

# 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 November 30, 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 eleven 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.  
December 4, 2019

Sharpstown Civic Association, Inc.  
Statement of Assets, Liabilities, and Net Assets  
Modified Cash Basis  
November 30, 2019

ASSETS

Current Assets			
City Bank Savings	\$	381,346	
Prepaid Rent		1,100	
Prepaid Expense		<u>720</u>	
Total Current Assets	\$		383,165
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>384,266</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Bank Overdraft	\$	7,057	
FUTA Payable		13	
SUTA Payable		8	
Deferred Income - 2020 Dues		400	
Deferred Income - 2019 Dues		12,890	
Deferred Income - 2020 S&S		680	
Deferred Income - 2019 S&S		<u>24,693</u>	
Total Current Liabilities	\$		45,740
Unrestricted Net Assets			
Unrestricted Net Assets		260,676	
Increase/(Decrease) in Unrestricted Net Assets		<u>77,849</u>	
Total Unrestricted Net Assets			<u>338,525</u>
Total Liabilities and Unrestricted Net Assets	\$		<u><u>384,266</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis  
For the Period Ended November 30, 2019

	<u>1 Month Ended</u>	<u>Pct</u>	<u>11 Months Ended</u>	<u>Pct</u>
	<u>Nov. 30, 2019</u>		<u>Nov. 30, 2019</u>	
<b>Revenues</b>				
Memberships - Full	\$ 12,890	28.14	\$ 118,576	22.53
Memberships - Associate	300	0.65	3,100	0.59
Safety and Security	24,693	53.91	223,863	42.54
Architectural Fee	925	2.02	4,393	0.83
Interest & Fees	227	0.49	3,669	0.70
Donations	0	0.00	14,930	2.84
Legal Fee Reimbursement	2,483	5.42	68,194	12.96
SCAN	340	0.74	25,760	4.89
Transfer Fees	3,945	8.61	58,495	11.11
Refinance Fees	<u>0</u>	<u>0.00</u>	<u>5,300</u>	<u>1.01</u>
<b>Total Revenues</b>	<u>45,802</u>	<u>100.00</u>	<u>526,281</u>	<u>100.00</u>
<b>Expenses</b>				
Accounting	352	0.77	5,587	1.06
Bank/Merchant Charges	116	0.25	3,650	0.69
Community Events & Beautificat	0	0.00	27,387	5.20
Safety and Security	23,232	50.72	179,459	34.10
Donation	0	0.00	6,086	1.16
External Groups	400	0.87	600	0.11
Website & Other	0	0.00	75	0.01
Esplanades/Lot Maintenance	2,548	5.56	11,254	2.14
Insurance	177	0.39	2,024	0.38
Legal Fees - DR/ACC	4,592	10.03	50,746	9.64
Membership Campaign	0	0.00	7,698	1.46
CC Fees	0	0.00	181	0.03
Mosquito Spraying	2,451	5.35	19,045	3.62
Office Supplies - General Post	775	1.69	7,815	1.49
Outreach/Incentives for GM	623	1.36	2,285	0.43
Payroll	7,064	15.42	64,109	12.18
Payroll Taxes	549	1.20	5,074	0.96
Rent	1,100	2.40	12,100	2.30
SCAN Printing - Postage	0	0.00	34,156	6.49
Telephone & Internet	125	0.27	2,615	0.50
TOPS Monthly Fee	480	1.05	5,230	0.99
Utilities	<u>78</u>	<u>0.17</u>	<u>1,256</u>	<u>0.24</u>
<b>Total Expenses</b>	<u>44,662</u>	<u>97.51</u>	<u>448,431</u>	<u>85.21</u>
<b>Increase/(Decrease) Unrestricted Net Assets</b>	<u>\$ 1,140</u>	<u>2.49</u>	<u>\$ 77,849</u>	<u>14.79</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Cash Flow  
Modified Cash Basis  
For the Period Ended November 30, 2019

