

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 October 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 ten 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.
November 7, 2018

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

ASSETS

Current Assets			
City Bank - Cash	\$	14,482	
City Bank Savings		305,841	
Prepaid Expense		<u>926</u>	
Total Current Assets			\$ 321,249
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>322,349</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Deferred Income - 2019 Dues	\$	240	
Deferred Income - 2018 Dues		24,603	
Deferred Income - 2018 S&S		46,668	
Deferred Income - 2019 S&S		<u>510</u>	
Total Current Liabilities			\$ 72,021
Unrestricted Net Assets			
Unrestricted Net Assets		249,532	
Increase/(Decrease) in Unrestricted Net Assets		<u>796</u>	
Total Unrestricted Net Assets			<u>250,328</u>
Total Liabilities and Unrestricted Net Assets			\$ <u><u>322,349</u></u>

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Oct. 31, 2018</u>	<u>10 Months Ended</u> <u>Oct. 31, 2018</u>
Revenues		
Memberships - Full	\$ 12,301	\$ 101,672
Safety and Security	23,334	190,171
Architectural Fee	395	4,017
Donations	0	275
Legal Fee Reimbursement	443	10,411
Interest (Chase)	248	2,095
SCAN	8,664	14,005
Transfer Fees	5,900	47,550
Refinance Fees	<u>400</u>	<u>3,950</u>
 Total Revenues	 <u>51,685</u>	 <u>374,147</u>
Expenses		
Accounting	375	4,930
Bank/Merchant Charges	12	2,585
Beautification Project	0	1,549
Community Projects	0	3,973
Safety and Security	15,824	164,754
Security Yard Sign	0	9,300
Esplanades/Lot Maintenance	0	756
Insurance	182	1,881
Legal Fees - DR/ACC	1,761	39,494
Membership Promotion	0	1,778
CC Fees	34	122
Mosquito Spraying	5,662	17,564
Office Supplies	469	14,628
Outreach/Incentives for GM	0	727
Payroll	5,087	52,840
Payroll Taxes	389	4,209
Rent	1,100	11,000
SCAN	5,959	32,714
SCAN - Photographer	110	110
Telephone & Internet	334	2,522
TOPS Monthly Fee	430	4,300
Utilities	<u>144</u>	<u>1,613</u>
 Total Expenses	 <u>37,872</u>	 <u>373,351</u>
 Increase/(Decrease) Unrestricted Net Assets	 \$ <u>13,813</u>	 \$ <u>796</u>

See Attached Accountant's Compilation Report.

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

	1 Month Ended Oct. 31, 2018		1 Month Ended Oct. 31, 2017
Revenues			
Memberships - Full	\$ 12,301		\$ 12,067
Safety and Security	23,334		21,651
Architectural Fee	395		70
Legal Fee Reimbursement	443		0
Interest (Chase)	248		113
SCAN	8,664		317
Transfer Fees	5,900		3,500
Refinance Fees	400		100
Total Revenues	51,685		37,819
Expenses			
Accounting	375		350
Bank/Merchant Charges	12		38
Community Projects	0		68
Safety and Security	15,824		17,779
Insurance	182		125
Legal Fees - DR/ACC	1,761		1,114
CC Fees	34		0
Mosquito Spraying	5,662		1,551
Office Supplies	469		386
Payroll	5,087		5,178
Payroll Taxes	389		396
Rent	1,100		1,100
SCAN	5,959		0
SCAN - Photographer	110		0
Telephone & Internet	334		261
TOPS Monthly Fee	430		400
Utilities	144		147
Total Expenses	37,872		28,892
Increase/(Decrease) Unrestricted Net Assets	\$ 13,813		\$ 8,926

See Attached Accountant's Compilation Report.

