

# 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 May 31, 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 five 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.  
June 19, 2023

Sharpstown Civic Association, Inc.  
Statement of Assets, Liabilities, and Net Assets  
Modified Cash Basis  
May 31, 2023

ASSETS

Current Assets			
City Bank - Cash	\$	95,031	
City Bank Savings		302,412	
Prepaid Expense		<u>15,297</u>	
Total Current Assets			\$ 412,740
Other Assets			
Deposits		<u>1,100</u>	
Total Other Assets			<u>1,100</u>
Total Assets			\$ <u><u>413,840</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities			
FUTA Payable	\$	13	
SUTA Payable		5	
Deferred Income - 2023 Dues		63,522	
Deferred Income - 2023 S&S		<u>126,236</u>	
Total Current Liabilities			\$ 189,776
Net Assets			
Without restrictions		298,852	
Increase/(Decrease) without restrictions		<u>(74,788)</u>	
Total Net Assets			<u>224,064</u>
Total Liabilities and Net Assets			\$ <u><u>413,840</u></u>

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See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>May 31, 2023</u>		<u>5 Months Ended</u> <u>May 31, 2023</u>
<b>Revenues</b>			
Memberships - Full	\$ 9,075	\$	33,603
Memberships - Associate	0		700
Safety and Security	18,034		64,225
Architectural Fee	925		2,700
Interest & Fees	377		1,714
Legal Fee Reimbursement	300		1,344
SCAN	0		898
Transfer Fees	6,250		16,350
Refinance Fees	<u>0</u>		<u>300</u>
<b>Total Revenues</b>	<u>34,961</u>		<u>121,834</u>
<b>Expenses</b>			
Accounting	800		4,488
Bank/Merchant Charges	193		3,008
Community Events & Beautificat	16		16
Safety and Security	17,005		76,861
External Groups	74		375
Esplanades/Lot Maintenance	1,847		9,038
Insurance	1,593		7,961
Legal Fees - DR/ACC	2,088		16,249
Mosquito Spraying	2,047		3,417
Office Supplies - General Post	1,227		3,740
Outreach/Incentives for GM	74		74
Payroll	6,271		31,145
Payroll Taxes	489		2,489
Rent	1,100		5,500
SCAN Printing - Postage	0		15,276
Telephone & Internet	302		1,354
TOPS Monthly Fee	2,982		14,909
Utilities	<u>120</u>		<u>724</u>
<b>Total Expenses</b>	<u>38,228</u>		<u>196,622</u>
<b>Increase/(Decrease) in Net Asstes</b>			
Without restrictions	\$ <u>(3,268)</u>	\$	<u>(74,788)</u>

See Attached Accountant's Compilation Report.

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

	<u>1 Month Ended</u> <u>May 31, 2023</u>	<u>1 Month Ended</u> <u>May 31, 2022</u>	
<b>Revenues</b>			
Memberships - Full	\$ 9,075	\$ 9,590	
Safety and Security	18,034	19,069	
Architectural Fee	925	1,075	
Interest & Fees	377	82	
Legal Fee Reimbursement	300	1,162	
SCAN	0	2,205	
Transfer Fees	6,250	4,500	
Refinance Fees	<u>0</u>	<u>300</u>	
 Total Revenues	 <u>34,961</u>	 <u>37,983</u>	
<b>Expenses</b>			
Accounting	800	463	
Bank/Merchant Charges	193	91	
Community Events & Beautificat	16	1,200	
Annual Fireworks Event	0	1,111	
Safety and Security	17,005	11,680	
External Groups	74	0	
Website & Other	0	250	
Esplanades/Lot Maintenance	1,847	1,790	
Insurance	1,593	1,412	
Legal Fees - DR/ACC	2,088	3,114	
Mosquito Spraying	2,047	3,753	
Office Supplies - General Post	1,227	528	
Outreach/Incentives for GM	74	250	
Payroll	6,271	5,628	
Payroll Taxes	489	438	
Rent	1,100	1,100	
SCAN Printing - Postage	0	5,395	
Telephone & Internet	302	197	
TOPS Monthly Fee	2,982	530	
Utilities	<u>120</u>	<u>112</u>	
 Total Expenses	 <u>38,228</u>	 <u>39,042</u>	
 Increase/(Decrease) in Net Asstes			
Without restrictions	\$ <u>(3,268)</u>	\$ <u>(1,059)</u>	

See Attached Accountant's Compilation Report.

