

# 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 October 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 ten 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.  
November 4, 2020

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

ASSETS

Current Assets			
City Bank - Cash	\$	3,259	
City Bank Savings		340,839	
Prepaid Rent		1,100	
Prepaid Expense		<u>1,380</u>	
Total Current Assets			\$ 346,578
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>347,678</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities			
Accounts Payable	\$	1,100	
Deferred Income - 2020 Dues		21,040	
Deferred Income - 2020 S&S		<u>42,203</u>	
Total Current Liabilities			\$ 64,343
Unrestricted Net Assets			
Unrestricted Net Assets		339,577	
Increase/(Decrease) in Unrestricted Net Assets		<u>(56,242)</u>	
Total Unrestricted Net Assets			<u>283,335</u>
Total Liabilities and Unrestricted Net Assets			\$ <u><u>347,678</u></u>

See Attached Accountant's Compilation Report.

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

	1 Month Ended Oct. 31, 2020	10 Months Ended Oct. 31, 2020
<b>Revenues</b>		
Memberships - Full	\$ 10,520	\$ 89,584
Memberships - Associate	0	1,550
Safety and Security	21,101	177,918
Architectural Fee	1,750	14,650
Interest & Fees	96	1,322
Donations	0	110
Legal Fee Reimbursement	1,000	18,477
SCAN	0	14,053
Transfer Fees	3,750	37,700
Refinance Fees	900	4,900
Forgiveness of PPP Loan	16,500	16,500
<b>Total Revenues</b>	<b>55,617</b>	<b>376,765</b>
<b>Expenses</b>		
Accounting	375	6,281
Bank/Merchant Charges	68	3,662
Community Events & Beautificat	0	1,050
Annual Fireworks Event	0	16,179
Safety and Security	18,522	177,707
Security Cameras	333	3,333
Website & Other	100	999
Esplanades/Lot Maintenance	1,547	13,422
Public Relations	0	6,526
Insurance	178	1,608
Legal Fees - DR/ACC	6,517	47,762
Membership Campaign	0	8,928
Mosquito Spraying	6,405	16,704
Office Supplies - General Post	953	9,108
Outreach/Incentives for GM	0	260
Payroll	6,736	66,784
Payroll Taxes	515	5,268
Rent	1,100	11,000
SCAN Printing - Postage	5,368	26,726
SCAN - Photogropher	0	330
Yard Signs - Not Security	0	700
Telephone & Internet	248	2,725
TOPS Monthly Fee	480	4,800
Utilities	139	1,144
<b>Total Expenses</b>	<b>49,584</b>	<b>433,007</b>
<b>Increase/(Decrease) Unrestricted Net Assets</b>	<b>\$ 6,033</b>	<b>\$ (56,242)</b>

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Oct. 31, 2020</u>	<u>1 Month Ended</u> <u>Oct. 31, 2019</u>
<b>Revenues</b>		
Memberships - Full	\$ 10,520	\$ 12,530
Memberships - Associate	0	150
Safety and Security	21,101	23,872
Architectural Fee	1,750	525
Interest & Fees	96	256
Legal Fee Reimbursement	1,000	1,023
SCAN	0	3,128
Transfer Fees	3,750	6,550
Refinance Fees	900	900
Forgiveness of PPP Loan	<u>16,500</u>	<u>0</u>
<b>Total Revenues</b>	<u><u>55,617</u></u>	<u><u>48,933</u></u>
<b>Expenses</b>		
Accounting	375	375
Bank/Merchant Charges	68	51
Safety and Security	18,522	15,120
Security Cameras	333	0
Website & Other	100	0
Esplanades/Lot Maintenance	1,547	0
Insurance	178	177
Legal Fees - DR/ACC	6,517	3,569
CC Fees	0	(21)
Mosquito Spraying	6,405	1,842
Office Supplies - General Post	953	1,835
Outreach/Incentives for GM	0	49
Payroll	6,736	7,343
Payroll Taxes	515	574
Rent	1,100	1,100
SCAN Printing - Postage	5,368	6,066
Telephone & Internet	248	261
TOPS Monthly Fee	480	480
Utilities	<u>139</u>	<u>101</u>
<b>Total Expenses</b>	<u><u>49,584</u></u>	<u><u>38,922</u></u>
<b>Increase/(Decrease) Unrestricted Net Assets</b>	<b>\$ <u><u>6,033</u></u></b>	<b>\$ <u><u>10,012</u></u></b>

See Attached Accountant's Compilation Report.

