

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 June 30, 2020, and the related statement of revenues and expenses – modified cash basis and statement of cash flow – modified cash basis for the one month and six 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.
July 9, 2020

Sharpstown Civic Association, Inc.
Statement of Assets, Liabilities, and Net Assets
Modified Cash Basis
June 30, 2020

ASSETS

Current Assets		
City Bank - Cash	\$	42,773
City Bank Savings		448,436
Prepaid Rent		1,100
Prepaid Expense		<u>2,962</u>
Total Current Assets	\$	495,271
Fixed Assets		
Equipment		4,232
Accumulated Depreciation		<u>(4,232)</u>
Total Fixed Assets, Net		0
Other Assets		
Deposits		<u>1,100</u>
Total Other Assets		<u>1,100</u>
Total Assets	\$	<u><u>496,371</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities		
Accounts Payable	\$	1,100
Note Payable - PPP Loan		16,500
FUTA Payable		16
SUTA Payable		14
Deferred Income - 2020 Dues		61,847
Deferred Income - 2020 S&S		<u>123,724</u>
Total Current Liabilities	\$	203,202
Unrestricted Net Assets		
Unrestricted Net Assets		339,577
Increase/(Decrease) in Unrestricted Net Assets		<u>(46,408)</u>
Total Unrestricted Net Assets		<u>293,169</u>
Total Liabilities and Unrestricted Net Assets	\$	<u><u>496,371</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Period Ended June 30, 2020

	1 Month Ended Jun. 30, 2020	6 Months Ended Jun. 30, 2020
Revenues		
Memberships - Full	\$ 10,138	\$ 47,717
Memberships - Associate	150	1,550
Safety and Security	20,791	94,582
Architectural Fee	750	6,150
Interest & Fees	110	919
Donations	0	110
Legal Fee Reimbursement	3,252	14,127
SCAN	2,407	12,636
Transfer Fees	3,750	24,700
Refinance Fees	300	3,100
Total Revenues	<u>41,648</u>	<u>205,591</u>
Expenses		
Accounting	0	4,780
Bank/Merchant Charges	137	3,710
Community Events & Beautificat	1,050	1,050
Annual Fireworks Event	0	16,179
Safety and Security	16,943	93,596
Security Cameras	333	2,000
Website & Other	100	599
Esplanades/Lot Maintenance	1,469	7,033
Public Relations	0	10,000
Insurance	146	994
Legal Fees - DR/ACC	1,950	21,103
Membership Campaign	0	8,859
Mosquito Spraying	0	2,586
Office Supplies - General Post	477	6,521
Outreach/Incentives for GM	15	260
Payroll	6,548	40,916
Payroll Taxes	505	3,289
Rent	1,100	6,600
SCAN Printing - Postage	4,400	15,706
SCAN - Photographer	0	330
Yard Signs - Not Security	0	700
Telephone & Internet	378	1,733
TOPS Monthly Fee	480	2,880
Utilities	119	577
Total Expenses	<u>36,149</u>	<u>251,999</u>
Increase/(Decrease) Unrestricted Net Assets	\$ <u>5,498</u>	\$ <u>(46,408)</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Periods Ended June 30, 2020 and 2019

	1 Month Ended <u>Jun. 30, 2020</u>	1 Month Ended <u>Jun. 30, 2019</u>
Revenues		
Memberships - Full	\$ 10,138	\$ 11,438
Memberships - Associate	150	0
Safety and Security	20,791	21,542
Architectural Fee	750	55
Interest & Fees	110	366
Donations	0	11,179
Legal Fee Reimbursement	3,252	26,154
SCAN	2,407	1,803
Transfer Fees	3,750	1,250
Refinance Fees	<u>300</u>	<u>0</u>
Total Revenues	<u>41,648</u>	<u>73,786</u>
Expenses		
Bank/Merchant Charges	137	74
Community Events & Beautificat	1,050	19,422
Safety and Security	16,943	0
Security Cameras	333	0
External Groups	0	200
Website & Other	100	75
Esplanades/Lot Maintenance	1,469	0
Insurance	146	169
Legal Fees - DR/ACC	1,950	5,159
CC Fees	0	104
Office Supplies - General Post	477	211
Outreach/Incentives for GM	15	121
Payroll	6,548	5,414
Payroll Taxes	505	424
Rent	1,100	0
SCAN Printing - Postage	4,400	0
Telephone & Internet	378	112
TOPS Monthly Fee	480	480
Utilities	<u>119</u>	<u>100</u>
Total Expenses	<u>36,149</u>	<u>32,064</u>
Increase/(Decrease) Unrestricted Net Assets	\$ <u>5,498</u>	\$ <u>41,722</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Cash Flow
Modified Cash Basis
For the Period Ended June 30, 2020

