

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 August 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 eight 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.
September 6, 2018

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

ASSETS

Current Assets			
City Bank - Cash	\$	12,319	
City Bank Savings		350,394	
Prepaid Rent		1,100	
Prepaid Expense		<u>473</u>	
Total Current Assets	\$		364,286
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>365,386</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Deferred Income - 2018 Dues	\$	47,872	
Deferred Income - 2018 S&S		<u>90,218</u>	
Total Current Liabilities	\$		138,090
Unrestricted Net Assets			
Unrestricted Net Assets		249,532	
Increase/(Decrease) in Unrestricted Net Assets		<u>(22,236)</u>	
Total Unrestricted Net Assets			<u>227,296</u>
Total Liabilities and Unrestricted Net Assets	\$		<u><u>365,386</u></u>

See Attached Accountant's Compilation Report.

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

	1 Month Ended Aug. 31, 2018	8 Months Ended Aug. 31, 2018
Revenues		
Memberships - Full	\$ 12,134	\$ 77,203
Safety and Security	22,555	143,773
Architectural Fee	526	2,267
Donations	0	275
Legal Fee Reimbursement	1,127	9,276
Interest (Chase)	270	1,649
SCAN	0	5,340
Transfer Fees	5,750	36,150
Refinance Fees	200	3,250
 Total Revenues	 42,561	 279,184
Expenses		
Accounting	751	4,180
Bank/Merchant Charges	80	2,521
Beautification Project	0	904
Community Projects	0	3,973
Safety and Security	17,674	131,174
Security Yard Sign	0	9,300
Esplanades/Lot Maintenance	0	756
Insurance	186	2,334
Legal Fees - DR/ACC	4,539	31,304
Membership Promotion	0	1,566
CC Fees	0	54
Mosquito Spraying	2,268	11,902
Office Supplies	480	13,915
Outreach/Incentives for GM	69	447
Payroll	7,986	45,225
Payroll Taxes	611	3,627
Rent	1,100	8,800
SCAN	0	22,607
Telephone & Internet	223	2,076
TOPS Monthly Fee	430	3,440
Utilities	160	1,315
 Total Expenses	 36,557	 301,420
 Increase/(Decrease) Unrestricted Net Assets	 \$ 6,004	 \$ (22,236)

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Aug. 31, 2018</u>	<u>1 Month Ended</u> <u>Aug. 31, 2017</u>
Revenues		
Memberships - Full	\$ 12,134	\$ 11,826
Safety and Security	22,555	21,201
Architectural Fee	526	160
Legal Fee Reimbursement	1,127	585
Interest (Chase)	270	130
Community Project - Donation	0	500
Transfer Fees	5,750	3,750
Refinance Fees	<u>200</u>	<u>100</u>
 Total Revenues	 <u>42,561</u>	 <u>38,252</u>
Expenses		
Accounting	751	353
Bank/Merchant Charges	80	70
Community Projects	0	1,674
Safety and Security	17,674	16,031
Esplanades/Lot Maintenance	0	835
Insurance	186	41
Legal Fees - DR/ACC	4,539	2,731
Mosquito Spraying	2,268	1,551
Office Supplies	480	200
Outreach/Incentives for GM	69	0
Payroll	7,986	4,890
Payroll Taxes	611	374
Rent	1,100	900
SCAN	0	1,462
Telephone & Internet	223	215
TOPS Monthly Fee	430	400
Utilities	<u>160</u>	<u>118</u>
 Total Expenses	 <u>36,557</u>	 <u>31,845</u>
 Increase/(Decrease) Unrestricted Net Assets	 <u>\$ 6,004</u>	 <u>\$ 6,407</u>

See Attached Accountant's Compilation Report.

