

COVELER & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

TWO MEMORIAL CITY PLAZA
820 GESSNER, SUITE 1710
HOUSTON, TEXAS 77024-8261
Telephone (713) 827-8998
Facsimile (713) 984-0670

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Sharpstown Civic Association, Inc.
Houston, TX 77036

Management is responsible for the accompanying financial statements of Sharpstown Civic Association, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – modified cash basis as of February 28, 2017, and the related statement of revenues and expenses – modified cash basis and statement of cash flow – modified cash basis for the one month and two 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 and the accompanying supplemental information schedules I and II, which are presented only for supplementary analysis purposes. We have performed a compilation engagement in accordance with Statements on Standards of Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements 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.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Coveler & Associates P.C.

COVELER & ASSOCIATES, P.C.
March 15, 2017

Sharpstown Civic Association, Inc.
Statement of Assets, Liabilities, and Net Assets
Modified Cash Basis
February 28, 2017

ASSETS

Current Assets			
City Bank - Cash	\$	70,052	
Chase Checking - Cash		33,145	
Chase Savings		7	
City Bank Savings		300,000	
Prepaid Expense		984	
Total Current Assets			\$ 404,187
Fixed Assets			
Equipment		4,232	
Accumulated Depreciation		(4,232)	
Total Fixed Assets, Net			0
Other Assets			
Deposits - Rent & Utilities		1,100	
Total Other Assets			1,100
Total Assets			\$ <u>405,287</u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
FICA Tax Payable	\$	(500)	
FIT Payable		(252)	
FUTA Payable		63	
SUTA Payable		863	
Deferred Income - 2017 Dues		69,634	
Deferred Income - 2017 S&S		128,783	
Total Current Liabilities			\$ 198,591
Unrestricted Net Assets			
Unrestricted Net Assets		226,851	
Increase/(Decrease) in Unrestricted Net Assets		(20,155)	
Total Unrestricted Net Assets			206,696
Total Liabilities and Unrestricted Net Assets			\$ <u>405,287</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Period Ended February 28, 2017

	<u>1 Month Ended</u> <u>Feb. 28, 2017</u>	<u>2 Months Ended</u> <u>Feb. 28, 2017</u>
Revenues		
Memberships - Full	\$ 6,963	\$ 12,576
Safety and Security	12,878	23,253
Architectural Fee	155	290
Legal Fee Reimbursement	0	590
Interest (Chase)	7	23
SCAN	3,465	3,465
Transfer Fees	2,550	5,450
Foreclosure Fee	(187)	(187)
Refinance Fees	<u>200</u>	<u>400</u>
Total Revenues	<u>26,031</u>	<u>45,860</u>
Expenses		
Accounting	0	350
Bank/Merchant Charges	132	823
Safety and Security	16,284	33,442
Esplanades	588	588
Insurance	138	138
Legal Fees	2,477	5,667
Office Supplies	329	1,781
Outreach/Incentives for GM	71	165
Payroll	6,285	11,559
Payroll Taxes	981	1,811
Rent	900	1,800
SCAN	5,020	6,445
Telephone & Internet	224	338
TOPS Monthly Fee	400	800
Utilities	<u>308</u>	<u>308</u>
Total Expenses	<u>34,136</u>	<u>66,015</u>
Increase/(Decrease) Unrestricted Net Assets	\$ <u>(8,105)</u>	\$ <u>(20,155)</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Cash Flow
Modified Cash Basis
For the Period Ended February 28, 2017

	1 Month Ended Feb. 28, 2017	2 Months Ended Feb. 28, 2017
Cash Flow From Operating Activities		
Current Year's Earnings	\$ (8,105)	\$ (20,155)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ 900	\$ 900
Prepaid Expense	138	(746)
FICA Tax Payable	(500)	(500)
FIT Payable	(252)	(252)
FUTA Payable	31	53
SUTA Payable	469	863
Deferred Income - 2017 Dues	8,248	49,184
Deferred Income - 2017 S&S	14,964	90,183
Total Adjustments	23,999	139,686
Cash Provided (Used) By Operations	15,894	119,531
Net Increase (Decrease) In Cash	15,894	119,531
Cash at Beginning of Period	387,309	283,672
Cash at End of Period	\$ 403,203	\$ 403,203

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Schedule I
Modified Cash Basis
For the Periods Ended February 28, 2017 and 2016