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

	1 Month Ended				5 Months Ended			
	May 31, 2023	Budget	Variance	Pct	May 31, 2023	Budget	Variance	Pct
<b>Revenues</b>								
Memberships - Full	\$ 9,075	\$ 8,667	\$ 408	5	\$ 33,603	\$ 43,333	\$ (9,731)	(22)
Memberships - Associate	0	167	(167)	(100)	700	833	(133)	(16)
Safety and Security	18,034	18,417	(383)	(2)	64,225	92,083	(27,858)	(30)
Architectural Fee	925	1,417	(492)	(35)	2,700	7,083	(4,383)	(62)
Interest & Fees	377	108	269	248	1,714	542	1,173	216
Legal Fee Reimbursement	300	833	(533)	(64)	1,344	4,167	(2,822)	(68)
SCAN	0	1,333	(1,333)	(100)	898	6,667	(5,769)	(87)
Transfer Fees	6,250	3,750	2,500	67	16,350	18,750	(2,400)	(13)
Refinance Fees	0	417	(417)	(100)	300	2,083	(1,783)	(86)
<b>Total Revenues</b>	<b>34,961</b>	<b>35,108</b>	<b>(148)</b>	<b>(0)</b>	<b>121,834</b>	<b>175,542</b>	<b>(53,708)</b>	<b>(31)</b>
<b>Expenses</b>								
Accounting	800	583	217	37	4,488	2,917	1,571	54
Bank/Merchant Charges	193	375	(182)	(49)	3,008	1,875	1,133	60
Community Events & Bea	16	0	16	0	16	0	16	0
Annual Fireworks Event	0	417	(417)	(100)	0	2,083	(2,083)	(100)
Safety and Security	17,005	12,667	4,338	34	76,861	63,333	13,528	21
External Groups	74	0	74	0	375	0	375	0
Website & Other	0	100	(100)	(100)	0	500	(500)	(100)
Esplanades/Lot Maintena	1,847	1,333	514	39	9,038	6,667	2,371	36
Insurance	1,593	167	1,426	856	7,961	833	7,127	855
Legal Fees - DR/ACC	2,088	3,333	(1,246)	(37)	16,249	16,667	(417)	(3)
Membership Campaign	0	1,167	(1,167)	(100)	0	5,833	(5,833)	(100)
Mosquito Spraying	2,047	1,667	380	23	3,417	8,333	(4,917)	(59)
Office Supplies - General	1,227	500	727	145	3,740	2,500	1,240	50
Outreach/Incentives for G	74	83	(9)	(11)	74	417	(342)	(82)
Payroll	6,271	7,083	(812)	(11)	31,145	35,417	(4,272)	(12)
Payroll Taxes	489	583	(95)	(16)	2,489	2,917	(428)	(15)
Rent	1,100	1,100	0	0	5,500	5,500	0	0
SCAN Printing - Postage	0	2,917	(2,917)	(100)	15,276	14,583	692	5
SCAN - Photographer	0	42	(42)	(100)	0	208	(208)	(100)
Yard Signs - Not Security	0	62	(62)	(100)	0	308	(308)	(100)
Telephone & Internet	302	275	27	10	1,354	1,375	(21)	(2)
TOPS Monthly Fee	2,982	530	2,452	463	14,909	2,650	12,259	463
Utilities	120	125	(5)	(4)	724	625	99	16
<b>Total Expenses</b>	<b>38,228</b>	<b>35,108</b>	<b>3,120</b>	<b>9</b>	<b>196,622</b>	<b>175,542</b>	<b>21,080</b>	<b>12</b>
<b>Increase/(Decrease) in Net Asstes</b>								
Without restrictions	\$ (3,268)	\$ 0	\$ (3,268)	(999)	\$ (74,788)	\$ (0)	\$ (74,788)	999

See Attached Accountant's Compilation Report.