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

	1 Month Ended				8 Months Ended			
	Aug. 31, 2018	Budget	Variance	Pct	Aug. 31, 2018	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 12,134	\$ 11,000	\$ 1,134	10	\$ 77,203	\$ 88,000	\$ (10,797)	(12)
Memberships - Associate	0	33	(33)	(100)	0	267	(267)	(100)
Safety and Security	22,555	21,667	888	4	143,773	173,333	(29,560)	(17)
Architectural Fee	526	333	192	58	2,267	2,667	(399)	(15)
Interest & Fees	0	100	(100)	(100)	0	800	(800)	(100)
Donations	0	0	0	0	275	0	275	0
Legal Fee Reimbursement	1,127	583	544	93	9,276	4,667	4,610	99
Interest (Chase)	270	0	270	0	1,649	0	1,649	0
SCAN	0	1,333	(1,333)	(100)	5,340	10,667	(5,326)	(50)
Community Project - Dona	0	125	(125)	(100)	0	1,000	(1,000)	(100)
Transfer Fees	5,750	3,583	2,167	60	36,150	28,667	7,483	26
Refinance Fees	200	167	33	20	3,250	1,333	1,917	144
Total Revenues	42,561	38,925	3,636	9	279,184	311,400	(32,216)	(10)
Expenses								
Accounting	751	583	167	29	4,180	4,667	(486)	(10)
Bank/Merchant Charges	80	292	(212)	(73)	2,521	2,333	187	8
Beautification Project	0	125	(125)	(100)	904	1,000	(97)	(10)
Community Projects	0	333	(333)	(100)	3,973	2,667	1,306	49
Safety and Security	17,674	19,195	(1,521)	(8)	131,174	153,561	(22,388)	(15)
Security Yard Sign	0	833	(833)	(100)	9,300	6,667	2,633	39
Deed Restrictions	0	167	(167)	(100)	0	1,333	(1,333)	(100)
External Groups	0	83	(83)	(100)	0	667	(667)	(100)
Esplanades/Lot Maintena	0	250	(250)	(100)	756	2,000	(1,244)	(62)
Public Relations	0	42	(42)	(100)	0	333	(333)	(100)
Insurance	186	167	20	12	2,334	1,333	1,001	75
Legal Fees - DR/ACC	4,539	2,083	2,455	118	31,304	16,667	14,638	88
Legal Fees - Other	0	667	(667)	(100)	0	5,333	(5,333)	(100)
Membership Promotion	0	167	(167)	(100)	1,566	1,333	233	17
CC Fees	0	0	0	0	54	0	54	0
Mosquito Spraying	2,268	1,613	655	41	11,902	12,903	(1,001)	(8)
Office Supplies	480	667	(186)	(28)	13,915	5,333	8,582	161
Outreach/Incentives for G	69	208	(140)	(67)	447	1,667	(1,220)	(73)
Payroll	7,986	6,000	1,986	33	45,225	48,000	(2,775)	(6)
Payroll Taxes	611	495	116	23	3,627	3,961	(335)	(8)
Rent	1,100	1,100	0	0	8,800	8,800	0	0
SCAN	0	2,833	(2,833)	(100)	22,607	22,667	(60)	(0)
Yard Signs - Not Security	0	25	(25)	(100)	0	200	(200)	(100)
Telephone & Internet	223	250	(27)	(11)	2,076	2,000	76	4
TOPS Monthly Fee	430	400	30	8	3,440	3,200	240	8
Utilities	160	133	27	20	1,315	1,067	249	23
Total Expenses	36,557	38,712	(2,155)	(6)	301,420	309,693	(8,273)	(3)
Increase/(Decrease) Unrest	\$ 6,004	\$ 213	\$ 5,791	999	\$ (22,236)	\$ 1,707	\$ (23,943)	(999)

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Aug. 31, 2018</u>	<u>8 Months Ended</u> <u>Aug. 31, 2018</u>
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 6,004	\$ (22,236)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ (1,100)	\$ (1,100)
Prepaid Expense	(57)	174
Deferred Income - 2018 Dues	(10,624)	37,971
Deferred Income - 2018 S&S	<u>(19,980)</u>	<u>71,297</u>
Total Adjustments	<u>(31,761)</u>	<u>108,343</u>
Cash Provided (Used) By Operations	<u>(25,757)</u>	<u>86,107</u>
Net Increase (Decrease) In Cash	(25,757)	86,107
Cash at Beginning of Period	<u>388,470</u>	<u>276,606</u>
Cash at End of Period	\$ <u><u>362,713</u></u>	\$ <u><u>362,713</u></u>

See Attached Accountant's Compilation Report.

