAuditor on [Facebook](#), [Instagram](#) and [Twitter](#). Sign up to receive email [updates](#) and download the MyAuditor App at the [App Store](#) or [Google Play](#).

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