

COVELER & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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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 July 31, 2018, and the related statement of revenues and expenses – modified cash basis and statement of cash flow – modified cash basis for the one month and seven 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 & Associate P.C.

COVELER & ASSOCIATES, P.C.
August 21, 2018

Sharpstown Civic Association, Inc.
Statement of Assets, Liabilities, and Net Assets
Modified Cash Basis
July 31, 2018

ASSETS

Current Assets			
City Bank - Cash	\$	17,346	
City Bank Savings		371,125	
Prepaid Expense		<u>416</u>	
Total Current Assets	\$		388,887
Fixed Assets			
Equipment		4,232	
Accumulated Depreciation		<u>(4,232)</u>	
Total Fixed Assets, Net			0
Other Assets			
Deposits - Rent & Utilities		<u>1,100</u>	
Total Other Assets			<u>1,100</u>
Total Assets	\$		<u><u>389,987</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Deferred Income - 2018 Dues	\$	58,496	
Deferred Income - 2018 S&S		<u>110,199</u>	
Total Current Liabilities	\$		168,695
Unrestricted Net Assets			
Unrestricted Net Assets		249,532	
Increase/(Decrease) in Unrestricted Net Assets		<u>(28,240)</u>	
Total Unrestricted Net Assets			<u>221,292</u>
Total Liabilities and Unrestricted Net Assets	\$		<u><u>389,987</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Period Ended July 31, 2018

	1 Month Ended Jul. 31, 2018		7 Months Ended Jul. 31, 2018
Revenues			
Memberships - Full	\$ 11,699	\$	65,068
Safety and Security	22,040		121,219
Architectural Fee	567		1,742
Donations	275		275
Legal Fee Reimbursement	2,947		8,149
Interest (Chase)	233		1,379
SCAN	1,890		5,340
Transfer Fees	8,250		30,400
Refinance Fees	700		3,050
Total Revenues	48,600		236,623
Expenses			
Accounting	0		3,430
Bank/Merchant Charges	151		2,440
Beautification Project	572		904
Community Projects	0		3,973
Safety and Security	16,698		113,500
Security Yard Sign	0		9,300
Esplanades/Lot Maintenance	0		756
Insurance	186		2,148
Legal Fees - DR/ACC	7,680		26,766
Membership Promotion	0		1,566
CC Fees	54		54
Mosquito Spraying	2,831		9,634
Office Supplies	290		13,435
Outreach/Incentives for GM	159		378
Payroll	4,472		37,239
Payroll Taxes	342		3,016
Rent	1,100		7,700
SCAN	2,408		22,607
Telephone & Internet	334		1,853
TOPS Monthly Fee	430		3,010
Utilities	278		1,155
Total Expenses	37,985		264,863
Increase/(Decrease) Unrestricted Net Assets	\$ 10,616	\$	(28,240)

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Periods Ended July 31, 2018 and 2017

	<u>1 Month Ended</u> <u>Jul. 31, 2018</u>	<u>1 Month Ended</u> <u>Jul. 31, 2017</u>
Revenues		
Memberships - Full	\$ 11,699	\$ 11,526
Safety and Security	22,040	20,627
Architectural Fee	567	340
Donations	275	0
Legal Fee Reimbursement	2,947	240
Interest (Chase)	233	125
SCAN	1,890	473
Community Project - Donation	0	1,000
Transfer Fees	8,250	4,750
Refinance Fees	<u>700</u>	<u>450</u>
Total Revenues	<u>48,600</u>	<u>39,531</u>
Expenses		
Accounting	0	350
Bank/Merchant Charges	151	92
Beautification Project	572	0
Community Projects	0	83
Safety and Security	16,698	17,204
Insurance	186	0
Legal Fees - DR/ACC	7,680	1,705
CC Fees	54	0
Mosquito Spraying	2,831	2,575
Office Supplies	290	389
Outreach/Incentives for GM	159	60
Payroll	4,472	5,560
Payroll Taxes	342	425
Rent	1,100	900
SCAN	2,408	0
Telephone & Internet	334	215
TOPS Monthly Fee	430	400
Utilities	<u>278</u>	<u>122</u>
Total Expenses	<u>37,985</u>	<u>30,081</u>
Increase/(Decrease) Unrestricted Net Assets	\$ <u>10,616</u>	\$ <u>9,450</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Cash Flow
Modified Cash Basis
For the Period Ended July 31, 2018

