

# 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 September 30, 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 nine 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.  
October 8, 2018

Sharpstown Civic Association, Inc.  
Statement of Assets, Liabilities, and Net Assets  
Modified Cash Basis  
September 30, 2018

ASSETS

Current Assets			
City Bank - Cash	\$	19,658.32	
City Bank Savings		320,593.24	
Prepaid Expense		<u>1,108.21</u>	
Total Current Assets	\$		341,359.77
Fixed Assets			
Equipment		4,231.94	
Accumulated Depreciation		<u>(4,231.87)</u>	
Total Fixed Assets, Net			0.07
Other Assets			
Deposits - Rent & Utilities		<u>1,100.00</u>	
Total Other Assets			<u>1,100.00</u>
Total Assets	\$		<u><u>342,459.84</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Deferred Income - 2019 Dues	\$	80.00	
Deferred Income - 2018 Dues		36,503.91	
Deferred Income - 2018 S&S		69,191.37	
Deferred Income - 2019 S&S		<u>170.00</u>	
Total Current Liabilities	\$		105,945.28
Unrestricted Net Assets			
Unrestricted Net Assets		249,531.84	
Increase/(Decrease) in Unrestricted Net Assets		<u>(13,017.28)</u>	
Total Unrestricted Net Assets			<u>236,514.56</u>
Total Liabilities and Unrestricted Net Assets	\$		<u><u>342,459.84</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis  
For the Period Ended September 30, 2018

	1 Month Ended Sep. 30, 2018	9 Months Ended Sep. 30, 2018
<b>Revenues</b>		
Memberships - Full	\$ 12,167.98	\$ 89,370.61
Safety and Security	23,063.79	166,837.27
Architectural Fee	1,355.00	3,622.37
Donations	0.00	275.00
Legal Fee Reimbursement	692.50	9,968.80
Interest (Chase)	198.81	1,847.66
SCAN	0.00	5,340.20
Transfer Fees	5,500.00	41,650.00
Refinance Fees	300.00	3,550.00
 Total Revenues	 43,278.08	 322,461.91
<b>Expenses</b>		
Accounting	375.00	4,555.45
Bank/Merchant Charges	53.13	2,573.69
Beautification Project	645.00	1,548.50
Community Projects	0.00	3,973.00
Safety and Security	17,756.00	148,929.50
Security Yard Sign	0.00	9,300.00
Esplanades/Lot Maintenance	0.00	756.00
Insurance	(635.27)	1,698.84
Legal Fees - DR/ACC	6,429.20	37,733.52
Membership Promotion	212.50	1,778.46
CC Fees	33.97	87.97
Mosquito Spraying	0.00	11,902.20
Office Supplies	243.72	14,158.57
Outreach/Incentives for GM	280.43	727.15
Payroll	2,528.33	47,753.78
Payroll Taxes	193.42	3,820.01
Rent	1,100.00	9,900.00
SCAN	4,149.15	26,755.89
Telephone & Internet	111.51	2,187.75
TOPS Monthly Fee	430.00	3,870.00
Utilities	153.58	1,468.91
 Total Expenses	 34,059.67	 335,479.19
 Increase/(Decrease) Unrestricted Net Assets	 \$ 9,218.41	 \$ (13,017.28)

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis  
For the Periods Ended September 30, 2018 and 2017

	<u>1 Month Ended</u> <u>Sep. 30, 2018</u>	<u>1 Month Ended</u> <u>Sep. 30, 2017</u>
<b>Revenues</b>		
Memberships - Full	\$ 12,167.98	\$ 11,877.65
Safety and Security	23,063.79	21,290.29
Architectural Fee	1,355.00	215.00
Legal Fee Reimbursement	692.50	205.00
Interest (Chase)	198.81	122.33
SCAN	0.00	1,400.00
Transfer Fees	5,500.00	5,250.00
Refinance Fees	<u>300.00</u>	<u>200.00</u>
 Total Revenues	 <u>43,278.08</u>	 <u>40,560.27</u>
<b>Expenses</b>		
Accounting	375.00	350.00
Bank/Merchant Charges	53.13	69.76
Beautification Project	645.00	0.00
Community Projects	0.00	869.91
Safety and Security	17,756.00	16,422.00
Insurance	(635.27)	125.22
Legal Fees - DR/ACC	6,429.20	1,586.06
Membership Promotion	212.50	0.00
CC Fees	33.97	0.00
Mosquito Spraying	0.00	2,063.00
Office Supplies	243.72	316.86
Outreach/Incentives for GM	280.43	107.66
Payroll	2,528.33	4,432.00
Payroll Taxes	193.42	339.05
Rent	1,100.00	1,100.00
SCAN	4,149.15	4,959.24
Telephone & Internet	111.51	111.39
TOPS Monthly Fee	430.00	400.00
Utilities	<u>153.58</u>	<u>163.75</u>
 Total Expenses	 <u>34,059.67</u>	 <u>33,415.90</u>
 Increase/(Decrease) Unrestricted Net Assets	 <u>\$ 9,218.41</u>	 <u>\$ 7,144.37</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis  
For the Period Ended September 30, 2018

