

# 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 December 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 twelve 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.  
January 5, 2021

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

ASSETS

Current Assets		
City Bank - Cash	\$	70,742
City Bank Savings		300,155
Prepaid Expense		<u>422</u>
Total Current Assets	\$	371,318
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>372,419</u></u>

LIABILITIES AND UNRESTRICTED NET ASSETS

Current Liabilities		
Deferred Income - 2021 Dues	\$	32,761
Deferred Income - 2021 S&S		<u>64,875</u>
Total Current Liabilities	\$	97,636
Unrestricted Net Assets		
Unrestricted Net Assets		339,577
Increase/(Decrease) in Unrestricted Net Assets		<u>(64,794)</u>
Total Unrestricted Net Assets		<u>274,783</u>
Total Liabilities and Unrestricted Net Assets	\$	<u><u>372,419</u></u>

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Dec. 31, 2020</u>	<u>12 Months Ended</u> <u>Dec. 31, 2020</u>
<b>Revenues</b>		
Memberships - Full	\$ 11,650	\$ 112,005
Memberships - Associate	500	2,050
Safety and Security	22,313	221,864
Architectural Fee	2,075	17,200
Interest & Fees	76	1,477
Donations	0	210
Legal Fee Reimbursement	200	19,451
SCAN	1,645	17,623
Transfer Fees	7,000	48,950
Refinance Fees	700	5,900
Forgiveness of PPP Loan	<u>0</u>	<u>16,500</u>
<b>Total Revenues</b>	<u>46,160</u>	<u>463,231</u>
<b>Expenses</b>		
Accounting	750	7,031
Bank/Merchant Charges	955	4,668
Community Events & Beautificat	0	1,050
Annual Fireworks Event	0	16,179
Safety and Security	17,564	214,819
Security Cameras	333	4,000
Website & Other	100	1,199
Esplanades/Lot Maintenance	1,567	16,696
Public Relations	0	6,526
Insurance	146	1,899
Legal Fees - DR/ACC	9,720	64,742
Membership Campaign	4,220	13,148
Mosquito Spraying	0	19,899
Office Supplies - General Post	553	10,783
Outreach/Incentives for GM	200	1,170
Payroll	6,572	80,108
Payroll Taxes	503	6,287
Rent	1,100	13,200
SCAN Printing - Postage	6,527	33,253
SCAN - Photogropher	0	330
Yard Signs - Not Security	0	700
Telephone & Internet	261	3,234
TOPS Monthly Fee	480	5,760
Utilities	<u>100</u>	<u>1,342</u>
<b>Total Expenses</b>	<u>51,649</u>	<u>528,025</u>
<b>Increase/(Decrease) Unrestricted Net Assets</b>	<b>\$ <u>(5,490)</u></b>	<b>\$ <u>(64,794)</u></b>

See Attached Accountant's Compilation Report.

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

	1 Month Ended Dec. 31, 2020	1 Month Ended Dec. 31, 2019
<b>Revenues</b>		
Memberships - Full	\$ 11,650	\$ 10,675
Memberships - Associate	500	0
Safety and Security	22,313	25,100
Architectural Fee	2,075	973
Interest & Fees	76	202
Legal Fee Reimbursement	200	1,138
SCAN	1,645	1,413
Transfer Fees	7,000	5,050
Refinance Fees	700	300
<b>Total Revenues</b>	<u>46,160</u>	<u>44,850</u>
<b>Expenses</b>		
Accounting	750	350
Bank/Merchant Charges	955	449
Safety and Security	17,564	14,162
Security Cameras	333	0
Website & Other	100	0
Esplanades/Lot Maintenance	1,567	2,672
Insurance	146	177
Legal Fees - DR/ACC	9,720	5,368
Membership Campaign	4,220	639
CC Fees	0	(181)
Mosquito Spraying	0	609
Office Supplies - General Post	553	2,373
Outreach/Incentives for GM	200	490
Payroll	6,572	7,675
Payroll Taxes	503	593
Rent	1,100	1,100
SCAN Printing - Postage	6,527	5,730
SCAN - Photographer	0	300
Telephone & Internet	261	726
TOPS Monthly Fee	480	480
Utilities	100	86
<b>Total Expenses</b>	<u>51,649</u>	<u>43,798</u>
<b>Increase/(Decrease) Unrestricted Net Assets</b>	<u>\$ (5,490)</u>	<u>\$ 1,051</u>

See Attached Accountant's Compilation Report.

