

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 February 28, 2023 and the related statement of revenues and expenses – modified cash basis and statement of cash flow – modified cash basis for the one month and two 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.
March 2, 2023

Sharpstown Civic Association, Inc.
Statement of Assets, Liabilities, and Net Assets
Modified Cash Basis
February 28, 2023

ASSETS

Current Assets			
City Bank - Cash	\$	118,546.51	
City Bank Savings		301,353.90	
Prepaid Expense		<u>6,950.81</u>	
Total Current Assets			\$ 426,851.22
Other Assets			
Deposits		<u>1,100.00</u>	
Total Other Assets			<u>1,100.00</u>
Total Assets			\$ <u><u>427,951.22</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities			
FUTA Payable	\$	54.77	
SUTA Payable		34.49	
Deferred Income - 2023 Dues		55,452.48	
Deferred Income - 2023 S&S		<u>110,411.24</u>	
Total Current Liabilities			\$ 165,952.98
Net Assets			
Without restrictions		298,852.24	
Increase/(Decrease) without restrictions		<u>(36,854.00)</u>	
Total Net Assets			<u>261,998.24</u>
Total Liabilities and Net Assets			\$ <u><u>427,951.22</u></u>

See Attached Accountant's Compilation Report.

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

	1 Month Ended Feb. 28, 2023		2 Months Ended Feb. 28, 2023
Revenues			
Memberships - Full	\$ 5,795.25	\$	7,635.88
Memberships - Associate	700.00		700.00
Safety and Security	11,041.13		14,690.44
Architectural Fee	350.00		775.00
Interest & Fees	311.77		656.54
Legal Fee Reimbursement	744.32		744.32
SCAN	237.60		897.60
Transfer Fees	3,900.00		4,150.00
Refinance Fees	100.00		100.00
Total Revenues	23,180.07		30,349.78
Expenses			
Accounting	718.75		1,093.75
Bank/Merchant Charges	974.41		1,807.71
Safety and Security	15,365.15		27,200.95
External Groups	41.76		165.32
Esplanades/Lot Maintenance	1,786.00		3,548.00
Insurance	1,593.13		3,181.19
Legal Fees - DR/ACC	1,733.40		6,517.10
Office Supplies - General Post	561.66		1,214.13
Payroll	6,471.34		12,494.68
Payroll Taxes	529.51		1,045.11
Rent	1,100.00		2,200.00
SCAN Printing - Postage	66.63		66.63
Telephone & Internet	142.48		358.13
TOPS Monthly Fee	2,981.80		5,963.60
Utilities	164.75		347.48
Total Expenses	34,230.77		67,203.78
Increase/(Decrease) in Net Asstes			
Without restrictions	\$ (11,050.70)	\$	(36,854.00)

See Attached Accountant's Compilation Report.

Sharpstown Civic Association, Inc.
Statement of Cash Flow
Modified Cash Basis
For the Period Ended February 28, 2023

	1 Month Ended Feb. 28, 2023	2 Months Ended Feb. 28, 2023
Cash Flow From Operating Activities		
Current Year's Earnings	\$ (11,051)	\$ (36,854)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Expense	\$ 1,593	\$ 2,225
FUTA Payable	19	33
SUTA Payable	4	23
Deferred Income - 2023 Dues	35,206	48,957
Deferred Income - 2023 S&S	70,269	97,981
Total Adjustments	107,091	149,219
Cash Provided (Used) By Operations	96,040	112,365
Net Increase (Decrease) In Cash	96,040	112,365
Cash at Beginning of Period	323,860	307,535
Cash at End of Period	\$ 419,900	\$ 419,900

See Attached Accountant's Compilation Report.

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

	1 Month Ended Feb. 28, 2023		1 Month Ended Feb. 28, 2022
Revenues			
Memberships - Full	\$ 5,795.25	\$	6,845.44
Memberships - Associate	700.00		410.00
Safety and Security	11,041.13		13,468.64
Architectural Fee	350.00		525.00
Interest & Fees	311.77		76.74
Legal Fee Reimbursement	744.32		0.00
SCAN	237.60		0.00
Transfer Fees	3,900.00		1,250.00
Refinance Fees	100.00		0.00
 Total Revenues	 23,180.07		 22,575.82
 Expenses			
Accounting	718.75		378.18
Bank/Merchant Charges	974.41		703.54
Annual Fireworks Event	0.00		1,111.11
Safety and Security	15,365.15		11,430.00
External Groups	41.76		0.00
Esplanades/Lot Maintenance	1,786.00		1,757.00
Insurance	1,593.13		1,411.51
Legal Fees - DR/ACC	1,733.40		6,063.75
Membership Campaign	0.00		3,842.66
Office Supplies - General Post	561.66		856.22
Outreach/Incentives for GM	0.00		79.88
Payroll	6,471.34		5,904.00
Payroll Taxes	529.51		488.63
Rent	1,100.00		1,100.00
SCAN Printing - Postage	66.63		6,739.50
Telephone & Internet	142.48		205.74
TOPS Monthly Fee	2,981.80		530.00
Utilities	164.75		187.46
 Total Expenses	 34,230.77		 42,789.18
 Increase/(Decrease) in Net Asstes			
Without restrictions	\$ (11,050.70)	\$	(20,213.36)

See Attached Accountant's Compilation Report.