	<u>1 Month Ended</u> <u>Feb. 28, 2017</u>		<u>1 Month Ended</u> <u>Feb. 28, 2016</u>
Revenues			
Memberships - Full	\$ 6,963	\$	8,462
Safety and Security	12,878		14,072
Architectural Fee	155		162
Legal Fee Reimbursement	0		5,779
Interest (Chase)	7		26
SCAN	3,465		1,482
Transfer Fees	2,550		1,350
Foreclosure Fee	(187)		0
Refinance Fees	<u>200</u>		<u>50</u>
Total Revenues	<u>26,031</u>		<u>31,383</u>
Expenses			
Accounting	0		1,830
Bank/Merchant Charges	132		425
Safety and Security	16,284		15,272
Deed Restrictions	0		123
Esplanades	588		0
Insurance	138		156
Legal Fees	2,477		0
Mosquito Spraying	0		15
Office Supplies	329		95
Outreach/Incentives for GM	71		64
Payroll	6,285		6,950
Payroll Taxes	981		1,089
Rent	900		878
SCAN	5,020		0
Telephone & Internet	224		198
TOPS Monthly Fee	400		400
Utilities	<u>308</u>		<u>0</u>
Total Expenses	<u>34,136</u>		<u>27,495</u>
Increase/(Decrease) Unrestricted Net Assets	\$ <u>(8,105)</u>	\$	<u>3,888</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Schedule II
Modified Cash Basis
For the Period Ended February 28, 2017

	1 Month Ended				2 Months Ended			
	Feb. 28, 2017	Budget	Variance	Pct	Feb. 28, 2017	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 6,963	\$ 10,663	\$ (3,699)	(35)	\$ 12,576	\$ 21,325	\$ (8,749)	(41)
Safety and Security	12,878	19,663	(6,784)	(35)	23,253	39,325	(16,072)	(41)
Architctural Fee	155	292	(137)	(47)	290	583	(293)	(50)
Interest & Fees	0	83	(83)	(100)	0	167	(167)	(100)
Legal Fee Reimbursement	0	750	(750)	(100)	590	1,500	(910)	(61)
Interest (Chase)	7	0	7	0	23	0	23	0
SCAN	3,465	1,250	2,215	177	3,465	2,500	965	39
Transfer Fees	2,550	2,917	(367)	(13)	5,450	5,833	(383)	(7)
Foreclosure Fee	(187)	0	(187)	0	(187)	0	(187)	0
Refinance Fees	200	150	50	33	400	300	100	33
Total Revenues	26,031	35,767	(9,735)	(27)	45,860	71,533	(25,673)	(36)
Expenses								
Accounting	0	583	(583)	(100)	350	1,167	(817)	(70)
Bank/Merchant Charges	132	208	(77)	(37)	823	417	406	97
Beautification Project	0	125	(125)	(100)	0	250	(250)	(100)
Community Projects	0	42	(42)	(100)	0	83	(83)	(100)
Safety and Security	16,284	16,833	(549)	(3)	33,442	33,667	(225)	(1)
Donation	0	25	(25)	(100)	0	50	(50)	(100)
Website & Other	0	25	(25)	(100)	0	50	(50)	(100)
Esplanades	588	125	463	370	588	250	338	135
Insurance	138	250	(112)	(45)	138	500	(362)	(72)
Legal Fees	2,477	2,917	(440)	(15)	5,667	5,833	(167)	(3)
Office Supplies	329	667	(337)	(51)	1,781	1,333	447	34
Outreach/Incentives for G	71	83	(13)	(15)	165	167	(1)	(1)
Payroll	6,285	6,500	(215)	(3)	11,559	13,000	(1,441)	(11)
Payroll Taxes	981	683	298	44	1,811	1,367	444	32
Rent	900	967	(67)	(7)	1,800	1,933	(133)	(7)
SCAN	5,020	3,750	1,270	34	6,445	7,500	(1,055)	(14)
Telephone & Internet	224	217	7	3	338	433	(95)	(22)
TOPS Monthly Fee	400	400	0	0	800	800	0	0
Utilities	308	150	158	105	308	300	8	3
Total Expenses	34,136	34,550	(414)	(1)	66,015	69,100	(3,085)	(4)
Increase/(Decrease) Unrest	\$ (8,105)	\$ 1,217	\$ (9,322)	(766)	\$ (20,155)	\$ 2,433	\$ (22,588)	(928)

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.