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Sharpstown Civic Association, Inc.
Regular Trial Balance

Company: SCA
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<u>Account #</u>	<u>Type</u>	<u>Description</u>	<u>1 Month Ended Aug 31, 2018</u>	<u>8 Months Ended Aug 31, 2018</u>
100	A	City Bank - Cash	-5,026.77	12,318.91
103	A	City Bank Savings	-20,730.34	350,394.43
176	A	Prepaid Rent	1,100.00	1,100.00
177	A	Prepaid Expense	56.83	472.94
180	A	Equipment	0.00	4,231.94
195	A	Accumulated Depreciation	0.00	-4,231.87
196	A	Deposits - Rent & Utilities	0.00	1,100.00
242	L	Deferred Income - 2018 Dues	10,624.23	-47,871.89
243	L	Deferred Income - 2018 S&S	19,980.40	-90,218.31
300	L	Unrestricted Net Assets	0.00	-249,531.84
400	R	Memberships - Full	-12,134.23	-77,202.63
420	R	Memberships - Associate	0.00	0.00
425	R	Safety and Security	-22,554.58	-143,773.48
426	R	Architectural Fee	-525.51	-2,267.37
428	R	Interest & Fees	0.00	0.00
430	R	Donations	0.00	-275.00
440	R	Legal Fee Reimbursement	-1,127.00	-9,276.30
460	R	Interest (Chase)	-269.66	-1,648.85
470	R	SCAN	0.00	-5,340.20
476	R	Community Project - Donation	0.00	0.00
480	R	Transfer Fees	-5,750.00	-36,150.00
485	R	Refinance Fees	-200.00	-3,250.00
600	E	Accounting	750.60	4,180.45
620	E	Bank/Merchant Charges	80.17	2,520.56
623	E	Beautification Project	0.00	903.50
625	E	Community Projects	0.00	3,973.00
630	E	Safety and Security	17,674.00	131,173.50
631	E	Security Yard Sign	0.00	9,300.00
640	E	Deed Restrictions	0.00	0.00
646	E	External Groups	0.00	0.00
650	E	Esplanades/Lot Maintenance	0.00	756.00
656	E	Public Relations	0.00	0.00
660	E	Insurance	186.17	2,334.11
665	E	Legal Fees - DR/ACC	4,538.61	31,304.32
667	E	Legal Fees - Other	0.00	0.00
670	E	Membership Promotion	0.00	1,565.96
680	E	CC Fees	0.00	54.00
690	E	Mosquito Spraying	2,267.80	11,902.20
703	E	Office Supplies	480.21	13,914.85
705	E	Outreach/Incentives for GM	68.80	446.72
710	E	Payroll	7,986.24	45,225.45
720	E	Payroll Taxes	610.96	3,626.59
750	E	Rent	1,100.00	8,800.00
770	E	SCAN	0.00	22,606.74
775	E	Yard Signs - Not Security	0.00	0.00
780	E	Telephone & Internet	222.82	2,076.24

9/6/2018
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Sharpstown Civic Association, Inc.
Regular Trial Balance

Company: SCA
Page: 2

<u>Account #</u>	<u>Type</u>	<u>Description</u>	<u>1 Month Ended Aug 31, 2018</u>	<u>8 Months Ended Aug 31, 2018</u>
790	E	TOPS Monthly Fee	430.00	3,440.00
800	E	Utilities	160.25	1,315.33
		Account Balances	<u>0.00</u>	<u>0.00</u>
	Current Profit	6,004.35	Y-T-D Loss	22,235.69

CITY BANK

G/L ACCOUNT #: 100 Month August YEAR: 2018

BEG. BOOK BALANCE: 17,345.68 BALANCE PER BANK: 12,884.38

ADD: DEPOSITS

GL #	AMOUNT
Deposit	32,660.50
Collections	
Redeposit returned items	
Bank Fee	

DEPOSITS IN TRANSIT:

