

# 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, 2022 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. 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.

The supplementary information contained in Schedule I and II is presented for purposes of additional analysis and is not a required part of basic financial statements. Such information is the responsibility of management. The supplemental information was subject to our compilation engagement. We have not audited or reviewed the supplemental information and do not express an opinion, a conclusion, nor provide any assurance on such information.

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 3, 2022

Sharpstown Civic Association, Inc.  
Statement of Assets, Liabilities, and Net Assets  
Modified Cash Basis  
October 31, 2022

ASSETS

Current Assets			
City Bank - Cash	\$	16,759	
City Bank Savings		326,401	
Prepaid Expense		<u>12,352</u>	
Total Current Assets	\$		355,512
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>356,612</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities			
FUTA Payable	\$	9	
SUTA Payable		12	
Deferred Income - 2022 Dues		24,008	
Deferred Income - 2022 S&S		<u>43,291</u>	
Total Current Liabilities	\$		67,321
Net Assets			
Without restrictions		287,751	
Increase/(Decrease) without restrictions		<u>1,541</u>	
Total Net Assets			<u>289,291</u>
Total Liabilities and Net Assets	\$		<u><u>356,612</u></u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis

	1 Month Ended Oct. 31, 2022		10 Months Ended Oct. 31, 2022
<b>Revenues</b>			
Memberships - Full	\$ 12,004	\$	92,457
Memberships - Associate	0		1,160
Safety and Security	21,645		180,541
Architectural Fee	700		8,575
Interest & Fees	274		1,341
Booth Fee	0		175
Donations	2,500		64,672
Legal Fee Reimbursement	595		35,433
SCAN	400		14,384
Transfer Fees	4,250		53,500
Refinance Fees	400		2,400
<b>Total Revenues</b>	<b>42,768</b>		<b>454,637</b>
<b>Expenses</b>			
Accounting	375		5,302
Bank/Merchant Charges	128		3,549
Community Events & Beautificat	1,299		2,916
Annual Fireworks Event	0		72,513
Safety and Security	12,558		127,961
Donation	0		103
External Groups	105		105
Website & Other	0		250
Esplanades/Lot Maintenance	2,279		18,087
Insurance	1,588		14,820
Legal Fees - DR/ACC	7,971		51,141
Membership Campaign	0		8,350
Mosquito Spraying	2,724		20,419
Office Supplies - General Post	1,891		7,281
Outreach/Incentives for GM	231		915
Payroll	6,305		60,724
Payroll Taxes	496		4,830
Rent	1,100		11,000
SCAN Printing - Postage	6,547		31,886
Telephone & Internet	215		2,592
TOPS Monthly Fee	2,191		6,961
Utilities	141		1,391
<b>Total Expenses</b>	<b>48,145</b>		<b>453,096</b>
<b>Increase/(Decrease) in Net Asstes</b>			
Without restrictions	\$ (5,378)	\$	1,541

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis

	<u>1 Month Ended</u> <u>Oct. 31, 2022</u>		<u>1 Month Ended</u> <u>Oct. 31, 2021</u>
<b>Revenues</b>			
Memberships - Full	\$ 12,004	\$	10,669
Safety and Security	21,645		21,122
Architectural Fee	700		1,475
Interest & Fees	274		70
Donations	2,500		0
Legal Fee Reimbursement	595		238
SCAN	400		1,902
Transfer Fees	4,250		3,650
Refinance Fees	<u>400</u>		<u>200</u>
 Total Revenues	 <u>42,768</u>		 <u>39,326</u>
<b>Expenses</b>			
Accounting	375		375
Bank/Merchant Charges	128		78
Community Events & Beautificat	1,299		8
Safety and Security	12,558		15,472
External Groups	105		0
Website & Other	0		100
Esplanades/Lot Maintenance	2,279		1,711
Insurance	1,588		2,692
Legal Fees - DR/ACC	7,971		1,309
Mosquito Spraying	2,724		3,210
Office Supplies - General Post	1,891		655
Outreach/Incentives for GM	231		27
Payroll	6,305		6,704
Payroll Taxes	496		513
Rent	1,100		1,100
SCAN Printing - Postage	6,547		5,735
Telephone & Internet	215		128
TOPS Monthly Fee	2,191		530
Utilities	<u>141</u>		<u>133</u>
 Total Expenses	 <u>48,145</u>		 <u>40,479</u>
 Increase/(Decrease) in Net Asstes Without restrictions	 <u>\$ (5,378)</u>	 \$	 <u>(1,154)</u>

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Revenues and Expenses  
Modified Cash Basis