2017

**Chase Bank
Check Register**

DATE	DESCRIPTION	CHECK #	AMOUNT	DEPOSIT	BALANCE
2/1/2017	Beginning Balance				118,568.84
2/14/2017	City Bank	5305	300000.00		-181,431.16
2/3/2017	IRS	ACH	752.31		-182,183.47
2/5/2017	TOPS	ACH	400.00		-182,583.47
2/6/2017	Business Extension Bureau	ACH	788.36		-183,371.83
2/6/2017	Expert Yard Care	ACH	588.00		-183,959.83
2/6/2017	Capizmo Communications	ACH	97.13		-184,056.96
2/6/2017	Business Extension Bureau	ACH	4231.75		-188,288.71
2/6/2017	Lambright & Associates	ACH	2476.56		-190,765.27
2/6/2017	Seal Security Services	ACH	16284.00		-207,049.27
2/6/2017	City of Houston	ACH	23.10		-207,072.37
2/6/2017	Fdms Okb	ACH	100.53		-207,172.90
2/11/2017	Google Storage	ACH	10.81		-207,183.71
2/17/2017	IRS	ACH	1432.55		-208,616.26
02/02/17	USPS	Debit	22.19		-208,638.45
02/14/17	USPS	Debit	19.28		-208,657.73
02/14/17	USPS	Debit	6.59		-208,664.32
02/15/17	USPS	Debit	6.59		-208,670.91
02/16/17	USPS	Debit	13.18		-208,684.09
02/21/17	USPS	Debit	13.18		-208,697.27
2/22/2017	USPS	Debit	13.18		-208,710.45
2/23/2017	USPS	Debit	100.87		-208,811.32
2/23/2017	Wal Mart	Debit	40.77		-208,852.09
2/23/2017	Jimmy John's	Debit	30.00		-208,882.09
2/24/2017	HEB	Debit	12.13		-208,894.22
2/28/2017	Comcast	Debit	103.73		-208,997.95
1/31/2017	Deposit			242,142.55	33,144.60
		Payroll	0.00	242142.55	Debits
		IRS	2184.86		
		Misc Debit	25381.93		
		Checks	300000.00		
		Disbursemer	327566.79	242142.55	Deposits

ACCOUNT DESCRIPTION:

Chase - Operating Account

G/L ACCOUNT #: 101 Month February YEAR: 2017

BEG. BOOK BALANCE: 118,568.84 BALANCE PER BANK: 33,144.60

ADD: DEPOSITS

GL #	AMOUNT
Deposit	242,142.55
Collections	
Redeposit returned items	
Bank Fee	

DEPOSITS IN TRANSIT:

DATE	AMOUNT

TOTAL DEPOSITS 242,142.55 DEPOSITS IN TRANSIT: 0.00

LESS: CHECKS

OUTSTANDING CHECKS 300,000.00 0.00

LESS: DEBIT MEMOS

GL#	AMOUNT
Misc Debits	25,381.93
Payroll	0.00
Tax	2,184.86
FUTA & SUTA	

CORRECTING JOURNAL ENTRIES

JE#	AMOUNT

TOTAL DEBIT MEMOS 27,566.79 TOTAL JE'S 0.00

BALANCE PER BOOKS: 33,144.60 BALANCE PER BANK: 33,144.60 0.00
Per Check Register: 33,144.60 Per Easy: 33,144.60 0.00
0.00

OUTSTANDING CHECKS

CK. #	AMOUNT	CK#	AMOUNT	CK. #	AMOUNT

Total: 0.00 Total: 0.00 Total: 0.00

TOTALS: 0.00

**Sharpstown Civic Association
City Bank
Check Register**

DATE	DESCRIPTION	CHECK #	AMOUNT	DEPOSIT	BALANCE
2/1/2017	Beginning Balance				36,511.25
2/1/2017	Johnson Samuel	103	890.91		35,620.34
2/1/2017	Scott Gilbert	104	1968.68		33,651.66
2/17/2017	Johnson Samuel	105	804.15		32,672.99
2/17/2017	Scott Gilbert	106	1791.41		30,881.58
2/2/2017	Ipover	Debit	11.99		33,639.67
2/7/2017	Reliant Energy	ACH	131.16		33,508.51
2/15/2017	Account analysis fee	ACH	31.06		33,477.45
2/15/2017	Verifybank Paypal PPD	ACH	0.31		33,477.14
2/27/2017	Reliant Energy	Debit	153.50		30,728.08
2/28/2017	Deposit			39324.06	70,052.14
		Disbursemer	5783.17	39324.06	Deposits
		Payroll	5455.15		Debits
		IRS	0.00		
		Checks	0.00		
		Misc Debit	328.02		
		Total Check	5783.17	39324.06	Collections

ACCOUNT DESCRIPTION:

