

# COVELER & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

TWO MEMORIAL CITY PLAZA  
820 GESSNER, SUITE 1710  
HOUSTON, TEXAS 77024-4298  
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 July 31, 2019, 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 & ASSOCIATES, P.C.  
August 2, 2019

Sharpstown Civic Association, Inc.  
Statement of Assets, Liabilities, and Net Assets  
Modified Cash Basis  
July 31, 2019

ASSETS

Current Assets			
City Bank - Cash	\$	27,607	
City Bank Savings		442,277	
Prepaid Rent		1,100	
Prepaid Expense		<u>1,091</u>	
Total Current Assets	\$		472,075
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>473,175</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
FUTA Payable	\$	1	
SUTA Payable		4	
Deferred Income - 2019 Dues		59,887	
Deferred Income - 2019 S&S		<u>113,341</u>	
Total Current Liabilities	\$		173,233
Unrestricted Net Assets			
Unrestricted Net Assets		260,676	
Increase/(Decrease) in Unrestricted Net Assets		<u>39,267</u>	
Total Unrestricted Net Assets			<u>299,943</u>
Total Liabilities and Unrestricted Net Assets	\$		<u><u>473,175</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, 2019

	<u>1 Month Ended</u> <u>Jul. 31, 2019</u>	<u>7 Months Ended</u> <u>Jul. 31, 2019</u>	
<b>Revenues</b>			
Memberships - Full	\$ 11,977	\$ 68,454	
Memberships - Associate	0	2,350	
Safety and Security	22,668	128,352	
Architectural Fee	185	1,358	
Interest & Fees	359	2,600	
Donations	0	14,930	
Legal Fee Reimbursement	2,780	45,913	
SCAN	2,853	19,287	
Transfer Fees	12,250	37,500	
Refinance Fees	<u>800</u>	<u>3,400</u>	
<b>Total Revenues</b>	<u><b>53,873</b></u>	<u><b>324,144</b></u>	
<b>Expenses</b>			
Accounting	727	4,183	
Bank/Merchant Charges	58	3,172	
Community Events & Beautificat	2,232	27,387	
Safety and Security	28,593	110,383	
Donation	0	6,086	
External Groups	0	200	
Website & Other	0	75	
Esplanades/Lot Maintenance	3,574	5,973	
Insurance	169	1,317	
Legal Fees - DR/ACC	1,086	24,778	
Membership Campaign	0	7,698	
CC Fees	44	148	
Mosquito Spraying	5,511	9,241	
Office Supplies - General Post	1,242	4,388	
Outreach/Incentives for GM	60	1,445	
Payroll	5,358	38,260	
Payroll Taxes	415	3,071	
Rent	2,200	7,700	
SCAN Printing - Postage	1,333	23,365	
Telephone & Internet	393	1,860	
TOPS Monthly Fee	480	3,310	
Utilities	<u>119</u>	<u>837</u>	
<b>Total Expenses</b>	<u><b>53,592</b></u>	<u><b>284,877</b></u>	
Increase/(Decrease) Unrestricted Net Assets	\$ <u>280</u>	\$ <u>39,267</u>	

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Cash Flow  
Modified Cash Basis  
For the Period Ended July 31, 2019

	<u>1 Month Ended</u> <u>Jul. 31, 2019</u>	<u>7 Months Ended</u> <u>Jul. 31, 2019</u>
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 280	\$ 39,267
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ (1,100)	\$ (1,100)
Prepaid Expense	169	(530)
FUTA Payable	(19)	1
SUTA Payable	(9)	4
Deferred Income - 2019 Dues	(8,742)	19,305
Deferred Income - 2019 S&S	<u>(15,909)</u>	<u>33,206</u>
Total Adjustments	<u>(25,610)</u>	<u>50,886</u>
Cash Provided (Used) By Operations	<u>(25,330)</u>	<u>90,152</u>
Net Increase (Decrease) In Cash	(25,330)	90,152
Cash at Beginning of Period	<u>495,214</u>	<u>379,732</u>
Cash at End of Period	\$ <u><u>469,884</u></u>	\$ <u><u>469,884</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis  
For the Periods Ended July 31, 2019 and 2018