DATE	AMOUNT

TOTAL DEPOSITS 32,660.50 **DEPOSITS IN TRANSIT:** 0.00

LESS: CHECKS

OUTSTANDING CHECKS 2,267.80 565.47

LESS: DEBIT MEMOS

GL#	AMOUNT
Misc Debits	26,485.07
Payroll	7,216.15
Tax	1,718.25
Misc	

CORRECTING JOURNAL ENTRIES

JE#	AMOUNT

TOTAL DEBIT MEMOS 35,419.47 **TOTAL JE'S** 0.00

BALANCE PER BOOKS: 12,318.91 **BALANCE PER BANK:** 12,318.91 0.00
 Per Check Register: 12,318.91 Per Easy: 12,318.91 0.00
 0.00

OUTSTANDING CHECKS

CK. #	AMOUNT	CK#	AMOUNT	CK. #	AMOUNT
IRS	565.47				

Total: 565.47 **Total:** 0.00 **Total:** 0.00

TOTALS: 565.47

**Sharpstown Civic Association
City Bank
Check Register**

DATE	DESCRIPTION	CHECK #	AMOUNT	DEPOSIT	BALANCE
08/01/18	Beginning Balance				17,345.68
8/31/2018	Cypress Creek Mosquito Control	56	2267.80		15,077.88
8/2/2018	Scott Gilbert	ACH	1804.80		13,273.08
8/2/2018	Johnson Samuel	ACH	629.81		12,643.27
8/2/2018	IRS	ACH	581.60		12,061.67
8/16/2018	Scott Gilbert	ACH	1797.00		10,264.67
8/16/2018	Johnson Samuel	ACH	595.83		9,668.84
8/16/2018	IRS	ACH	571.18		9,097.66
8/31/2018	Scott Gilbert	ACH	1811.40		7,286.26
8/31/2018	Johnson Samuel	ACH	577.31		6,708.95
8/31/2018	IRS	ACH	565.47		6,143.48
8/31/2018	Capizmo	ACH	100.86		6,042.62
8/31/2018	Comcast	ACH	111.31		5,931.31
8/31/2018	Coveler	ACH	375.00		5,556.31
8/31/2018	Coveler	ACH	375.60		5,180.71
8/31/2018	Fdms Okb	ACH	53.98		5,126.73
8/31/2018	Google Storage	ACH	10.65		5,116.08
8/31/2018	The Hartford Insurance	ACH	243.00		4,873.08
8/31/2018	HEB	ACH	14.12		4,858.96
8/31/2018	Lambright	ACH	4538.61		320.35
8/31/2018	Reliant Energy	ACH	134.12		186.23
8/31/2018	Rent	ACH	1100.00		-913.77
8/31/2018	Rent	ACH	1100.00		-2,013.77
8/31/2018	Sam's Club	ACH	54.68		-2,068.45
8/31/2018	SEAL Security Solutions	ACH	17674.00		-19,742.45
8/31/2018	TOPS	ACH	430.00		-20,172.45
8/31/2018	COH Water	ACH	26.13		-20,198.58
8/2/2018	USPS	ACH	12.90		-20,211.48
8/2/2018	USPS	ACH	12.40		-20,223.88
8/8/2018	USPS	ACH	56.70		-20,280.58
8/13/2018	USPS	ACH	6.70		-20,287.28
8/14/2018	USPS	ACH	20.81		-20,308.09
8/17/2018	USPS	ACH	13.40		-20,321.49
8/20/2018	USPS	ACH	13.40		-20,334.89
8/30/2018	USPS	ACH	6.70		-20,341.59
8/31/2018	Bank Service Fee	ACH	0.00		-20,341.59
8/31/2018	Deposit			32660.50	12,318.91
		Disbursemen	37687.27	32660.50	Deposits
		Payroll	7216.15		
		IRS	1718.25		
		Checks	2267.80		
		Misc Debits	26485.07		
		Total Check	37687.27	32660.50	Collections