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

	1 Month Ended				10 Months Ended			
	Oct. 31, 2020	Budget	Variance	Pct	Oct. 31, 2020	Budget	Variance	Pct
<b>Revenues</b>								
Memberships - Full	\$ 10,520	\$ 10,000	\$ 520	5	\$ 89,584	\$ 100,000	\$ (10,416)	(10)
Memberships - Associate	0	208	(208)	(100)	1,550	2,083	(533)	(26)
Safety and Security	21,101	18,333	2,768	15	177,918	183,333	(5,415)	(3)
Architectural Fee	1,750	417	1,333	320	14,650	4,167	10,483	252
Interest & Fees	96	250	(154)	(62)	1,322	2,500	(1,178)	(47)
Donations	0	0	0	0	110	0	110	0
Legal Fee Reimbursement	1,000	1,333	(333)	(25)	18,477	13,333	5,144	39
SCAN	0	2,000	(2,000)	(100)	14,053	20,000	(5,947)	(30)
Transfer Fees	3,750	5,417	(1,667)	(31)	37,700	54,167	(16,467)	(30)
Refinance Fees	900	417	483	116	4,900	4,167	733	18
Forgiveness of PPP Loan	16,500	0	16,500	0	16,500	0	16,500	0
<b>Total Revenues</b>	<b>55,617</b>	<b>38,375</b>	<b>17,242</b>	<b>45</b>	<b>376,765</b>	<b>383,750</b>	<b>(6,985)</b>	<b>(2)</b>
<b>Expenses</b>								
Accounting	375	583	(208)	(36)	6,281	5,833	448	8
Bank/Merchant Charges	68	350	(282)	(81)	3,662	3,500	162	5
Community Events & Bea	0	333	(333)	(100)	1,050	3,333	(2,283)	(69)
Annual Fireworks Event	0	1,667	(1,667)	(100)	16,179	16,667	(488)	(3)
Safety and Security	18,522	16,667	1,855	11	177,707	166,667	11,040	7
Security Cameras	333	333	0	0	3,333	3,333	0	0
External Groups	0	42	(42)	(100)	0	417	(417)	(100)
Website & Other	100	250	(150)	(60)	999	2,500	(1,501)	(60)
Esplanades/Lot Maintena	1,547	1,058	489	46	13,422	10,583	2,839	27
Public Relations	0	2,917	(2,917)	(100)	6,526	29,167	(22,640)	(78)
Insurance	178	250	(73)	(29)	1,608	2,500	(892)	(36)
Legal Fees - DR/ACC	6,517	4,167	2,351	56	47,762	41,667	6,095	15
Membership Campaign	0	733	(733)	(100)	8,928	7,333	1,594	22
Mosquito Spraying	6,405	1,750	4,655	266	16,704	17,500	(796)	(5)
Office Supplies - General	953	750	203	27	9,108	7,500	1,608	21
Outreach/Incentives for G	0	250	(250)	(100)	260	2,500	(2,241)	(90)
Payroll	6,736	8,083	(1,347)	(17)	66,784	80,833	(14,049)	(17)
Payroll Taxes	515	750	(235)	(31)	5,268	7,500	(2,232)	(30)
Rent	1,100	1,100	0	0	11,000	11,000	0	0
SCAN Printing - Postage	5,368	3,333	2,034	61	26,726	33,333	(6,607)	(20)
SCAN - Photographer	0	83	(83)	(100)	330	833	(503)	(60)
Yard Signs - Not Security	0	25	(25)	(100)	700	250	450	180
Telephone & Internet	248	250	(2)	(1)	2,725	2,500	225	9
TOPS Monthly Fee	480	475	5	1	4,800	4,750	50	1
Utilities	139	133	6	4	1,144	1,333	(189)	(14)
<b>Total Expenses</b>	<b>49,584</b>	<b>46,333</b>	<b>3,251</b>	<b>7</b>	<b>433,007</b>	<b>463,333</b>	<b>(30,326)</b>	<b>(7)</b>
<b>Increase/(Decrease) Unrest</b>	<b>\$ 6,033</b>	<b>\$ (7,958)</b>	<b>\$ 13,991</b>	<b>(176)</b>	<b>\$ (56,242)</b>	<b>\$ (79,583)</b>	<b>\$ 23,341</b>	<b>(29)</b>

See Attached Accountant's Compilation Report.

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

	1 Month Ended Oct. 31, 2020	10 Months Ended Oct. 31, 2020
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 6,033	\$ (56,242)
Changes in:		
Prepaid Expense	\$ 479	\$ (837)
Accounts Payable	0	1,100
Note Payable - PPP Loan	(16,500)	0
FUTA Payable	0	(17)
SUTA Payable	0	(10)
Deferred Income - 2020 Dues	(10,020)	15,200
Deferred Income - 2020 S&S	(19,963)	30,443
Total Adjustments	(46,004)	45,879
Cash Provided (Used) By Operations	(39,971)	(10,362)
Net Increase (Decrease) In Cash	(39,971)	(10,362)
Cash at Beginning of Period	384,069	354,461
Cash at End of Period	\$ 344,098	\$ 344,098

See Attached Accountant's Compilation Report.