	<u>1 Month Ended</u> <u>Jul. 31, 2019</u>	<u>1 Month Ended</u> <u>Jul. 31, 2018</u>
<b>Revenues</b>		
Memberships - Full	\$ 11,977	\$ 11,699
Safety and Security	22,668	22,040
Architectural Fee	185	567
Interest & Fees	359	0
Donations	0	275
Legal Fee Reimbursement	2,780	2,947
Interest (Chase)	0	233
SCAN	2,853	1,890
Transfer Fees	12,250	8,250
Refinance Fees	<u>800</u>	<u>700</u>
<b>Total Revenues</b>	<u>53,873</u>	<u>48,600</u>
<b>Expenses</b>		
Accounting	727	0
Bank/Merchant Charges	58	151
Beautification Project	0	572
Community Events & Beautificat	2,232	0
Safety and Security	28,593	16,698
Esplanades/Lot Maintenance	3,574	0
Insurance	169	186
Legal Fees - DR/ACC	1,086	7,680
CC Fees	44	54
Mosquito Spraying	5,511	2,831
Office Supplies - General Post	1,242	290
Outreach/Incentives for GM	60	159
Payroll	5,358	4,472
Payroll Taxes	415	342
Rent	2,200	1,100
SCAN Printing - Postage	1,333	2,408
Telephone & Internet	393	334
TOPS Monthly Fee	480	430
Utilities	<u>119</u>	<u>278</u>
<b>Total Expenses</b>	<u>53,592</u>	<u>37,985</u>
<b>Increase/(Decrease) Unrestricted Net Assets</b>	<u>\$ 280</u>	<u>\$ 10,616</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, 2019

	1 Month Ended				7 Months Ended			
	Jul. 31, 2019	Budget	Variance	Pct	Jul. 31, 2019	Budget	Variance	Pct
<b>Revenues</b>								
Memberships - Full	\$ 11,977	\$ 10,000	\$ 1,977	20	\$ 68,454	\$ 70,000	\$ (1,546)	(2)
Memberships - Associate	0	42	(42)	(100)	2,350	292	2,058	706
Safety and Security	22,668	18,333	4,335	24	128,352	128,333	18	0
Architectural Fee	185	417	(232)	(56)	1,358	2,917	(1,559)	(53)
Interest & Fees	359	250	109	44	2,600	1,750	850	49
Donations	0	0	0	0	14,930	0	14,930	0
Legal Fee Reimbursement	2,780	1,333	1,447	109	45,913	9,333	36,579	392
SCAN	2,853	1,500	1,353	90	19,287	10,500	8,787	84
Transfer Fees	12,250	4,958	7,292	147	37,500	34,708	2,792	8
Refinance Fees	800	417	383	92	3,400	2,917	483	17
<b>Total Revenues</b>	<b>53,873</b>	<b>37,250</b>	<b>16,623</b>	<b>45</b>	<b>324,144</b>	<b>260,750</b>	<b>63,394</b>	<b>24</b>
<b>Expenses</b>								
Accounting	727	583	144	25	4,183	4,083	100	2
Bank/Merchant Charges	58	333	(275)	(83)	3,172	2,333	839	36
Community Events & Bea	2,232	167	2,065	999	27,387	1,167	26,221	999
Safety and Security	28,593	16,667	11,926	72	110,383	116,667	(6,284)	(5)
Donation	0	0	0	0	6,086	0	6,086	0
External Groups	0	42	(42)	(100)	200	292	(92)	(31)
Website & Other	0	250	(250)	(100)	75	1,750	(1,675)	(96)
Esplanades/Lot Maintena	3,574	417	3,157	758	5,973	2,917	3,056	105
Public Relations	0	42	(42)	(100)	0	292	(292)	(100)
Insurance	169	250	(81)	(32)	1,317	1,750	(433)	(25)
Legal Fees - DR/ACC	1,086	3,000	(1,915)	(64)	24,778	21,000	3,778	18
Membership Campaign	0	733	(733)	(100)	7,698	5,133	2,564	50
CC Fees	44	0	44	0	148	0	148	0
Mosquito Spraying	5,511	1,750	3,761	215	9,241	12,250	(3,009)	(25)
Office Supplies - General	1,242	400	842	210	4,388	2,800	1,588	57
Outreach/Incentives for G	60	208	(148)	(71)	1,445	1,458	(13)	(1)
Payroll	5,358	6,250	(892)	(14)	38,260	43,750	(5,490)	(13)
Payroll Taxes	415	542	(127)	(23)	3,071	3,792	(720)	(19)
Rent	2,200	1,100	1,100	100	7,700	7,700	0	0
SCAN Printing - Postage	1,333	3,500	(2,167)	(62)	23,365	24,500	(1,135)	(5)
SCAN - Photographer	0	83	(83)	(100)	0	583	(583)	(100)
Yard Signs - Not Security	0	25	(25)	(100)	0	175	(175)	(100)
Telephone & Internet	393	258	134	52	1,860	1,808	52	3
TOPS Monthly Fee	480	483	(3)	(1)	3,310	3,383	(73)	(2)
Utilities	119	167	(48)	(29)	837	1,167	(330)	(28)
<b>Total Expenses</b>	<b>53,592</b>	<b>37,250</b>	<b>16,342</b>	<b>44</b>	<b>284,877</b>	<b>260,750</b>	<b>24,127</b>	<b>9</b>
Increase/(Decrease) Unrest	\$ 280	\$ 0	\$ 280	999	\$ 39,267	\$ (0)	\$ 39,267	(999)

See Attached Accountant's Compilation Report.