	1 Month Ended <u>Jun. 30, 2020</u>	6 Months Ended <u>Jun. 30, 2020</u>
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 5,498	\$ (46,408)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ (1,100)	\$ 0
Prepaid Expense	479	(2,419)
Accounts Payable	0	1,100
Note Payable - PPP Loan	0	16,500
FUTA Payable	2	(1)
SUTA Payable	2	4
Deferred Income - 2020 Dues	(7,758)	56,007
Deferred Income - 2020 S&S	<u>(15,215)</u>	<u>111,964</u>
Total Adjustments	<u>(23,591)</u>	<u>183,155</u>
Cash Provided (Used) By Operations	<u>(18,092)</u>	<u>136,748</u>
Net Increase (Decrease) In Cash	(18,092)	136,748
Cash at Beginning of Period	<u>509,300</u>	<u>354,461</u>
Cash at End of Period	\$ <u><u>191,208</u></u>	\$ <u><u>491,208</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Period Ended June 30, 2020

	1 Month Ended Jun. 30, 2020	Budget	Variance	Pct	6 Months Ended Jun. 30, 2020	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 10,138	\$ 10,000	\$ 138	1	\$ 47,717	\$ 60,000	\$ (12,283)	(20)
Memberships - Associate	150	208	(58)	(28)	1,550	1,250	300	24
Safety and Security	20,791	18,333	2,457	13	94,582	110,000	(15,418)	(14)
Architectural Fee	750	417	333	80	6,150	2,500	3,650	146
Interest & Fees	110	250	(140)	(56)	919	1,500	(581)	(39)
Donations	0	0	0	0	110	0	110	0
Legal Fee Reimbursement	3,252	1,333	1,919	144	14,127	8,000	6,127	77
SCAN	2,407	2,000	407	20	12,636	12,000	636	5
Transfer Fees	3,750	5,417	(1,667)	(31)	24,700	32,500	(7,800)	(24)
Refinance Fees	300	417	(117)	(28)	3,100	2,500	600	24
Total Revenues	41,648	38,375	3,273	9	205,591	230,250	(24,659)	(11)
Expenses								
Accounting	0	583	(583)	(100)	4,780	3,500	1,280	37
Bank/Merchant Charges	137	350	(213)	(61)	3,710	2,100	1,610	77
Community Events & Bea	1,050	333	717	215	1,050	2,000	(950)	(48)
Annual Fireworks Event	0	1,667	(1,667)	(100)	16,179	10,000	6,179	62
Safety and Security	16,943	16,667	276	2	93,596	100,000	(6,405)	(6)
Security Cameras	333	333	0	0	2,000	2,000	0	0
External Groups	0	42	(42)	(100)	0	250	(250)	(100)
Website & Other	100	250	(150)	(60)	599	1,500	(901)	(60)
Esplanades/Lot Maintena	1,469	1,058	411	39	7,033	6,350	683	11
Public Relations	0	2,917	(2,917)	(100)	10,000	17,500	(7,500)	(43)
Insurance	146	250	(104)	(42)	994	1,500	(506)	(34)
Legal Fees - DR/ACC	1,950	4,167	(2,217)	(53)	21,103	25,000	(3,897)	(16)
Membership Campaign	0	733	(733)	(100)	8,859	4,400	4,459	101
Mosquito Spraying	0	1,750	(1,750)	(100)	2,586	10,500	(7,914)	(75)
Office Supplies - General	477	750	(273)	(36)	6,521	4,500	2,021	45
Outreach/Incentives for G	15	250	(235)	(94)	260	1,500	(1,241)	(83)
Payroll	6,548	8,083	(1,535)	(19)	40,916	48,500	(7,584)	(16)
Payroll Taxes	505	750	(246)	(33)	3,289	4,500	(1,211)	(27)
Rent	1,100	1,100	0	0	6,600	6,600	0	0
SCAN Printing - Postage	4,400	3,333	1,067	32	15,706	20,000	(4,294)	(21)
SCAN - Photographer	0	83	(83)	(100)	330	500	(170)	(34)
Yard Signs - Not Security	0	25	(25)	(100)	700	150	550	367
Telephone & Internet	378	250	128	51	1,733	1,500	233	16
TOPS Monthly Fee	480	475	5	1	2,880	2,850	30	1
Utilities	119	133	(14)	(11)	577	800	(223)	(28)
Total Expenses	36,149	46,333	(10,184)	(22)	251,999	278,000	(26,001)	(9)
Increase/(Decrease) Unrest	\$ 5,498	\$ (7,958)	\$ 13,457	(169)	\$ (46,408)	\$ (47,750)	\$ 1,342	(3)

See Attached Accountant's Compilation Report.