	1 Month Ended Nov. 30, 2019	11 Months Ended Nov. 30, 2019
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 1,140	\$ 77,849
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ 0	\$ (1,100)
Prepaid Expense	512	(158)
FUTA Payable	5	13
SUTA Payable	3	8
Deferred Income - 2020 Dues	400	400
Deferred Income - 2019 Dues	(12,170)	(27,693)
Deferred Income - 2020 S&S	680	680
Deferred Income - 2019 S&S	(23,051)	(55,442)
Total Adjustments	(33,621)	(83,292)
Cash Provided (Used) By Operations	(32,481)	(5,443)
Net Increase (Decrease) In Cash	(32,481)	(5,443)
Cash at Beginning of Period	406,770	379,732
Cash at End of Period	\$ 374,289	\$ 374,289

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis  
For the Periods Ended November 30, 2019 and 2018

	<u>1 Month Ended</u> <u>Nov. 30, 2019</u>	<u>1 Month Ended</u> <u>Nov. 30, 2018</u>
<b>Revenues</b>		
Memberships - Full	\$ 12,890	\$ 12,661
Memberships - Associate	300	0
Safety and Security	24,693	24,095
Architectural Fee	925	325
Interest & Fees	227	0
Legal Fee Reimbursement	2,483	238
Interest (Chase)	0	261
SCAN	340	2,914
Transfer Fees	3,945	6,000
Refinance Fees	<u>0</u>	<u>400</u>
<b>Total Revenues</b>	<u>45,802</u>	<u>46,894</u>
<b>Expenses</b>		
Accounting	352	376
Bank/Merchant Charges	116	36
Safety and Security	23,232	17,612
External Groups	400	0
Website & Other	0	1,500
Esplanades/Lot Maintenance	2,548	0
Insurance	177	182
Legal Fees - DR/ACC	4,592	5,795
Membership Campaign	0	176
CC Fees	0	54
Mosquito Spraying	2,451	2,253
Office Supplies - General Post	775	353
Outreach/Incentives for GM	623	0
Payroll	7,064	5,147
Payroll Taxes	549	394
Rent	1,100	1,100
SCAN Printing - Postage	0	325
SCAN - Photogropher	0	852
Telephone & Internet	125	231
TOPS Monthly Fee	480	430
Utilities	<u>78</u>	<u>113</u>
<b>Total Expenses</b>	<u>44,662</u>	<u>36,927</u>
<b>Increase/(Decrease) Unrestricted Net Assets</b>	<u>\$ 1,140</u>	<u>\$ 9,966</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis  
For the Period Ended November 30, 2019