	1 Month Ended				9 Months Ended			
	Sep. 30, 2018	Budget	Variance	Pct	Sep. 30, 2018	Budget	Variance	Pct
<b>Revenues</b>								
Memberships - Full	\$ 12,167.98	\$ 11,000.00	\$ 1,167.98	11	\$ 89,370.61	\$ 99,000.00	\$ (9,629.39)	(10)
Memberships - Associate	0.00	33.33	(33.33)	(100)	0.00	300.01	(300.01)	(100)
Safety and Security	23,063.79	21,666.66	1,397.13	6	166,837.27	195,000.02	(28,162.75)	(14)
Architectural Fee	1,355.00	333.33	1,021.67	307	3,622.37	3,000.01	622.36	21
Interest & Fees	0.00	100.00	(100.00)	(100)	0.00	900.00	(900.00)	(100)
Donations	0.00	0.00	0.00	0	275.00	0.00	275.00	0
Legal Fee Reimbursement	692.50	583.33	109.17	19	9,968.80	5,250.01	4,718.79	90
Interest (Chase)	198.81	0.00	198.81	0	1,847.66	0.00	1,847.66	0
SCAN	0.00	1,333.33	(1,333.33)	(100)	5,340.20	12,000.01	(6,659.81)	(55)
Community Project - Dona	0.00	125.00	(125.00)	(100)	0.00	1,125.00	(1,125.00)	(100)
Transfer Fees	5,500.00	3,583.33	1,916.67	53	41,650.00	32,250.01	9,399.99	29
Refinance Fees	300.00	166.66	133.34	80	3,550.00	1,500.02	2,049.98	137
<b>Total Revenues</b>	<b>43,278.08</b>	<b>38,924.97</b>	<b>4,353.11</b>	<b>11</b>	<b>322,461.91</b>	<b>350,325.09</b>	<b>(27,863.18)</b>	<b>(8)</b>
<b>Expenses</b>								
Accounting	375.00	583.33	(208.33)	(36)	4,555.45	5,250.01	(694.56)	(13)
Bank/Merchant Charges	53.13	291.66	(238.53)	(82)	2,573.69	2,625.02	(51.33)	(2)
Beautification Project	645.00	125.00	520.00	416	1,548.50	1,125.00	423.50	38
Community Projects	0.00	333.33	(333.33)	(100)	3,973.00	3,000.00	973.00	32
Safety and Security	17,756.00	19,195.16	(1,439.16)	(7)	148,929.50	172,756.52	(23,827.02)	(14)
Security Yard Sign	0.00	833.33	(833.33)	(100)	9,300.00	7,500.01	1,799.99	24
Deed Restrictions	0.00	166.66	(166.66)	(100)	0.00	1,500.02	(1,500.02)	(100)
External Groups	0.00	83.33	(83.33)	(100)	0.00	750.01	(750.01)	(100)
Esplanades/Lot Maintena	0.00	250.00	(250.00)	(100)	756.00	2,250.00	(1,494.00)	(66)
Public Relations	0.00	41.67	(41.67)	(100)	0.00	375.01	(375.01)	(100)
Insurance	(635.27)	166.66	(801.93)	(481)	1,698.84	1,500.01	198.83	13
Legal Fees - DR/ACC	6,429.20	2,083.33	4,345.87	209	37,733.52	18,750.01	18,983.51	101
Legal Fees - Other	0.00	666.67	(666.67)	(100)	0.00	6,000.00	(6,000.00)	(100)
Membership Promotion	212.50	166.66	45.84	28	1,778.46	1,500.02	278.44	19
CC Fees	33.97	0.00	33.97	0	87.97	0.00	87.97	0
Mosquito Spraying	0.00	1,612.92	(1,612.92)	(100)	11,902.20	14,516.26	(2,614.06)	(18)
Office Supplies	243.72	666.67	(422.95)	(63)	14,158.57	6,000.01	8,158.56	136
Outreach/Incentives for G	280.43	208.33	72.10	35	727.15	1,875.01	(1,147.86)	(61)
Payroll	2,528.33	6,000.00	(3,471.67)	(58)	47,753.78	54,000.00	(6,246.22)	(12)
Payroll Taxes	193.42	495.18	(301.76)	(61)	3,820.01	4,456.62	(636.61)	(14)
Rent	1,100.00	1,100.00	0.00	0	9,900.00	9,900.00	0.00	0
SCAN	4,149.15	2,833.33	1,315.82	46	26,755.89	25,500.01	1,255.88	5
Yard Signs - Not Security	0.00	25.00	(25.00)	(100)	0.00	225.00	(225.00)	(100)
Telephone & Internet	111.51	250.00	(138.49)	(55)	2,187.75	2,250.00	(62.25)	(3)
TOPS Monthly Fee	430.00	400.00	30.00	8	3,870.00	3,600.00	270.00	8
Utilities	153.58	133.33	20.25	15	1,468.91	1,200.01	268.90	22
<b>Total Expenses</b>	<b>34,059.67</b>	<b>38,711.55</b>	<b>(4,651.88)</b>	<b>(12)</b>	<b>335,479.19</b>	<b>348,404.56</b>	<b>(12,925.37)</b>	<b>(4)</b>
<b>Increase/(Decrease) Unrest</b>	<b>\$ 9,218.41</b>	<b>\$ 213.42</b>	<b>\$ 9,004.99</b>	<b>999</b>	<b>\$ (13,017.28)</b>	<b>\$ 1,920.53</b>	<b>\$ (14,937.81)</b>	<b>(778)</b>

