

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 August 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.
October 5, 2020

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

ASSETS

Current Assets			
City Bank - Cash	\$	8,225	
City Bank Savings		400,645	
Prepaid Rent		1,100	
Prepaid Expense		<u>2,337</u>	
Total Current Assets	\$		412,307
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>413,407</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		40,374	
Deferred Income - 2020 S&S		<u>80,579</u>	
Total Current Liabilities	\$		138,553
Unrestricted Net Assets			
Unrestricted Net Assets		339,577	
Increase/(Decrease) in Unrestricted Net Assets		<u>(64,723)</u>	
Total Unrestricted Net Assets			<u>274,854</u>
Total Liabilities and Unrestricted Net Assets	\$		<u><u>413,407</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Period Ended August 31, 2020

	<u>1 Month Ended</u> <u>Aug. 31, 2020</u>	<u>8 Months Ended</u> <u>Aug. 31, 2020</u>	
Revenues			
Memberships - Full	\$ 10,094	\$ 68,510	
Memberships - Associate	0	1,550	
Safety and Security	20,145	136,095	
Architectural Fee	1,275	10,250	
Interest & Fees	95	1,128	
Donations	0	110	
Legal Fee Reimbursement	1,100	16,227	
SCAN	(343)	13,003	
Transfer Fees	4,000	31,200	
Refinance Fees	<u>800</u>	<u>4,000</u>	
 Total Revenues	 <u>37,166</u>	 <u>282,074</u>	
Expenses			
Accounting	750	5,530	
Bank/Merchant Charges	(418)	3,430	
Community Events & Beautificat	0	1,050	
Annual Fireworks Event	0	16,179	
Safety and Security	27,452	140,123	
Security Cameras	333	2,667	
Website & Other	100	799	
Esplanades/Lot Maintenance	1,682	10,351	
Public Relations	0	10,000	
Insurance	146	1,285	
Legal Fees - DR/ACC	7,042	32,291	
Membership Campaign	0	8,859	
Mosquito Spraying	5,157	10,299	
Office Supplies - General Post	750	7,800	
Outreach/Incentives for GM	0	260	
Payroll	6,356	53,516	
Payroll Taxes	486	4,253	
Rent	1,100	8,800	
SCAN Printing - Postage	4,400	21,358	
SCAN - Photographer	0	330	
Yard Signs - Not Security	0	700	
Telephone & Internet	248	2,229	
TOPS Monthly Fee	480	3,840	
Utilities	<u>141</u>	<u>849</u>	
 Total Expenses	 <u>56,206</u>	 <u>346,797</u>	
 Increase/(Decrease) Unrestricted Net Assets	 \$ <u>(19,040)</u>	 \$ <u>(64,723)</u>	

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Periods Ended August 31, 2020 and 2019

	<u>1 Month Ended</u> <u>Aug. 31, 2020</u>		<u>1 Month Ended</u> <u>Aug. 31, 2019</u>
Revenues			
Memberships - Full	\$ 10,094	\$	12,281
Safety and Security	20,145		23,334
Architectural Fee	1,275		610
Interest & Fees	95		326
Legal Fee Reimbursement	1,100		16,275
SCAN	(343)		2,531
Transfer Fees	4,000		4,750
Refinance Fees	<u>800</u>		<u>900</u>
Total Revenues	<u>37,166</u>		<u>61,007</u>
Expenses			
Accounting	750		364
Bank/Merchant Charges	(418)		244
Safety and Security	27,452		14,996
Security Cameras	333		0
Website & Other	100		0
Esplanades/Lot Maintenance	1,682		0
Insurance	146		177
Legal Fees - DR/ACC	7,042		11,777
Mosquito Spraying	5,157		2,451
Office Supplies - General Post	750		360
Outreach/Incentives for GM	0		91
Payroll	6,356		5,674
Payroll Taxes	486		438
Rent	1,100		1,100
SCAN Printing - Postage	4,400		4,725
Telephone & Internet	248		244
TOPS Monthly Fee	480		480
Utilities	<u>141</u>		<u>131</u>
Total Expenses	<u>56,206</u>		<u>43,253</u>
Increase/(Decrease) Unrestricted Net Assets	\$ <u>(19,040)</u>	\$	<u>17,754</u>

Sharpstown Civic Association, Inc.
Statement of Cash Flow
Modified Cash Basis
For the Period Ended August 31, 2020