City Bank

G/L ACCOUNT #: 100 Month February YEAR: 2017

BEG. BOOK BALANCE: 36,511.25 BALANCE PER BANK: 70,052.14

ADD: DEPOSITS		DEPOSITS IN TRANSIT:	
GL #	AMOUNT	DATE	AMOUNT
Deposit	39,324.06	_____	_____
Collections	_____	_____	_____
Redeposit returned items	_____	_____	_____
Bank Fee	_____	_____	_____
TOTAL DEPOSITS	<u>39,324.06</u>	DEPOSITS IN TRANSIT:	<u>0.00</u>

LESS: CHECKS	<u>0.00</u>	OUTSTANDING CHECKS	<u>0.00</u>
---------------------	--------------------	---------------------------	--------------------

LESS: DEBIT MEMOS		CORRECTING JOURNAL ENTRIES	
GL#	AMOUNT	JE#	AMOUNT
Misc Debits	328.02	_____	_____
Payroll	5,455.15	_____	_____
Tax	0.00	_____	_____
FUTA & SUTA	_____	_____	_____
TOTAL DEBIT MEMOS	<u>5,783.17</u>	TOTAL JE'S	<u>0.00</u>

BALANCE PER BOOKS:	<u>70,052.14</u>	BALANCE PER BANK:	<u>70,052.14</u>	0.00
Per Check Register:	<u>70,052.14</u>	Per Easy:	<u>70,052.14</u>	<u>0.00</u>
	<u>0.00</u>			

OUTSTANDING CHECKS					
CK. #	AMOUNT	CK#	AMOUNT	CK. #	AMOUNT

Total:	0.00	Total:	0.00	Total:	0.00
---------------	-------------	---------------	-------------	---------------	-------------

TOTALS: 0.00

3/13/2017
10:32

Sharpstown Civic Association, Inc.
Chart of Accounts

Company: SCA
Page: 1

<u>Account</u>	<u>Type</u>	<u>Account Name</u>
100	A	City Bank - Cash
101	A	Chase Checking - Cash
102	A	Chase Savings
103	A	City Bank Savings
140	A	Petty Cash
145	A	Due from employees
176	A	Prepaid Rent
177	A	Prepaid Expense
180	A	Equipment
182	A	Construction in Progress
185	A	Software
190	A	Accumulated Amortization
195	A	Accumulated Depreciation
196	A	Deposits - Rent & Utilities
206	L	Bank Overdraft
210	L	Audit Expense Payable
221	L	FICA Tax Payable
222	L	FIT Payable
224	L	FUTA Payable
225	L	SUTA Payable
239	L	Deferred Income - 2017 Dues
240	L	Deferred Income - 2016 Dues
241	L	Deferred Income - 2014 Dues
242	L	Deferred Income - 2018 Dues
243	L	Deferred Income - 2018 S&S
244	L	Deferred Income - 2017 S&S
245	L	Deferred Income - 2016 S&S
246	L	Deferred Income - 2015 S&S
250	L	Deferred Insurance Proceeds
300	L	Unrestricted Net Assets
400	R	Memberships - Full
420	R	Memberships - Associate
425	R	Safety and Security
426	R	Architectural Fee
428	R	Interest & Fees
430	R	Donations
440	R	Legal Fee Reimbursement
450	R	Project Outside Reimbursement
460	R	Interest (Chase)
465	R	Interest (City Bank)
470	R	SCAN
475	R	Sponsorship
480	R	Transfer Fees
482	R	Foreclosure Fee
485	R	Refinance Fees
600	E	Accounting
620	E	Bank/Merchant Charges
623	E	Beautification Project

3/13/2017
10:32

Sharpstown Civic Association, Inc.
Chart of Accounts

Company: SCA
Page: 2

<u>Account</u>	<u>Type</u>	<u>Account Name</u>
625	E	Community Projects
630	E	Safety and Security
636	E	Computer Hardware
637	E	Computer Software
640	E	Deed Restrictions
645	E	Depreciation
646	E	Donation
647	E	Website & Other
648	E	Economic Development Supplies
650	E	Esplanades
655	E	Government Relations Supplies
660	E	Insurance
665	E	Legal Fees
670	E	Membership
680	E	Do not USE (Use 620)
690	E	Mosquito Spraying
703	E	Office Supplies
705	E	Outreach/Incentives for GM
710	E	Payroll
720	E	Payroll Taxes
750	E	Rent
770	E	SCAN
771	E	SCAN - Photographer
775	E	Signage - Yard Signs
780	E	Telephone & Internet
790	E	TOPS Monthly Fee
795	E	Uniform Deed Restrictions
800	E	Utilities
999	E	Suspense

77 Accounts on File