	<u>1 Month Ended</u> <u>Jul. 31, 2018</u>	<u>7 Months Ended</u> <u>Jul. 31, 2018</u>
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 10,616	\$ (28,240)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Expense	\$ 186	\$ 231
FUTA Payable	(15)	0
SUTA Payable	(21)	0
Deferred Income - 2018 Dues	(5,597)	48,596
Deferred Income - 2018 S&S	<u>(9,633)</u>	<u>91,278</u>
Total Adjustments	<u>(15,080)</u>	<u>140,104</u>
Cash Provided (Used) By Operations	<u>(4,464)</u>	<u>111,864</u>
Net Increase (Decrease) In Cash	(4,464)	111,864
Cash at Beginning of Period	<u>392,934</u>	<u>276,606</u>
Cash at End of Period	\$ <u><u>388,470</u></u>	\$ <u><u>388,470</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Period Ended July 31, 2018

	1 Month Ended				7 Months Ended			
	Jul. 31, 2018	Budget	Variance	Pct	Jul. 31, 2018	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 11,699	\$ 11,000	\$ 699	6	\$ 65,068	\$ 77,000	\$ (11,932)	(15)
Memberships - Associate	0	33	(33)	(100)	0	233	(233)	(100)
Safety and Security	22,040	21,667	373	2	121,219	151,667	(30,448)	(20)
Architectural Fee	567	333	234	70	1,742	2,333	(591)	(25)
Interest & Fees	0	100	(100)	(100)	0	700	(700)	(100)
Donations	275	0	275	0	275	0	275	0
Legal Fee Reimbursement	2,947	583	2,363	405	8,149	4,083	4,066	100
Interest (Chase)	233	0	233	0	1,379	0	1,379	0
SCAN	1,890	1,333	557	42	5,340	9,333	(3,993)	(43)
Community Project - Dona	0	125	(125)	(100)	0	875	(875)	(100)
Transfer Fees	8,250	3,583	4,667	130	30,400	25,083	5,317	21
Refinance Fees	700	167	533	320	3,050	1,167	1,883	161
Total Revenues	48,600	38,925	9,675	25	236,623	272,475	(35,852)	(13)
Expenses								
Accounting	0	583	(583)	(100)	3,430	4,083	(654)	(16)
Bank/Merchant Charges	151	292	(141)	(48)	2,440	2,042	399	20
Beautification Project	572	125	447	357	904	875	29	3
Community Projects	0	333	(333)	(100)	3,973	2,333	1,640	70
Safety and Security	16,698	19,195	(2,497)	(13)	113,500	134,366	(20,867)	(16)
Security Yard Sign	0	833	(833)	(100)	9,300	5,833	3,467	59
Deed Restrictions	0	167	(167)	(100)	0	1,167	(1,167)	(100)
External Groups	0	83	(83)	(100)	0	583	(583)	(100)
Esplanades/Lot Maintena	0	250	(250)	(100)	756	1,750	(994)	(57)
Public Relations	0	42	(42)	(100)	0	292	(292)	(100)
Insurance	186	167	20	12	2,148	1,167	981	84
Legal Fees - DR/ACC	7,680	2,083	5,596	269	26,766	14,583	12,182	84
Legal Fees - Other	0	667	(667)	(100)	0	4,667	(4,667)	(100)
Membership Promotion	0	167	(167)	(100)	1,566	1,167	399	34
CC Fees	54	0	54	0	54	0	54	0
Mosquito Spraying	2,831	1,613	1,218	76	9,634	11,290	(1,656)	(15)
Office Supplies	290	667	(377)	(56)	13,435	4,667	8,768	188
Outreach/Incentives for G	159	208	(50)	(24)	378	1,458	(1,080)	(74)
Payroll	4,472	6,000	(1,528)	(25)	37,239	42,000	(4,761)	(11)
Payroll Taxes	342	495	(153)	(31)	3,016	3,466	(451)	(13)
Rent	1,100	1,100	0	0	7,700	7,700	0	0
SCAN	2,408	2,833	(426)	(15)	22,607	19,833	2,773	14
Yard Signs - Not Security	0	25	(25)	(100)	0	175	(175)	(100)
Telephone & Internet	334	250	84	34	1,853	1,750	103	6
TOPS Monthly Fee	430	400	30	8	3,010	2,800	210	8
Utilities	278	133	145	109	1,155	933	222	24
Total Expenses	37,985	38,712	(727)	(2)	264,863	270,981	(6,119)	(2)
Increase/(Decrease) Unrest	\$ 10,616	\$ 213	\$ 10,402	999	\$ (28,240)	\$ 1,494	\$ (29,734)	(999)