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

	1 Month Ended Dec. 31, 2020				12 Months Ended Dec. 31, 2020			
	Budget	Variance	Pct		Budget	Variance	Pct	
<b>Revenues</b>								
Memberships - Full	\$ 11,650	\$ 10,000	\$ 1,650	17	\$ 112,005	\$ 120,000	\$ (7,995)	(7)
Memberships - Associate	500	208	292	140	2,050	2,500	(450)	(18)
Safety and Security	22,313	18,333	3,980	22	221,864	220,000	1,864	1
Architectural Fee	2,075	417	1,658	398	17,200	5,000	12,200	244
Interest & Fees	76	250	(174)	(70)	1,477	3,000	(1,523)	(51)
Donations	0	0	0	0	210	0	210	0
Legal Fee Reimbursement	200	1,333	(1,133)	(85)	19,451	16,000	3,451	22
SCAN	1,645	2,000	(355)	(18)	17,623	24,000	(6,377)	(27)
Transfer Fees	7,000	5,417	1,583	29	48,950	65,000	(16,050)	(25)
Refinance Fees	700	417	283	68	5,900	5,000	900	18
Forgiveness of PPP Loan	0	0	0	0	16,500	0	16,500	0
<b>Total Revenues</b>	<b>46,160</b>	<b>38,375</b>	<b>7,785</b>	<b>20</b>	<b>463,231</b>	<b>460,500</b>	<b>2,731</b>	<b>1</b>
<b>Expenses</b>								
Accounting	750	583	167	29	7,031	7,000	31	0
Bank/Merchant Charges	955	350	605	173	4,668	4,200	468	11
Community Events & Bea	0	333	(333)	(100)	1,050	4,000	(2,950)	(74)
Annual Fireworks Event	0	1,667	(1,667)	(100)	16,179	20,000	(3,821)	(19)
Safety and Security	17,564	16,667	897	5	214,819	200,000	14,819	7
Security Cameras	333	333	0	0	4,000	4,000	0	0
External Groups	0	42	(42)	(100)	0	500	(500)	(100)
Website & Other	100	250	(150)	(60)	1,199	3,000	(1,801)	(60)
Esplanades/Lot Maintena	1,567	1,058	509	48	16,696	12,700	3,996	31
Public Relations	0	2,917	(2,917)	(100)	6,526	35,000	(28,474)	(81)
Insurance	146	250	(105)	(42)	1,899	3,000	(1,101)	(37)
Legal Fees - DR/ACC	9,720	4,167	5,554	133	64,742	50,000	14,742	29
Membership Campaign	4,220	733	3,487	475	13,148	8,800	4,348	49
Mosquito Spraying	0	1,750	(1,750)	(100)	19,899	21,000	(1,101)	(5)
Office Supplies - General	553	750	(197)	(26)	10,783	9,000	1,783	20
Outreach/Incentives for G	200	250	(50)	(20)	1,170	3,000	(1,830)	(61)
Payroll	6,572	8,083	(1,512)	(19)	80,108	97,000	(16,892)	(17)
Payroll Taxes	503	750	(247)	(33)	6,287	9,000	(2,713)	(30)
Rent	1,100	1,100	0	0	13,200	13,200	0	0
SCAN Printing - Postage	6,527	3,333	3,194	96	33,253	40,000	(6,747)	(17)
SCAN - Photographer	0	83	(83)	(100)	330	1,000	(670)	(67)
Yard Signs - Not Security	0	25	(25)	(100)	700	300	400	133
Telephone & Internet	261	250	11	4	3,234	3,000	234	8
TOPS Monthly Fee	480	475	5	1	5,760	5,700	60	1
Utilities	100	133	(33)	(25)	1,342	1,600	(258)	(16)
<b>Total Expenses</b>	<b>51,649</b>	<b>46,333</b>	<b>5,316</b>	<b>11</b>	<b>528,025</b>	<b>556,000</b>	<b>(27,975)</b>	<b>(5)</b>
<b>Increase/(Decrease) Unrest</b>	<b>\$ (5,490)</b>	<b>\$ (7,958)</b>	<b>\$ 2,468</b>	<b>(31)</b>	<b>\$ (64,794)</b>	<b>\$ (95,500)</b>	<b>\$ 30,706</b>	<b>(32)</b>

See Attached Accountant's Compilation Report.

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

	1 Month Ended <u>Dec. 31, 2020</u>	12 Months Ended <u>Dec. 31, 2020</u>
Cash Flow From Operating Activities		
Current Year's Earnings	\$ (5,490)	\$ (64,794)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Rent	\$ 1,100	\$ 1,100
Prepaid Expense	479	121
Accounts Payable	(1,100)	0
FUTA Payable	0	(17)
SUTA Payable	0	(10)
Deferred Income - 2021 Dues	32,096	32,761
Deferred Income - 2020 Dues	(10,770)	(5,840)
Deferred Income - 2021 S&S	63,685	64,875
Deferred Income - 2020 S&S	<u>(21,633)</u>	<u>(11,760)</u>
Total Adjustments	<u>63,857</u>	<u>81,230</u>
Cash Provided (Used) By Operations	<u>58,367</u>	<u>16,436</u>
Net Increase (Decrease) In Cash	58,367	16,436
Cash at Beginning of Period	<u>312,530</u>	<u>354,461</u>
Cash at End of Period	\$ <u><u>370,897</u></u>	\$ <u><u>370,897</u></u>

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