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

	1 Month Ended				10 Months Ended			
	Oct. 31, 2018	Budget	Variance	Pct	Oct. 31, 2018	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 12,301	\$ 11,000	\$ 1,301	12	\$ 101,672	\$ 110,000	\$ (8,328)	(8)
Memberships - Associate	0	33	(33)	(100)	0	333	(333)	(100)
Safety and Security	23,334	21,667	1,667	8	190,171	216,667	(26,495)	(12)
Architectural Fee	395	333	62	19	4,017	3,333	684	21
Interest & Fees	0	100	(100)	(100)	0	1,000	(1,000)	(100)
Donations	0	0	0	0	275	0	275	0
Legal Fee Reimbursement	443	583	(141)	(24)	10,411	5,833	4,578	78
Interest (Chase)	248	0	248	0	2,095	0	2,095	0
SCAN	8,664	1,333	7,331	550	14,005	13,333	671	5
Community Project - Dona	0	125	(125)	(100)	0	1,250	(1,250)	(100)
Transfer Fees	5,900	3,583	2,317	65	47,550	35,833	11,717	33
Refinance Fees	400	167	233	140	3,950	1,667	2,283	137
Total Revenues	51,685	38,925	12,760	33	374,147	389,250	(15,103)	(4)
Expenses								
Accounting	375	583	(208)	(36)	4,930	5,833	(903)	(15)
Bank/Merchant Charges	12	292	(280)	(96)	2,585	2,917	(331)	(11)
Beautification Project	0	125	(125)	(100)	1,549	1,250	299	24
Community Projects	0	333	(333)	(100)	3,973	3,333	640	19
Safety and Security	15,824	19,195	(3,371)	(18)	164,754	191,952	(27,198)	(14)
Security Yard Sign	0	833	(833)	(100)	9,300	8,333	967	12
Deed Restrictions	0	167	(167)	(100)	0	1,667	(1,667)	(100)
External Groups	0	83	(83)	(100)	0	833	(833)	(100)
Esplanades/Lot Maintena	0	250	(250)	(100)	756	2,500	(1,744)	(70)
Public Relations	0	42	(42)	(100)	0	417	(417)	(100)
Insurance	182	167	16	9	1,881	1,667	214	13
Legal Fees - DR/ACC	1,761	2,083	(322)	(15)	39,494	20,833	18,661	90
Legal Fees - Other	0	667	(667)	(100)	0	6,667	(6,667)	(100)
Membership Promotion	0	167	(167)	(100)	1,778	1,667	112	7
CC Fees	34	0	34	0	122	0	122	0
Mosquito Spraying	5,662	1,613	4,049	251	17,564	16,129	1,435	9
Office Supplies	469	667	(197)	(30)	14,628	6,667	7,961	119
Outreach/Incentives for G	0	208	(208)	(100)	727	2,083	(1,356)	(65)
Payroll	5,087	6,000	(913)	(15)	52,840	60,000	(7,160)	(12)
Payroll Taxes	389	495	(106)	(21)	4,209	4,952	(743)	(15)
Rent	1,100	1,100	0	0	11,000	11,000	0	0
SCAN	5,959	2,833	3,125	110	32,714	28,333	4,381	15
SCAN - Photographer	110	0	110	0	110	0	110	0
Yard Signs - Not Security	0	25	(25)	(100)	0	250	(250)	(100)
Telephone & Internet	334	250	84	34	2,522	2,500	22	1
TOPS Monthly Fee	430	400	30	8	4,300	4,000	300	8
Utilities	144	133	11	8	1,613	1,333	280	21
Total Expenses	37,872	38,712	(840)	(2)	373,351	387,116	(13,765)	(4)
Increase/(Decrease) Unrest	\$ 13,813	\$ 213	\$ 13,600	999	\$ 796	\$ 2,134	\$ (1,338)	(63)