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

	1 Month Ended				2 Months Ended			
	Feb. 28, 2023	Budget	Variance	Pct	Feb. 28, 2023	Budget	Variance	Pct
Revenues								
Memberships - Full	\$ 5,795.25	\$ 8,666.67	\$ (2,871.42)	(33)	\$ 7,635.88	\$ 17,333.34	\$ (9,697.46)	(56)
Memberships - Associate	700.00	166.67	533.33	320	700.00	333.34	366.66	110
Safety and Security	11,041.13	18,416.67	(7,375.54)	(40)	14,690.44	36,833.34	(22,142.90)	(60)
Architectural Fee	350.00	1,416.67	(1,066.67)	(75)	775.00	2,833.34	(2,058.34)	(73)
Interest & Fees	311.77	108.33	203.44	188	656.54	216.66	439.88	203
Legal Fee Reimbursement	744.32	833.33	(89.01)	(11)	744.32	1,666.66	(922.34)	(55)
SCAN	237.60	1,333.33	(1,095.73)	(82)	897.60	2,666.66	(1,769.06)	(66)
Transfer Fees	3,900.00	3,750.00	150.00	4	4,150.00	7,500.00	(3,350.00)	(45)
Refinance Fees	100.00	416.67	(316.67)	(76)	100.00	833.34	(733.34)	(88)
Total Revenues	23,180.07	35,108.34	(11,928.27)	(34)	30,349.78	70,216.68	(39,866.90)	(57)
Expenses								
Accounting	718.75	583.34	135.41	23	1,093.75	1,166.68	(72.93)	(6)
Bank/Merchant Charges	974.41	375.00	599.41	160	1,807.71	750.00	1,057.71	141
Annual Fireworks Event	0.00	416.67	(416.67)	(100)	0.00	833.34	(833.34)	(100)
Safety and Security	15,365.15	12,666.67	2,698.48	21	27,200.95	25,333.34	1,867.61	7
External Groups	41.76	0.00	41.76	0	165.32	0.00	165.32	0
Website & Other	0.00	100.00	(100.00)	(100)	0.00	200.00	(200.00)	(100)
Esplanades/Lot Maintena	1,786.00	1,333.33	452.67	34	3,548.00	2,666.66	881.34	33
Insurance	1,593.13	166.67	1,426.46	856	3,181.19	333.34	2,847.85	854
Legal Fees - DR/ACC	1,733.40	3,333.33	(1,599.93)	(48)	6,517.10	6,666.66	(149.56)	(2)
Membership Campaign	0.00	1,166.66	(1,166.66)	(100)	0.00	2,333.33	(2,333.33)	(100)
Mosquito Spraying	0.00	1,666.67	(1,666.67)	(100)	0.00	3,333.34	(3,333.34)	(100)
Office Supplies - General	561.66	500.00	61.66	12	1,214.13	1,000.00	214.13	21
Outreach/Incentives for G	0.00	83.33	(83.33)	(100)	0.00	166.66	(166.66)	(100)
Payroll	6,471.34	7,083.34	(612.00)	(9)	12,494.68	14,166.68	(1,672.00)	(12)
Payroll Taxes	529.51	583.33	(53.82)	(9)	1,045.11	1,166.66	(121.55)	(10)
Rent	1,100.00	1,100.00	0.00	0	2,200.00	2,200.00	0.00	0
SCAN Printing - Postage	66.63	2,916.67	(2,850.04)	(98)	66.63	5,833.34	(5,766.71)	(99)
SCAN - Photogropher	0.00	41.67	(41.67)	(100)	0.00	83.34	(83.34)	(100)
Yard Signs - Not Security	0.00	61.67	(61.67)	(100)	0.00	123.34	(123.34)	(100)
Telephone & Internet	142.48	275.00	(132.52)	(48)	358.13	550.00	(191.87)	(35)
TOPS Monthly Fee	2,981.80	530.00	2,451.80	463	5,963.60	1,060.00	4,903.60	463
Utilities	164.75	125.00	39.75	32	347.48	250.00	97.48	39
Total Expenses	34,230.77	35,108.35	(877.58)	(2)	67,203.78	70,216.71	(3,012.93)	(4)
Increase/(Decrease) in Net Asstes								
Without restrictions	\$ (11,050.70)	\$ (0.01)	\$ (11,050.69)	999	\$ (36,854.00)	\$ (0.03)	\$ (36,853.97)	999