

# 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 July 31, 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 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.*

COVELER & ASSOCIATES, P.C.  
August 25, 2020

Sharpstown Civic Association, Inc.  
Statement of Assets, Liabilities, and Net Assets  
Modified Cash Basis  
July 31, 2020

ASSETS

Current Assets			
City Bank - Cash	\$	67,699	
City Bank Savings		400,549	
Prepaid Expense		<u>2,483</u>	
Total Current Assets	\$		470,731
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>471,831</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Accounts Payable	\$	1,100	
Note Payable - PPP Loan		16,500	
FUTA Payable		0	
SUTA Payable		0	
Deferred Income - 2020 Dues		53,498	
Deferred Income - 2020 S&S		<u>106,840</u>	
Total Current Liabilities	\$		177,938
Unrestricted Net Assets			
Unrestricted Net Assets		339,577	
Increase/(Decrease) in Unrestricted Net Assets		<u>(45,683)</u>	
Total Unrestricted Net Assets			<u>293,893</u>
Total Liabilities and Unrestricted Net Assets	\$		<u><u>471,831</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, 2020

	1 Month Ended <u>Jul. 31, 2020</u>	7 Months Ended <u>Jul. 31, 2020</u>
<b>Revenues</b>		
Memberships - Full	\$ 10,700	\$ 58,417
Memberships - Associate	0	1,550
Safety and Security	21,368	115,950
Architectural Fee	2,825	8,975
Interest & Fees	114	1,033
Donations	0	110
Legal Fee Reimbursement	1,000	15,127
SCAN	710	13,346
Transfer Fees	2,500	27,200
Refinance Fees	<u>100</u>	<u>3,200</u>
 Total Revenues	 <u>39,317</u>	 <u>244,908</u>
<b>Expenses</b>		
Accounting	0	4,780
Bank/Merchant Charges	138	3,848
Community Events & Beautificat	0	1,050
Annual Fireworks Event	0	16,179
Safety and Security	19,076	112,671
Security Cameras	333	2,333
Website & Other	100	699
Esplanades/Lot Maintenance	1,636	8,669
Public Relations	0	10,000
Insurance	146	1,139
Legal Fees - DR/ACC	4,146	25,249
Membership Campaign	0	8,859
Mosquito Spraying	2,556	5,142
Office Supplies - General Post	529	7,050
Outreach/Incentives for GM	0	260
Payroll	6,244	47,160
Payroll Taxes	478	3,767
Rent	1,100	7,700
SCAN Printing - Postage	1,253	16,958
SCAN - Photogropher	0	330
Yard Signs - Not Security	0	700
Telephone & Internet	248	1,981
TOPS Monthly Fee	480	3,360
Utilities	<u>130</u>	<u>707</u>
 Total Expenses	 <u>38,592</u>	 <u>290,591</u>
 Increase/(Decrease) Unrestricted Net Assets	 <u>\$ 725</u>	 <u>\$ (45,683)</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, 2020 and 2019

	<u>1 Month Ended</u> <u>Jul. 31, 2020</u>	<u>1 Month Ended</u> <u>Jul. 31, 2019</u>
<b>Revenues</b>		
Memberships - Full	\$ 10,700	\$ 11,977
Safety and Security	21,368	22,668
Architectural Fee	2,825	185
Interest & Fees	114	359
Legal Fee Reimbursement	1,000	2,780
SCAN	710	2,853
Transfer Fees	2,500	12,250
Refinance Fees	<u>100</u>	<u>800</u>
<b>Total Revenues</b>	<u>39,317</u>	<u>53,873</u>
<b>Expenses</b>		
Accounting	0	727
Bank/Merchant Charges	138	58
Community Events & Beautificat	0	2,232
Safety and Security	19,076	28,593
Security Cameras	333	0
Website & Other	100	0
Esplanades/Lot Maintenance	1,636	3,574
Insurance	146	169
Legal Fees - DR/ACC	4,146	1,086
CC Fees	0	44
Mosquito Spraying	2,556	5,511
Office Supplies - General Post	529	1,242
Outreach/Incentives for GM	0	60
Payroll	6,244	5,358
Payroll Taxes	478	415
Rent	1,100	2,200
SCAN Printing - Postage	1,253	1,333
Telephone & Internet	248	393
TOPS Monthly Fee	480	480
Utilities	<u>130</u>	<u>119</u>
<b>Total Expenses</b>	<u>38,592</u>	<u>53,592</u>
Increase/(Decrease) Unrestricted Net Assets	\$ <u>725</u>	\$ <u>280</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, 2020