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Oct. 31, 2018</u>	<u>10 Months Ended</u> <u>Oct. 31, 2018</u>
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 13,813	\$ 796
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Expense	\$ 182	\$ (279)
Deferred Income - 2019 Dues	160	240
Deferred Income - 2018 Dues	(11,901)	14,702
Deferred Income - 2018 S&S	(22,523)	27,747
Deferred Income - 2019 S&S	<u>340</u>	<u>510</u>
Total Adjustments	<u>(33,742)</u>	<u>42,920</u>
Cash Provided (Used) By Operations	<u>(19,929)</u>	<u>43,716</u>
Net Increase (Decrease) In Cash	(19,929)	43,716
Cash at Beginning of Period	<u>340,252</u>	<u>276,606</u>
Cash at End of Period	\$ <u><u>320,323</u></u>	\$ <u><u>320,323</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 Oct 31, 2018</u>	<u>10 Months Ended Oct 31, 2018</u>
100	A	City Bank - Cash	-5,176.58	14,481.74
103	A	City Bank Savings	-14,752.27	305,840.97
177	A	Prepaid Expense	-182.25	925.96
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
241	L	Deferred Income - 2019 Dues	-160.00	-240.00
242	L	Deferred Income - 2018 Dues	11,901.31	-24,602.60
243	L	Deferred Income - 2018 S&S	22,523.25	-46,668.12
246	L	Deferred Income - 2019 S&S	-340.00	-510.00
300	L	Unrestricted Net Assets	0.00	-249,531.84
400	R	Memberships - Full	-12,301.31	-101,671.92
420	R	Memberships - Associate	0.00	0.00
425	R	Safety and Security	-23,334.06	-190,171.33
426	R	Architectural Fee	-395.00	-4,017.37
428	R	Interest & Fees	0.00	0.00
430	R	Donations	0.00	-275.00
440	R	Legal Fee Reimbursement	-442.50	-10,411.30
460	R	Interest (Chase)	-247.73	-2,095.39
470	R	SCAN	-8,664.40	-14,004.60
476	R	Community Project - Donation	0.00	0.00
480	R	Transfer Fees	-5,900.00	-47,550.00
485	R	Refinance Fees	-400.00	-3,950.00
600	E	Accounting	375.00	4,930.45
620	E	Bank/Merchant Charges	11.53	2,585.22
623	E	Beautification Project	0.00	1,548.50
625	E	Community Projects	0.00	3,973.00
630	E	Safety and Security	15,824.00	164,753.50
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	182.25	1,881.09
665	E	Legal Fees - DR/ACC	1,760.88	39,494.40
667	E	Legal Fees - Other	0.00	0.00
670	E	Membership Promotion	0.00	1,778.46
680	E	CC Fees	33.95	121.92
690	E	Mosquito Spraying	5,662.00	17,564.20
703	E	Office Supplies	469.33	14,627.90
705	E	Outreach/Incentives for GM	0.00	727.15
710	E	Payroll	5,086.66	52,840.44
720	E	Payroll Taxes	389.14	4,209.15
750	E	Rent	1,100.00	11,000.00
770	E	SCAN	5,958.55	32,714.44
771	E	SCAN - Photographer	109.61	109.61

11/2/2018
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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 Oct 31, 2018</u>	<u>10 Months Ended Oct 31, 2018</u>	
775	E	Yard Signs - Not Security	0.00	0.00	
780	E	Telephone & Internet	334.29	2,522.04	
790	E	TOPS Monthly Fee	430.00	4,300.00	
800	E	Utilities	144.35	1,613.26	
		Account Balances	0.00	0.00	
Current Profit			13,813.46	Y-T-D Profit	796.18