8/1/2019  
14:41

Sharpstown Civic Association, Inc.  
Regular Trial Balance

Company: SCA  
Page: 1

<u>Account #</u>	<u>Type</u>	<u>Description</u>	<u>1 Month Ended Jul 31, 2019</u>	<u>7 Months Ended Jul 31, 2019</u>
100	A	City Bank - Cash	9,310.57	27,606.70
103	A	City Bank Savings	-34,640.61	442,277.39
176	A	Prepaid Rent	1,100.00	1,100.00
177	A	Prepaid Expense	-169.00	1,091.21
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
224	L	FUTA Payable	19.25	-1.16
225	L	SUTA Payable	8.61	-3.63
241	L	Deferred Income - 2019 Dues	8,742.46	-59,887.25
246	L	Deferred Income - 2019 S&S	15,908.82	-113,340.76
300	L	Unrestricted Net Assets	0.00	-260,675.85
400	R	Memberships - Full	-11,977.46	-68,453.80
420	R	Memberships - Associate	0.00	-2,350.00
425	R	Safety and Security	-22,668.16	-128,351.65
426	R	Architectural Fee	-185.00	-1,358.01
428	R	Interest & Fees	-359.39	-2,600.46
430	R	Donations	0.00	-14,930.14
440	R	Legal Fee Reimbursement	-2,780.00	-45,912.73
470	R	SCAN	-2,852.50	-19,287.16
480	R	Transfer Fees	-12,250.00	-37,500.00
485	R	Refinance Fees	-800.00	-3,400.00
600	E	Accounting	727.40	4,183.15
620	E	Bank/Merchant Charges	58.01	3,172.26
625	E	Community Events & Beautificat	2,232.09	27,387.42
630	E	Safety and Security	28,592.50	110,382.50
640	E	Donation	0.00	6,085.89
646	E	External Groups	0.00	200.00
647	E	Website & Other	0.00	75.00
650	E	Esplanades/Lot Maintenance	3,574.00	5,973.00
656	E	Public Relations	0.00	0.00
660	E	Insurance	169.00	1,317.25
665	E	Legal Fees - DR/ACC	1,085.50	24,778.02
670	E	Membership Campaign	0.00	7,697.57
680	E	CC Fees	43.90	147.83
690	E	Mosquito Spraying	5,511.00	9,240.80
703	E	Office Supplies - General Post	1,241.84	4,387.69
705	E	Outreach/Incentives for GM	60.09	1,444.99
710	E	Payroll	5,358.09	38,260.38
720	E	Payroll Taxes	414.69	3,071.44
750	E	Rent	2,200.00	7,700.00
770	E	SCAN Printing - Postage	1,332.69	23,364.93
771	E	SCAN - Photographer	0.00	0.00
775	E	Yard Signs - Not Security	0.00	0.00
780	E	Telephone & Internet	392.70	1,860.48
790	E	TOPS Monthly Fee	480.00	3,310.00

8/1/2019  
14:41

**Sharpstown Civic Association, Inc.**  
Regular Trial Balance

Company: SCA  
Page: 2

<u>Account #</u>	<u>Type</u>	<u>Description</u>	<u>1 Month Ended Jul 31, 2019</u>	<u>7 Months Ended Jul 31, 2019</u>
800	E	Utilities	118.91	836.63
		Account Balances	0.00	0.00
		Current Profit	280.10	Y-T-D Profit
				39,266.72