	1 Month Ended				10 Months Ended			
	Oct. 31, 2022	Budget	Variance	Pct	Oct. 31, 2022	Budget	Variance	Pct
<b>Revenues</b>								
Memberships - Full	\$ 12,004	\$ 8,667	\$ 3,338	39	\$ 92,457	\$ 86,667	\$ 5,790	7
Memberships - Associate	0	167	(167)	(100)	1,160	1,667	(507)	(30)
Safety and Security	21,645	18,417	3,229	18	180,541	184,167	(3,626)	(2)
Architectural Fee	700	1,417	(717)	(51)	8,575	14,167	(5,592)	(39)
Interest & Fees	274	108	165	152	1,341	1,083	257	24
Booth Fee	0	0	0	0	175	0	175	0
Donations	2,500	0	2,500	0	64,672	0	64,672	0
Legal Fee Reimbursement	595	833	(239)	(29)	35,433	8,333	27,099	325
SCAN	400	1,333	(933)	(70)	14,384	13,333	1,051	8
Transfer Fees	4,250	3,750	500	13	53,500	37,500	16,000	43
Refinance Fees	400	417	(17)	(4)	2,400	4,167	(1,767)	(42)
<b>Total Revenues</b>	<b>42,768</b>	<b>35,108</b>	<b>7,659</b>	<b>22</b>	<b>454,637</b>	<b>351,083</b>	<b>103,554</b>	<b>29</b>
<b>Expenses</b>								
Accounting	375	583	(208)	(36)	5,302	5,833	(531)	(9)
Bank/Merchant Charges	128	375	(247)	(66)	3,549	3,750	(201)	(5)
Community Events & Bea	1,299	0	1,299	0	2,916	0	2,916	0
Annual Fireworks Event	0	417	(417)	(100)	72,513	4,167	68,347	999
Safety and Security	12,558	12,667	(109)	(1)	127,961	126,667	1,294	1
Donation	0	0	0	0	103	0	103	0
External Groups	105	0	105	0	105	0	105	0
Website & Other	0	100	(100)	(100)	250	1,000	(750)	(75)
Esplanades/Lot Maintena	2,279	1,333	946	71	18,087	13,333	4,754	36
Insurance	1,588	167	1,421	853	14,820	1,667	13,154	789
Legal Fees - DR/ACC	7,971	3,333	4,637	139	51,141	33,333	17,808	53
Membership Campaign	0	1,167	(1,167)	(100)	8,350	11,667	(3,317)	(28)
Mosquito Spraying	2,724	1,667	1,058	63	20,419	16,667	3,752	23
Office Supplies - General	1,891	500	1,391	278	7,281	5,000	2,281	46
Outreach/Incentives for G	231	83	147	177	915	833	82	10
Payroll	6,305	7,083	(778)	(11)	60,724	70,833	(10,110)	(14)
Payroll Taxes	496	583	(87)	(15)	4,830	5,833	(1,003)	(17)
Rent	1,100	1,100	0	0	11,000	11,000	0	0
SCAN Printing - Postage	6,547	2,917	3,630	124	31,886	29,167	2,719	9
SCAN - Photographer	0	42	(42)	(100)	0	417	(417)	(100)
Yard Signs - Not Security	0	62	(62)	(100)	0	617	(617)	(100)
Telephone & Internet	215	275	(60)	(22)	2,592	2,750	(158)	(6)
TOPS Monthly Fee	2,191	530	1,661	313	6,961	5,300	1,661	31
Utilities	141	125	16	13	1,391	1,250	141	11
<b>Total Expenses</b>	<b>48,145</b>	<b>35,108</b>	<b>13,037</b>	<b>37</b>	<b>453,096</b>	<b>351,083</b>	<b>102,013</b>	<b>29</b>
<b>Increase/(Decrease) in Net Asstes</b>								
Without restrictions	\$ (5,378)	\$ 0	\$ (5,378)	0	\$ 1,541	\$ (0)	\$ 1,541	(999)

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.  
Statement of Cash Flow  
Modified Cash Basis  
For the Period Ended October 31, 2022

	1 Month Ended Oct. 31, 2022	10 Months Ended Oct. 31, 2022
Cash Flow From Operating Activities		
Current Year's Earnings	\$ (5,378)	\$ 1,541
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Expense	\$ 1,588	\$ 3,541
FUTA Payable	4	9
SUTA Payable	5	12
Deferred Income - 2022 Dues	(7,844)	6,308
Deferred Income - 2022 S&S	(20,028)	7,801
Total Adjustments	(26,275)	17,671
Cash Provided (Used) By Operations	(31,653)	19,212
Net Increase (Decrease) In Cash	(31,653)	19,212
Cash at Beginning of Period	374,813	323,948
Cash at End of Period	\$ 343,160	\$ 343,160

See Attached Accountant's Compilation Report.