Sharpstown Civic Association, Inc.  
Statement of Cash Flow  
Modified Cash Basis  
For the Period Ended September 30, 2018

	1 Month Ended Sep. 30, 2018	9 Months Ended Sep. 30, 2018
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 9,218	\$ (13,017)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ 1,100	\$ 0
Prepaid Expense	(635)	(461)
Deferred Income - 2019 Dues	80	80
Deferred Income - 2018 Dues	(11,368)	26,603
Deferred Income - 2018 S&S	(21,027)	50,270
Deferred Income - 2019 S&S	170	170
Total Adjustments	(31,680)	76,662
Cash Provided (Used) By Operations	(22,462)	63,645
Net Increase (Decrease) In Cash	(22,462)	63,645
Cash at Beginning of Period	362,714	276,606
Cash at End of Period	\$ 340,252	\$ 340,252

See Attached Accountant's Compilation Report.

**CITY BANK**

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

BEG. BOOK BALANCE: 12,318.91 BALANCE PER BANK: 19,658.32

**ADD: DEPOSITS**

GL #	AMOUNT
Deposit	40,881.22
Collections	
Redeposit returned items	
Bank Fee	

**DEPOSITS IN TRANSIT:**

DATE	AMOUNT

**TOTAL DEPOSITS** 40,881.22 **DEPOSITS IN TRANSIT:** 0.00

**LESS: CHECKS**

**OUTSTANDING CHECKS** 29,791.23 0.00

**LESS: DEBIT MEMOS**

GL#	AMOUNT
Misc Debits	962.23
Payroll	2,249.44
Tax	538.91
Misc	

**CORRECTING JOURNAL ENTRIES**

JE#	AMOUNT

**TOTAL DEBIT MEMOS** 3,750.58 **TOTAL JE'S** 0.00

**BALANCE PER BOOKS:** 19,658.32 **BALANCE PER BANK:** 19,658.32 0.00  
 Per Check Register: 19,658.32 Per Easy: 19,658.32 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
<b>09/01/18</b>	<b>Beginning Balance</b>				<b>12,318.91</b>
9/30/2018	Printing X Press	202	212.50		12,106.41
9/30/2018	BEB	100105	4149.15		7,957.26
9/30/2018	Coveler	100106	375.00		7,582.26
9/30/2018	Expert Yard Service	100107	645.00		6,937.26
9/30/2018	Lambright	100108	6429.20		508.06
9/30/2018	Liberty Office Product	100109	224.38		283.68
9/30/2018	SEAL Security Solutions	100111	17756.00		-17,472.32
9/18/2018	Scott Gilbert	ACH	1758.60		-19,230.92
9/18/2018	Johnson Samuel	ACH	490.84		-19,721.76
9/18/2018	IRS	ACH	538.91		-20,260.67
9/30/2018	Capizmo	ACH	100.86		-20,361.53
9/30/2018	Fdms Okb	ACH	33.97		-20,395.50
9/30/2018	Google Storage	ACH	10.65		-20,406.15
9/30/2018	Reliant Energy	ACH	138.13		-20,544.28
9/30/2018	TOPS	ACH	430.00		-20,974.28
9/30/2018	COH Water	ACH	15.45		-20,989.73
9/18/2018	Bernie's Burger Bus	Debit Card	43.62		-21,033.35
9/27/2018	Blaze Pizza	Debit Card	15.00		-21,048.35
9/27/2018	Sam's Club	Debit Card	41.05		-21,089.40
9/5/2018	USPS	Debit Card	13.40		-21,102.80
9/19/2018	USPS	Debit Card	13.40		-21,116.20
9/6/2018	USPS	Debit Card	6.70		-21,122.90
9/18/2018	USPS	Debit Card	100.00		-21,222.90
9/30/2018	Bank Service Fee	ACH	0.00		-21,222.90
9/30/2018	Deposit			40881.22	19,658.32
		<b>Disbursemen</b>	33541.81	40881.22	<b>Deposits</b>
		<b>Payroll</b>	2249.44		
		<b>IRS</b>	538.91		
		<b>Checks</b>	29791.23		
		<b>Misc Debits</b>	962.23		
		<b>Total Check</b>	33541.81	40881.22	<b>Collections</b>