6/13/2023  
10:35

**Sharpstown Civic Association, Inc.**  
Regular Trial Balance

Company: SCA  
Page: 1

<u>Account #</u>	<u>Type</u>	<u>Description</u>	<u>1 Month Ended May 31, 2023</u>	<u>5 Months Ended May 31, 2023</u>
100	A	City Bank - Cash	-26,685.74	95,031.27
103	A	City Bank Savings	377.34	302,411.52
177	A	Prepaid Expense	11,532.34	15,296.89
196	A	Deposits	0.00	1,100.00
224	L	FUTA Payable	-6.53	-13.01
225	L	SUTA Payable	-2.50	-4.98
241	L	Deferred Income - 2023 Dues	3,929.57	-63,521.97
246	L	Deferred Income - 2023 S&S	7,587.84	-126,235.69
300	L	Without restrictions	0.00	-298,852.24
400	R	Memberships - Full	-9,074.57	-33,602.51
420	R	Memberships - Associate	0.00	-700.00
425	R	Safety and Security	-18,033.68	-64,225.19
426	R	Architectural Fee	-925.00	-2,700.00
428	R	Interest & Fees	-377.34	-1,714.16
440	R	Legal Fee Reimbursement	-300.00	-1,344.32
470	R	SCAN	0.00	-897.60
480	R	Transfer Fees	-6,250.00	-16,350.00
485	R	Refinance Fees	0.00	-300.00
600	E	Accounting	800.00	4,487.50
620	E	Bank/Merchant Charges	192.78	3,007.51
625	E	Community Events & Beautificat	15.78	15.78
626	E	Annual Fireworks Event	0.00	0.00
630	E	Safety and Security	17,005.05	76,861.40
646	E	External Groups	74.27	374.81
647	E	Website & Other	0.00	0.00
650	E	Esplanades/Lot Maintenance	1,847.00	9,038.00
660	E	Insurance	1,593.13	7,960.58
665	E	Legal Fees - DR/ACC	2,087.80	16,249.21
670	E	Membership Campaign	0.00	0.00
690	E	Mosquito Spraying	2,047.02	3,416.70
703	E	Office Supplies - General Post	1,226.90	3,739.95
705	E	Outreach/Incentives for GM	74.44	74.44
710	E	Payroll	6,271.34	31,144.70
720	E	Payroll Taxes	488.77	2,488.65
750	E	Rent	1,100.00	5,500.00
770	E	SCAN Printing - Postage	0.00	15,275.65
771	E	SCAN - Photogropher	0.00	0.00
775	E	Yard Signs - Not Security	0.00	0.00
780	E	Telephone & Internet	302.31	1,354.27
790	E	TOPS Monthly Fee	2,981.80	14,909.00
800	E	Utilities	119.88	723.84
Account Balances			0.00	0.00

Current Loss

3,267.68

Y-T-D Loss

74,788.21

Sharpstown Civic Association, Inc.  
Statement of Cash Flow  
Modified Cash Basis  
For the Period Ended May 31, 2023

	1 Month Ended May 31, 2023	5 Months Ended May 31, 2023
Cash Flow From Operating Activities		
Current Year's Earnings	\$ (3,268)	\$ (74,788)
Noncash Items Included in Net Income:		
Changes in:		
Prepaid Expense	\$ (11,532)	\$ (6,121)
FUTA Payable	7	(9)
SUTA Payable	3	(6)
Deferred Income - 2023 Dues	(3,930)	57,027
Deferred Income - 2023 S&S	(7,588)	113,805
	(23,040)	164,696
Total Adjustments		
Cash Provided (Used) By Operations	(26,308)	89,908
Net Increase (Decrease) In Cash	(26,308)	89,908
Cash at Beginning of Period	423,751	307,535
Cash at End of Period	\$ 397,443	\$ 397,443

See Attached Accountant's Compilation Report.

**CITY BANK**

G/L ACCOUNT #: 100 Month May YEAR: 2023

BEG. BOOK BALANCE: 121,717.01 BALANCE PER BANK: 97,350.13

**ADD: DEPOSITS**

GL #	AMOUNT
Deposit	22,873.06
Deposit in Transit	
Double booked	

**DEPOSITS IN TRANSIT:**

DATE	AMOUNT

**TOTAL DEPOSITS** 22,873.06 **DEPOSITS IN TRANSIT:** 0.00

**LESS: CHECKS**

1,100.00

**OUTSTANDING CHECKS**

2,318.86

**LESS: DEBIT MEMOS**

GL#	AMOUNT
Misc Debits	41,344.62
Payroll	5,682.30
Tax	1,431.88
Misc	

**CORRECTING JOURNAL ENTRIES**

JE#	AMOUNT

**TOTAL DEBIT MEMOS** 48,458.80 **TOTAL JE'S** 0.00

**BALANCE PER BOOKS:** 95,031.27 **BALANCE PER BANK:** 95,031.27 0.00  
Per Check Register: 95,031.27 Per Easy: 95,031.27 0.00  
0.00

**OUTSTANDING CHECKS**

CK. #	AMOUNT	CK#	AMOUNT	CK. #	AMOUNT
317	118.86				
248	1100.00				
349	1,100.00				

**Total:** 2,318.86 **0.00** **Total:** 0.00

**TOTALS:** 2,318.86