	1 Month Ended				11 Months Ended			
	Nov. 30, 2019	Budget	Variance	Pct	Nov. 30, 2019	Budget	Variance	Pct
<b>Revenues</b>								
Memberships - Full	\$ 12,890	\$ 10,000	\$ 2,890	29	\$ 118,576	\$ 110,000	\$ 8,576	8
Memberships - Associate	300	42	258	620	3,100	458	2,642	576
Safety and Security	24,693	18,333	6,359	35	223,863	201,667	22,196	11
Architectural Fee	925	417	508	122	4,393	4,583	(190)	(4)
Interest & Fees	227	250	(23)	(9)	3,669	2,750	919	33
Donations	0	0	0	0	14,930	0	14,930	0
Legal Fee Reimbursement	2,483	1,333	1,150	86	68,194	14,667	53,527	365
SCAN	340	1,500	(1,160)	(77)	25,760	16,500	9,260	56
Transfer Fees	3,945	4,958	(1,013)	(20)	58,495	54,542	3,953	7
Refinance Fees	0	417	(417)	(100)	5,300	4,583	717	16
<b>Total Revenues</b>	<b>45,802</b>	<b>37,250</b>	<b>8,553</b>	<b>23</b>	<b>526,281</b>	<b>409,750</b>	<b>116,531</b>	<b>28</b>
<b>Expenses</b>								
Accounting	352	583	(231)	(40)	5,587	6,417	(829)	(13)
Bank/Merchant Charges	116	333	(218)	(65)	3,650	3,667	(17)	(0)
Community Events & Bea	0	167	(167)	(100)	27,387	1,833	25,554	999
Safety and Security	23,232	16,667	6,566	39	179,459	183,333	(3,875)	(2)
Donation	0	0	0	0	6,086	0	6,086	0
External Groups	400	42	358	860	600	458	142	31
Website & Other	0	250	(250)	(100)	75	2,750	(2,675)	(97)
Esplanades/Lot Maintena	2,548	417	2,131	512	11,254	4,583	6,671	146
Public Relations	0	42	(42)	(100)	0	458	(458)	(100)
Insurance	177	250	(73)	(29)	2,024	2,750	(726)	(26)
Legal Fees - DR/ACC	4,592	3,000	1,592	53	50,746	33,000	17,746	54
Membership Campaign	0	733	(733)	(100)	7,698	8,067	(369)	(5)
CC Fees	0	0	0	0	181	0	181	0
Mosquito Spraying	2,451	1,750	701	40	19,045	19,250	(205)	(1)
Office Supplies - General	775	400	375	94	7,815	4,400	3,415	78
Outreach/Incentives for G	623	208	415	199	2,285	2,292	(7)	(0)
Payroll	7,064	6,250	814	13	64,109	68,750	(4,641)	(7)
Payroll Taxes	549	542	7	1	5,074	5,958	(884)	(15)
Rent	1,100	1,100	0	0	12,100	12,100	0	0
SCAN Printing - Postage	0	3,500	(3,500)	(100)	34,156	38,500	(4,344)	(11)
SCAN - Photographer	0	83	(83)	(100)	0	917	(917)	(100)
Yard Signs - Not Security	0	25	(25)	(100)	0	275	(275)	(100)
Telephone & Internet	125	258	(133)	(52)	2,615	2,842	(226)	(8)
TOPS Monthly Fee	480	483	(3)	(1)	5,230	5,317	(87)	(2)
Utilities	78	167	(89)	(53)	1,256	1,833	(578)	(32)
<b>Total Expenses</b>	<b>44,662</b>	<b>37,250</b>	<b>7,412</b>	<b>20</b>	<b>448,431</b>	<b>409,750</b>	<b>38,681</b>	<b>9</b>
<b>Increase/(Decrease) Unrest</b>	<b>\$ 1,140</b>	<b>\$ 0</b>	<b>\$ 1,140</b>	<b>0</b>	<b>\$ 77,849</b>	<b>\$ (0)</b>	<b>\$ 77,849</b>	<b>(999)</b>

See Attached Accountant's Compilation Report.

**CITY BANK**

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

BEG. BOOK BALANCE: 25,650.21 BALANCE PER BANK: 24,711.10

ADD: DEPOSITS		DEPOSITS IN TRANSIT:	
GL #	AMOUNT	DATE	AMOUNT
Deposit	12,061.62	_____	_____
Collections	_____	_____	_____
Redeposit returned items	_____	_____	_____
Bank Fee	_____	_____	_____

TOTAL DEPOSITS 12,061.62 DEPOSITS IN TRANSIT: 0.00

LESS: CHECKS 34,778.10 OUTSTANDING CHECKS 31,768.10

LESS: DEBIT MEMOS		CORRECTING JOURNAL ENTRIES	
GL#	AMOUNT	JE#	AMOUNT
Misc Debits	2,043.77	_____	_____
Payroll	6,517.21	_____	_____
Tax	1,429.75	_____	_____
Misc	_____	_____	_____

TOTAL DEBIT MEMOS 9,990.73 TOTAL JE'S 0.00

BALANCE PER BOOKS: -7,057.00 BALANCE PER BANK: -7,057.00 0.00  
 Per Check Register: -7,057.00 Per Easy: -7,057.00 0.00  
 0.00

OUTSTANDING CHECKS			
CK. #	AMOUNT	CK#	AMOUNT
92	4,430.00	243	1,100.00
238	352.40		
239	2,451.00		
240	4,592.20		
241	16,294.50		
242	2,548.00		
<b>Total:</b>	<b>30,668.10</b>	<b>Total:</b>	<b>1,100.00</b>

Total: 0.00

TOTALS: 31,768.10