	1 Month Ended				7 Months Ended			
	Jul. 31, 2020	Budget	Variance	Pct	Jul. 31, 2020	Budget	Variance	Pct
<b>Revenues</b>								
Memberships - Full	\$ 10,700	\$ 10,000	\$ 700	7	\$ 58,417	\$ 70,000	\$ (11,583)	(17)
Memberships - Associate	0	208	(208)	(100)	1,550	1,458	92	6
Safety and Security	21,368	18,333	3,035	17	115,950	128,333	(12,383)	(10)
Architectural Fee	2,825	417	2,408	578	8,975	2,917	6,058	208
Interest & Fees	114	250	(136)	(54)	1,033	1,750	(717)	(41)
Donations	0	0	0	0	110	0	110	0
Legal Fee Reimbursement	1,000	1,333	(333)	(25)	15,127	9,333	5,794	62
SCAN	710	2,000	(1,290)	(64)	13,346	14,000	(654)	(5)
Transfer Fees	2,500	5,417	(2,917)	(54)	27,200	37,917	(10,717)	(28)
Refinance Fees	100	417	(317)	(76)	3,200	2,917	283	10
<b>Total Revenues</b>	<b>39,317</b>	<b>38,375</b>	<b>942</b>	<b>2</b>	<b>244,908</b>	<b>268,625</b>	<b>(23,717)</b>	<b>(9)</b>
<b>Expenses</b>								
Accounting	0	583	(583)	(100)	4,780	4,083	696	17
Bank/Merchant Charges	138	350	(212)	(61)	3,848	2,450	1,398	57
Community Events & Bea	0	333	(333)	(100)	1,050	2,333	(1,283)	(55)
Annual Fireworks Event	0	1,667	(1,667)	(100)	16,179	11,667	4,512	39
Safety and Security	19,076	16,667	2,409	14	112,671	116,667	(3,996)	(3)
Security Cameras	333	333	0	0	2,333	2,333	0	0
External Groups	0	42	(42)	(100)	0	292	(292)	(100)
Website & Other	100	250	(150)	(60)	699	1,750	(1,051)	(60)
Esplanades/Lot Maintena	1,636	1,058	578	55	8,669	7,408	1,261	17
Public Relations	0	2,917	(2,917)	(100)	10,000	20,417	(10,417)	(51)
Insurance	146	250	(104)	(42)	1,139	1,750	(611)	(35)
Legal Fees - DR/ACC	4,146	4,167	(21)	(1)	25,249	29,167	(3,918)	(13)
Membership Campaign	0	733	(733)	(100)	8,859	5,133	3,725	73
Mosquito Spraying	2,556	1,750	806	46	5,142	12,250	(7,108)	(58)
Office Supplies - General	529	750	(221)	(29)	7,050	5,250	1,800	34
Outreach/Incentives for G	0	250	(250)	(100)	260	1,750	(1,491)	(85)
Payroll	6,244	8,083	(1,839)	(23)	47,160	56,583	(9,423)	(17)
Payroll Taxes	478	750	(272)	(36)	3,767	5,250	(1,483)	(28)
Rent	1,100	1,100	0	0	7,700	7,700	0	0
SCAN Printing - Postage	1,253	3,333	(2,081)	(62)	16,958	23,333	(6,375)	(27)
SCAN - Photographer	0	83	(83)	(100)	330	583	(253)	(43)
Yard Signs - Not Security	0	25	(25)	(100)	700	175	525	300
Telephone & Internet	248	250	(2)	(1)	1,981	1,750	231	13
TOPS Monthly Fee	480	475	5	1	3,360	3,325	35	1
Utilities	130	133	(3)	(2)	707	933	(226)	(24)
<b>Total Expenses</b>	<b>38,592</b>	<b>46,333</b>	<b>(7,741)</b>	<b>(17)</b>	<b>290,591</b>	<b>324,334</b>	<b>(33,742)</b>	<b>(10)</b>
<b>Increase/(Decrease) Unrest</b>	<b>\$ 725</b>	<b>\$ (7,958)</b>	<b>\$ 8,683</b>	<b>(109)</b>	<b>\$ (45,683)</b>	<b>\$ (55,708)</b>	<b>\$ 10,025</b>	<b>(18)</b>

See Attached Accountant's Compilation Report.