

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, 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 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. 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.
January 25, 2023

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

ASSETS

Current Assets			
City Bank - Cash	\$	6,837	
City Bank Savings		300,697	
Prepaid Expense		9,176	
Total Current Assets	\$		316,711
Fixed Assets			
Equipment		4,232	
Accumulated Depreciation		(4,232)	
Total Fixed Assets, Net			0
Other Assets			
Deposits		1,100	
Total Other Assets			1,100
Total Assets	\$		317,811

LIABILITIES AND NET ASSETS

Current Liabilities			
FUTA Payable	\$	22	
SUTA Payable		11	
Deferred Income - 2023 Dues		6,495	
Deferred Income - 2023 S&S		12,430	
Total Current Liabilities	\$		18,959
Net Assets			
Without restrictions		287,751	
Increase/(Decrease) without restrictions		11,102	
Total Net Assets			298,852
Total Liabilities and Net Assets	\$		317,811

See Attached Accountant's Compilation Report.

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

	1 Month Ended Dec. 31, 2022		12 Months Ended Dec. 31, 2022
Revenues			
Memberships - Full	\$ 14,814	\$	122,175
Memberships - Associate	0		1,160
Safety and Security	23,481		227,162
Architectural Fee	325		9,525
Interest & Fees	344		2,038
Booth Fee	0		175
Donations	0		64,672
Legal Fee Reimbursement	20,490		57,158
SCAN	1,775		16,317
Transfer Fees	3,250		62,000
Refinance Fees	200		2,700
Total Revenues	64,679		565,082
Expenses			
Accounting	375		6,052
Bank/Merchant Charges	246		4,028
Community Events & Beautificat	0		4,224
Annual Fireworks Event	0		72,513
Safety and Security	11,997		152,252
Donation	0		233
External Groups	0		147
Website & Other	0		250
Esplanades/Lot Maintenance	1,862		21,876
Insurance	1,588		17,996
Legal Fees - DR/ACC	2,233		65,052
Membership Campaign	12,563		20,912
Mosquito Spraying	0		25,190
Office Supplies - General Post	1,113		8,828
Outreach/Incentives for GM	900		2,758
Payroll	7,998		74,381
Payroll Taxes	623		5,894
Rent	1,100		13,200
SCAN Printing - Postage	6,819		38,705
Telephone & Internet	229		3,036
TOPS Monthly Fee	5,434		14,856
Utilities	106		1,596
Total Expenses	55,187		553,981
Increase/(Decrease) in Net Asstes Without restrictions	\$ 9,492	\$	11,102

See Attached Accountant's Compilation Report.

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

	1 Month Ended Dec. 31, 2022		1 Month Ended Dec. 31, 2021
Revenues			
Memberships - Full	\$ 14,814	\$	11,159
Memberships - Associate	0		150
Safety and Security	23,481		21,992
Architectural Fee	325		750
Interest & Fees	344		61
Donations	0		10,000
Legal Fee Reimbursement	20,490		1,674
SCAN	1,775		3,063
Transfer Fees	3,250		4,500
Refinance Fees	200		600
Total Revenues	64,679		53,949
Expenses			
Accounting	375		375
Bank/Merchant Charges	246		564
Community Events & Beautificat	0		1,071
Safety and Security	11,997		13,581
Security Cameras	0		1,111
Esplanades/Lot Maintenance	1,862		1,757
Insurance	1,588		1,452
Legal Fees - DR/ACC	2,233		3,593
Membership Campaign	12,563		4,758
Office Supplies - General Post	1,113		5,025
Outreach/Incentives for GM	900		126
Payroll	7,998		8,256
Payroll Taxes	623		(746)
Rent	1,100		1,100
SCAN Printing - Postage	6,819		7,705
Yard Signs - Not Security	0		192
Telephone & Internet	229		227
TOPS Monthly Fee	5,434		530
Utilities	106		96
Total Expenses	55,187		50,773
Increase/(Decrease) in Net Asstes Without restrictions	\$ 9,492	\$	3,176

See Attached Accountant's Compilation Report.