See Attached Accountant's Compilation Report.

**Sharpstown Civic Association
City Bank
Check Register**

DATE	DESCRIPTION	CHECK #	AMOUNT	DEPOSIT	BALANCE
07/01/18	Beginning Balance				22,042.53
7/31/2018	Business Extension Bureau	156	2407.75		19,634.78
7/31/2018	Lambright	100092	3514.19		16,120.59
7/31/2018	Rent	100094	1100.00		15,020.59
7/31/2018	Lambright	100097	4165.47		10,855.12
7/31/2018	SEAL Security Solutions	100099	16698.00		-5,842.88
7/3/2018	Scott Gilbert	ACH	1821.60		-7,664.48
7/3/2018	Johnson Samuel	ACH	360.16		-8,024.64
7/3/2018	IRS	ACH	508.12		-8,532.76
7/31/2018	Scott Gilbert	ACH	1762.20		-10,294.96
7/31/2018	Johnson Samuel	ACH	96.97		-10,391.93
7/18/2018	IRS	ACH	464.50		-10,856.43
7/31/2018	IRS	ACH	15.01		-10,871.44
7/31/2018	Capizmo	ACH	100.86		-10,972.30
7/31/2018	Charmaine LeBlanc	ACH	294.41		-11,266.71
7/31/2018	Comcast	ACH	111.31		-11,378.02
7/31/2018	Comcast	ACH	111.31		-11,489.33
7/31/2018	Cypress Creek Mosquito Control	ACH	2831.00		-14,320.33
7/31/2018	Fdms Okb	ACH	54.00		-14,374.33
7/31/2018	Google Storage	ACH	10.65		-14,384.98
7/31/2018	HEB	ACH	128.36		-14,513.34
7/31/2018	Hilton Rentals	ACH	25.79		-14,539.13
7/31/2018	Home Depot	ACH	6.44		-14,545.57
7/31/2018	Home Depot	ACH	245.21		-14,790.78
7/31/2018	Tx Workforce Commission	ACH	20.71		-14,811.49
7/31/2018	Reliant Energy	ACH	124.45		-14,935.94
7/31/2018	Reliant Energy	ACH	138.58		-15,074.52
7/31/2018	Sam's Club	ACH	30.30		-15,104.82
7/31/2018	TOPS	ACH	430.00		-15,534.82
7/31/2018	USPS	ACH	6.70		-15,541.52
7/31/2018	USPS	ACH	6.70		-15,548.22
7/31/2018	USPS	ACH	56.70		-15,604.92
7/31/2018	USPS	ACH	6.70		-15,611.62
7/31/2018	USPS	ACH	13.40		-15,625.02
7/31/2018	COH Water	ACH	15.45		-15,640.47
7/31/2018	Bank Service Fee	ACH	1.25		-15,641.72
7/31/2018	Deposit			32987.40	17,345.68
		Disbursemen	37684.25	68243.06	Deposits
		Payroll	4040.93		
		IRS	972.62		
		Checks	27885.41		
		Misc Debits	4784.04		
		Total Check	37683.00	68243.06	Collections