	1 Month Ended Aug. 31, 2020	8 Months Ended Aug. 31, 2020
Cash Flow From Operating Activities		
Current Year's Earnings	\$ (19,040)	\$ (64,723)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ (1,100)	\$ 0
Prepaid Expense	146	(1,794)
Accounts Payable	0	1,100
Note Payable - PPP Loan	0	16,500
FUTA Payable	0	(17)
SUTA Payable	0	(10)
Deferred Income - 2020 Dues	(13,124)	34,534
Deferred Income - 2020 S&S	<u>(26,261)</u>	<u>68,819</u>
Total Adjustments	<u>(40,339)</u>	<u>119,132</u>
Cash Provided (Used) By Operations	<u>(59,379)</u>	<u>54,409</u>
Net Increase (Decrease) In Cash	(59,379)	54,409
Cash at Beginning of Period	<u>468,248</u>	<u>354,461</u>
Cash at End of Period	\$ <u><u>408,869</u></u>	\$ <u><u>408,869</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Revenues and Expenses
Modified Cash Basis
For the Period Ended August 31, 2020

	1 Month Ended				8 Months Ended			
	Aug. 31, 2020	Budget	Variance	Pct	Aug. 31, 2020	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 10,094	\$ 10,000	\$ 94	1	\$ 68,510	\$ 80,000	\$ (11,490)	(14)
Memberships - Associate	0	208	(208)	(100)	1,550	1,667	(117)	(7)
Safety and Security	20,145	18,333	1,811	10	136,095	146,667	(10,572)	(7)
Architectural Fee	1,275	417	858	206	10,250	3,333	6,917	208
Interest & Fees	95	250	(155)	(62)	1,128	2,000	(872)	(44)
Donations	0	0	0	0	110	0	110	0
Legal Fee Reimbursement	1,100	1,333	(233)	(17)	16,227	10,667	5,561	52
SCAN	(343)	2,000	(2,343)	(117)	13,003	16,000	(2,997)	(19)
Transfer Fees	4,000	5,417	(1,417)	(26)	31,200	43,333	(12,133)	(28)
Refinance Fees	800	417	383	92	4,000	3,333	667	20
Total Revenues	37,166	38,375	(1,209)	(3)	282,074	307,000	(24,926)	(8)
Expenses								
Accounting	750	583	167	29	5,530	4,667	863	18
Bank/Merchant Charges	(418)	350	(768)	(219)	3,430	2,800	630	22
Community Events & Bea	0	333	(333)	(100)	1,050	2,667	(1,617)	(61)
Annual Fireworks Event	0	1,667	(1,667)	(100)	16,179	13,333	2,846	21
Safety and Security	27,452	16,667	10,785	65	140,123	133,333	6,790	5
Security Cameras	333	333	0	0	2,667	2,667	0	0
External Groups	0	42	(42)	(100)	0	333	(333)	(100)
Website & Other	100	250	(150)	(60)	799	2,000	(1,201)	(60)
Esplanades/Lot Maintena	1,682	1,058	624	59	10,351	8,467	1,884	22
Public Relations	0	2,917	(2,917)	(100)	10,000	23,333	(13,333)	(57)
Insurance	146	250	(104)	(42)	1,285	2,000	(715)	(36)
Legal Fees - DR/ACC	7,042	4,167	2,875	69	32,291	33,333	(1,043)	(3)
Membership Campaign	0	733	(733)	(100)	8,859	5,867	2,992	51
Mosquito Spraying	5,157	1,750	3,407	195	10,299	14,000	(3,701)	(26)
Office Supplies - General	750	750	(0)	(0)	7,800	6,000	1,800	30
Outreach/Incentives for G	0	250	(250)	(100)	260	2,000	(1,741)	(87)
Payroll	6,356	8,083	(1,727)	(21)	53,516	64,667	(11,151)	(17)
Payroll Taxes	486	750	(264)	(35)	4,253	6,000	(1,747)	(29)
Rent	1,100	1,100	0	0	8,800	8,800	0	0
SCAN Printing - Postage	4,400	3,333	1,067	32	21,358	26,667	(5,308)	(20)
SCAN - Photographer	0	83	(83)	(100)	330	667	(337)	(51)
Yard Signs - Not Security	0	25	(25)	(100)	700	200	500	250
Telephone & Internet	248	250	(2)	(1)	2,229	2,000	229	11
TOPS Monthly Fee	480	475	5	1	3,840	3,800	40	1
Utilities	141	133	8	6	849	1,067	(218)	(20)
Total Expenses	56,206	46,333	9,872	21	346,797	370,667	(23,870)	(6)
Increase/(Decrease) Unrest	\$ (19,040)	\$ (7,958)	\$ (11,081)	139	\$ (64,723)	\$ (63,667)	\$ (1,056)	2