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

	1 Month Ended				12 Months Ended			
	Dec. 31, 2022	Budget	Variance	Pct	Dec. 31, 2022	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 14,814	\$ 8,667	\$ 6,148	71	\$ 122,175	\$ 104,000	\$ 18,175	17
Memberships - Associate	0	167	(167)	(100)	1,160	2,000	(840)	(42)
Safety and Security	23,481	18,417	5,064	27	227,162	221,000	6,162	3
Architectural Fee	325	1,417	(1,092)	(77)	9,525	17,000	(7,475)	(44)
Interest & Fees	344	108	236	218	2,038	1,300	738	57
Booth Fee	0	0	0	0	175	0	175	0
Donations	0	0	0	0	64,672	0	64,672	0
Legal Fee Reimbursement	20,490	833	19,657	999	57,158	10,000	47,158	472
SCAN	1,775	1,333	442	33	16,317	16,000	317	2
Transfer Fees	3,250	3,750	(500)	(13)	62,000	45,000	17,000	38
Refinance Fees	200	417	(217)	(52)	2,700	5,000	(2,300)	(46)
Total Revenues	64,679	35,108	29,571	84	565,082	421,300	143,782	34
Expenses								
Accounting	375	583	(208)	(36)	6,052	7,000	(948)	(14)
Bank/Merchant Charges	246	375	(129)	(34)	4,028	4,500	(472)	(10)
Community Events & Bea	0	0	0	0	4,224	0	4,224	0
Annual Fireworks Event	0	417	(417)	(100)	72,513	5,000	67,513	999
Safety and Security	11,997	12,667	(669)	(5)	152,252	152,000	252	0
Donation	0	0	0	0	233	0	233	0
External Groups	0	0	0	0	147	0	147	0
Website & Other	0	100	(100)	(100)	250	1,200	(950)	(79)
Esplanades/Lot Maintena	1,862	1,333	529	40	21,876	16,000	5,876	37
Insurance	1,588	167	1,421	853	17,996	2,000	15,996	800
Legal Fees - DR/ACC	2,233	3,333	(1,100)	(33)	65,052	40,000	25,052	63
Membership Campaign	12,563	1,167	11,396	977	20,912	14,000	6,912	49
Mosquito Spraying	0	1,667	(1,667)	(100)	25,190	20,000	5,190	26
Office Supplies - General	1,113	500	613	123	8,828	6,000	2,828	47
Outreach/Incentives for G	900	83	817	980	2,758	1,000	1,758	176
Payroll	7,998	7,083	914	13	74,381	85,000	(10,619)	(12)
Payroll Taxes	623	583	40	7	5,894	7,000	(1,106)	(16)
Rent	1,100	1,100	0	0	13,200	13,200	0	0
SCAN Printing - Postage	6,819	2,917	3,902	134	38,705	35,000	3,705	11
SCAN - Photographer	0	42	(42)	(100)	0	500	(500)	(100)
Yard Signs - Not Security	0	62	(62)	(100)	0	740	(740)	(100)
Telephone & Internet	229	275	(46)	(17)	3,036	3,300	(264)	(8)
TOPS Monthly Fee	5,434	530	4,904	925	14,856	6,360	8,496	134
Utilities	106	125	(19)	(15)	1,596	1,500	96	6
Total Expenses	55,187	35,108	20,078	57	553,981	421,300	132,681	31
Increase/(Decrease) in Net Asstes								
Without restrictions	\$ 9,492	\$ 0	\$ 9,492	999	\$ 11,102	\$ 0	\$ 11,102	0

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>Dec. 31, 2022</u>	<u>12 Months Ended</u> <u>Dec. 31, 2022</u>
Cash Flow From Operating Activities		
Current Year's Earnings	\$ 9,492	\$ 11,102
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Expense	\$ 1,588	\$ 6,717
FUTA Payable	7	22
SUTA Payable	4	11
Deferred Income - 2023 Dues	6,495	6,495
Deferred Income - 2022 Dues	(14,654)	(17,701)
Deferred Income - 2022 S&S	(23,141)	(35,490)
Deferred Income - 2023 S&S	<u>12,430</u>	<u>12,430</u>
Total Adjustments	<u>(17,271)</u>	<u>(27,516)</u>
Cash Provided (Used) By Operations	<u>(7,779)</u>	<u>(16,414)</u>
Net Increase (Decrease) In Cash	(7,779)	(16,414)
Cash at Beginning of Period	<u>315,313</u>	<u>323,948</u>
Cash at End of Period	\$ <u><u>307,534</u></u>	\$ <u><u>307,534</u></u>

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