**Sharpstown Civic Association
City Bank
Check Register**

DATE	DESCRIPTION	CHECK #	AMOUNT	DEPOSIT	BALANCE
10/01/18	Beginning Balance				19,658.32
10/1/2018	Johnson Samuel	ACH	503.19		19,155.13
10/1/2018	Scott Gilbert	ACH	1780.80		17,374.33
10/1/2018	IRS	ACH	542.71		16,831.62
10/16/2018	Johnson Samuel	ACH	503.19		16,328.43
10/16/2018	Scott Gilbert	ACH	1776.00		14,552.43
10/16/2018	IRS	ACH	542.71		14,009.72
10/31/2018	USPS	158	1238.55		12,771.17
10/31/2018	Masterpiece Litho Inc	159	4720.00		8,051.17
10/31/2018	Robert R Sims	100110	1100.00		6,951.17
10/31/2018	Coveler & Associates	100112	375.00		6,576.17
10/31/2018	Lambright & Associates	100113	1760.88		4,815.29
10/31/2018	SEAL Security Solutions	100115	15824.00		-11,008.71
10/31/2018	Fdms Okb	ACH	33.95		-11,042.66
10/31/2018	Cypress Creek Mosquito Control	ACH	5662.00		-16,704.66
10/31/2018	Fedex	ACH	13.70		-16,718.36
10/31/2018	Fedex	ACH	1.83		-16,720.19
10/31/2018	USPS	Debit Card	13.40		-16,733.59
10/31/2018	USPS	Debit Card	33.50		-16,767.09
10/31/2018	USPS	Debit Card	214.00		-16,981.09
10/31/2018	USPS	Debit Card	6.70		-16,987.79
10/31/2018	USPS	Debit Card	13.40		-17,001.19
10/31/2018	Blaze Pizza	Debit Card	15.00		-17,016.19
10/31/2018	Blaze Pizza	Debit Card	15.00		-17,031.19
10/31/2018	Jimmy Johns	Debit Card	15.00		-17,046.19
10/31/2018	Sam's Club	Debit Card	27.96		-17,074.15
10/31/2018	Whataburger	ACH	25.00		-17,099.15
10/31/2018	HEB	Debit Card	11.65		-17,110.80
10/31/2018	Capizmo	ACH	101.04		-17,211.84
10/31/2018	Comcast	ACH	111.31		-17,323.15
10/31/2018	Comcast	ACH	111.29		-17,434.44
10/31/2018	Google Storage	ACH	10.65		-17,445.09
10/31/2018	TOPS	ACH	430.00		-17,875.09
10/31/2018	City of Houston Water	ACH	26.13		-17,901.22
10/31/2018	Reliant Energy	ACH	118.22		-18,019.44
9/30/2018	Bank Service Fee	ACH	0.00		-18,019.44
9/30/2018	Deposit			32501.18	14,481.74
		Disbursemen	37677.76	32501.18	Deposits
		Payroll	4563.18		
		IRS	1085.42		
		Checks	25018.43		
		Misc Debits	7010.73		
		Total Check	37677.76	32501.18	Collections

CITY BANK

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

BEG. BOOK BALANCE: 19,658.32 BALANCE PER BANK: 14,481.74

ADD: DEPOSITS		DEPOSITS IN TRANSIT:	
GL #	AMOUNT	DATE	AMOUNT
Deposit	32,501.18	<u> </u>	<u> </u>
Collections	<u> </u>	<u> </u>	<u> </u>
Redeposit returned items	<u> </u>	<u> </u>	<u> </u>
Bank Fee	<u> </u>	<u> </u>	<u> </u>
TOTAL DEPOSITS	<u>32,501.18</u>	DEPOSITS IN TRANSIT:	<u>0.00</u>

LESS: CHECKS 25,018.43 OUTSTANDING CHECKS 0.00

LESS: DEBIT MEMOS		CORRECTING JOURNAL ENTRIES	
GL#	AMOUNT	JE#	AMOUNT
Misc Debits	7,010.73	<u> </u>	<u> </u>
Payroll	4,563.18	<u> </u>	<u> </u>
Tax	1,085.42	<u> </u>	<u> </u>
Misc	<u> </u>	<u> </u>	<u> </u>
TOTAL DEBIT MEMOS	<u>12,659.33</u>	TOTAL JE'S	<u>0.00</u>

BALANCE PER BOOKS: 14,481.74 BALANCE PER BANK: 14,481.74 0.00
 Per Check Register: 14,481.74 Per Easy: 14,481.74 0.00
 0.00

OUTSTANDING CHECKS

CK. #	AMOUNT	CK#	AMOUNT	CK. #	AMOUNT
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Total: 0.00 Total: 0.00 Total: 0.00

TOTALS: 0.00