

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 September 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 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 12, 2020

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

ASSETS

Current Assets			
City Bank Savings	\$	400,743	
Prepaid Rent		1,100	
Prepaid Expense		<u>1,858</u>	
Total Current Assets			\$ 403,702
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>404,802</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Accounts Payable	\$	1,100	
Bank Overdraft		16,674	
Note Payable - PPP Loan		16,500	
Deferred Income - 2020 Dues		31,061	
Deferred Income - 2020 S&S		<u>62,166</u>	
Total Current Liabilities			\$ 127,500
Unrestricted Net Assets			
Unrestricted Net Assets		339,577	
Increase/(Decrease) in Unrestricted Net Assets		<u>(62,275)</u>	
Total Unrestricted Net Assets			<u>277,302</u>
Total Liabilities and Unrestricted Net Assets			\$ <u><u>404,802</u></u>

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Sep. 30, 2020</u>	<u>9 Months Ended</u> <u>Sep. 30, 2020</u>
Revenues		
Memberships - Full	\$ 10,554	\$ 79,064
Memberships - Associate	0	1,550
Safety and Security	20,722	156,816
Architectural Fee	2,650	12,900
Interest & Fees	99	1,227
Donations	0	110
Legal Fee Reimbursement	1,250	17,477
SCAN	1,050	14,053
Transfer Fees	2,750	33,950
Refinance Fees	<u>0</u>	<u>4,000</u>
Total Revenues	<u>39,074</u>	<u>321,148</u>
Expenses		
Accounting	376	5,906
Bank/Merchant Charges	164	3,594
Community Events & Beautificat	0	1,050
Annual Fireworks Event	0	16,179
Safety and Security	19,062	159,185
Security Cameras	333	3,000
Website & Other	100	899
Esplanades/Lot Maintenance	1,524	11,875
Public Relations	(3,474)	6,526
Insurance	146	1,430
Legal Fees - DR/ACC	8,954	41,245
Membership Campaign	69	8,928
Mosquito Spraying	0	10,299
Office Supplies - General Post	355	8,155
Outreach/Incentives for GM	0	260
Payroll	6,532	60,048
Payroll Taxes	500	4,753
Rent	1,100	9,900
SCAN Printing - Postage	0	21,358
SCAN - Photographer	0	330
Yard Signs - Not Security	0	700
Telephone & Internet	248	2,477
TOPS Monthly Fee	480	4,320
Utilities	<u>156</u>	<u>1,005</u>
Total Expenses	<u>36,626</u>	<u>383,423</u>
Increase/(Decrease) Unrestricted Net Assets	<u>\$ 2,448</u>	<u>\$ (62,275)</u>

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Sep. 30, 2020</u>	<u>1 Month Ended</u> <u>Sep. 30, 2019</u>
Revenues		
Memberships - Full	\$ 10,554	\$ 12,421
Memberships - Associate	0	300
Safety and Security	20,722	23,613
Architectural Fee	2,650	975
Interest & Fees	99	260
Legal Fee Reimbursement	1,250	2,500
SCAN	1,050	475
Transfer Fees	2,750	5,750
Refinance Fees	<u>0</u>	<u>100</u>
Total Revenues	<u>39,074</u>	<u>46,394</u>
Expenses		
Accounting	376	313
Bank/Merchant Charges	164	66
Safety and Security	19,062	15,728
Security Cameras	333	0
Website & Other	100	0
Esplanades/Lot Maintenance	1,524	2,733
Public Relations	(3,474)	0
Insurance	146	177
Legal Fees - DR/ACC	8,954	6,030
Membership Campaign	69	0
CC Fees	0	54
Mosquito Spraying	0	3,060
Office Supplies - General Post	355	459
Outreach/Incentives for GM	0	76
Payroll	6,532	5,767
Payroll Taxes	500	441
Rent	1,100	1,100
Telephone & Internet	248	125
TOPS Monthly Fee	480	480
Utilities	<u>156</u>	<u>109</u>
Total Expenses	<u>36,626</u>	<u>36,718</u>
Increase/(Decrease) Unrestricted Net Assets	<u>\$ 2,448</u>	<u>\$ 9,677</u>

See Attached Accountant's Compilation Report.