**CITY BANK**

G/L ACCOUNT #: 100 Month June YEAR: 2019

BEG. BOOK BALANCE: 18,296.13 BALANCE PER BANK: 31,793.81

**ADD: DEPOSITS**

GL #	AMOUNT
Deposit	63,803.83
Collections	
Redeposit returned items	
Bank Fee	

**DEPOSITS IN TRANSIT:**

DATE	AMOUNT

**TOTAL DEPOSITS** 63,803.83 **DEPOSITS IN TRANSIT:** 0.00

**LESS: CHECKS**

39,082.75 **OUTSTANDING CHECKS** 6,642.24

**LESS: DEBIT MEMOS**

GL#	AMOUNT
Misc Debits	9,426.52
Payroll	4,827.58
Tax	1,156.41
Misc	

**CORRECTING JOURNAL ENTRIES**

JE#	AMOUNT
Aug 1 PR	2,455.13

**TOTAL DEBIT MEMOS** 15,410.51 **TOTAL JE'S** 2,455.13

**BALANCE PER BOOKS:** 27,606.70 **BALANCE PER BANK:** 27,606.70 0.00  
 Per Check Register: 27,606.70 Per Easy: 27,606.70 0.00  
 0.00

**OUTSTANDING CHECKS**

CK. #	AMOUNT	CK#	AMOUNT	CK. #	AMOUNT
92	4,430.00				
Sims	2,200.00				
SUTA	12.24				

**Total:** 6,642.24 **Total:** 0.00 **Total:** 0.00

**TOTALS:** 6,642.24

**Sharpstown Civic Association  
City Bank  
Check Register**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>CHECK #</b>	<b>AMOUNT</b>	<b>DEPOSIT</b>	<b>BALANCE</b>
<b>07/01/19</b>	<b>Beginning Balance</b>				<b>18,296.13</b>
7/2/2019	Scott Gilbert	ACH	1956.32		16,339.81
7/2/2019	Johnson Samuel	ACH	485.43		15,854.38
7/2/2019	IRS	ACH	585.32		15,269.06
7/16/2019	Scott Gilbert	ACH	1946.72		13,322.34
7/16/2019	Johnson Samuel	ACH	439.11		12,883.23
7/16/2019	IRS	ACH	571.09		12,312.14
7/31/2019	Silver Lynx Entertainment	218	1800.00		10,512.14
7/31/2019	SEAL Security Solutions	225	13700.00		-3,187.86
7/22/2019	USPS	226	1332.69		-4,520.55
7/31/2019	Robert R Sims	100155	1100.00		-5,620.55
7/10/2019	Coveler & Associates	100158	727.40		-6,347.95
7/10/2019	Lambright & Associates	100159	1085.50		-7,433.45
7/10/2019	Liberty Office Products	100160	870.66		-8,304.11
7/10/2019	SEAL Security Solutions	100162	14892.50		-23,196.61
7/24/2019	Expert Yard Care	100163	3574.00		-26,770.61
7/1/2019	Comcast	ACH	118.92		-26,889.53
7/1/2019	Facebook Advertising	ACH	25.00		-26,914.53
7/5/2019	Fdms Okb	ACH	43.90		-26,958.43
7/5/2019	USPS	ACH	68.70		-27,027.13
7/5/2019	City of Houston	ACH	26.85		-27,053.98
7/8/2019	TOPS	ACH	480.00		-27,533.98
7/10/2019	Charmaine LeBlanc	ACH	432.09		-27,966.07
7/10/2019	Cypress Creek Mosquito Control	ACH	3060.00		-31,026.07
7/10/2019	Google Storage	ACH	10.65		-31,036.72
7/10/2019	DropBox	ACH	12.78		-31,049.50
7/10/2019	USPS	ACH	6.85		-31,056.35
7/15/2019	Fedex	ACH	14.39		-31,070.74
7/15/2019	Fedex	ACH	1.94		-31,072.68
7/22/2019	Facebook Advertising	ACH	5.00		-31,077.68
7/24/2019	Cypress Creek Mosquito Control	ACH	2451.00		-33,528.68
7/25/2019	Capizmo	ACH	101.43		-33,630.11
7/26/2019	Reliant Energy	ACH	92.06		-33,722.17
7/30/2019	Comcast	ACH	118.92		-33,841.09
7/31/2019	Robert R Sims	ACH	2200.00		-36,041.09
7/31/2019	FUTA	ACH	20.41		-36,061.50
7/31/2019	SUTA	ACH	12.24		-36,073.74
7/22/2019	USPS	Debit	6.85		-36,080.59
7/25/2019	Sam's Club	Debit	60.09		-36,140.68
7/25/2019	USPS	Debit	56.45		-36,197.13
6/30/2019	Deposit	-		63803.83	27,606.70
		<b>Disbursement</b>	54493.26	63803.83	<b>Deposits</b>
		<b>Payroll</b>	4827.58		<b>Debits</b>
		<b>IRS</b>	1156.41		
		<b>Checks</b>	39082.75		
		<b>Misc Debits</b>	9426.52		
		<b>Total Checks</b>	54493.26	63803.83	<b>Collections</b>