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

	1 Month Ended				9 Months Ended			
	Sep. 30, 2020	Budget	Variance	Pct	Sep. 30, 2020	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 10,554	\$ 10,000	\$ 554	6	\$ 79,064	\$ 90,000	\$ (10,936)	(12)
Memberships - Associate	0	208	(208)	(100)	1,550	1,875	(325)	(17)
Safety and Security	20,722	18,333	2,389	13	156,816	165,000	(8,184)	(5)
Architectural Fee	2,650	417	2,233	536	12,900	3,750	9,150	244
Interest & Fees	99	250	(151)	(61)	1,227	2,250	(1,023)	(45)
Donations	0	0	0	0	110	0	110	0
Legal Fee Reimbursement	1,250	1,333	(83)	(6)	17,477	12,000	5,477	46
SCAN	1,050	2,000	(950)	(48)	14,053	18,000	(3,947)	(22)
Transfer Fees	2,750	5,417	(2,667)	(49)	33,950	48,750	(14,800)	(30)
Refinance Fees	0	417	(417)	(100)	4,000	3,750	250	7
Total Revenues	39,074	38,375	699	2	321,148	345,375	(24,227)	(7)
Expenses								
Accounting	376	583	(207)	(36)	5,906	5,250	656	12
Bank/Merchant Charges	164	350	(186)	(53)	3,594	3,150	444	14
Community Events & Bea	0	333	(333)	(100)	1,050	3,000	(1,950)	(65)
Annual Fireworks Event	0	1,667	(1,667)	(100)	16,179	15,000	1,179	8
Safety and Security	19,062	16,667	2,395	14	159,185	150,000	9,185	6
Security Cameras	333	333	0	0	3,000	3,000	0	0
External Groups	0	42	(42)	(100)	0	375	(375)	(100)
Website & Other	100	250	(150)	(60)	899	2,250	(1,351)	(60)
Espplanades/Lot Maintena	1,524	1,058	466	44	11,875	9,525	2,350	25
Public Relations	(3,474)	2,917	(6,390)	(219)	6,526	26,250	(19,724)	(75)
Insurance	146	250	(104)	(42)	1,430	2,250	(820)	(36)
Legal Fees - DR/ACC	8,954	4,167	4,788	115	41,245	37,500	3,745	10
Membership Campaign	69	733	(664)	(91)	8,928	6,600	2,328	35
Mosquito Spraying	0	1,750	(1,750)	(100)	10,299	15,750	(5,451)	(35)
Office Supplies - General	355	750	(395)	(53)	8,155	6,750	1,405	21
Outreach/Incentives for G	0	250	(250)	(100)	260	2,250	(1,991)	(88)
Payroll	6,532	8,083	(1,551)	(19)	60,048	72,750	(12,702)	(17)
Payroll Taxes	500	750	(250)	(33)	4,753	6,750	(1,997)	(30)
Rent	1,100	1,100	0	0	9,900	9,900	0	0
SCAN Printing - Postage	0	3,333	(3,333)	(100)	21,358	30,000	(8,642)	(29)
SCAN - Photographer	0	83	(83)	(100)	330	750	(420)	(56)
Yard Signs - Not Security	0	25	(25)	(100)	700	225	475	211
Telephone & Internet	248	250	(2)	(1)	2,477	2,250	227	10
TOPS Monthly Fee	480	475	5	1	4,320	4,275	45	1
Utilities	156	133	23	17	1,005	1,200	(195)	(16)
Total Expenses	36,626	46,333	(9,707)	(21)	383,423	417,000	(33,578)	(8)
Increase/(Decrease) Unrest	\$ 2,448	\$ (7,958)	\$ 10,406	(131)	\$ (62,275)	\$ (71,625)	\$ 9,350	(13)

See Attached Accountant's Compilation Report.

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

	1 Month Ended Sep. 30, 2020	9 Months Ended Sep. 30, 2020
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 2,448	\$ (62,275)
Changes in:		
Prepaid Expense	\$ 479	\$ (1,316)
Accounts Payable	0	1,100
Note Payable - PPP Loan	0	16,500
FUTA Payable	(0)	(17)
SUTA Payable	(0)	(10)
Deferred Income - 2020 Dues	(9,314)	25,221
Deferred Income - 2020 S&S	(18,413)	50,406
Total Adjustments	(27,248)	91,884
Cash Provided (Used) By Operations	(24,800)	29,609
Net Increase (Decrease) In Cash	(24,800)	29,609
Cash at Beginning of Period	408,870	354,461
Cash at End of Period	\$ 384,070	\$ 384,070

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