


**York Union Rescue Mission, Inc. and
Subsidiary d/b/a LifePath Christian
Ministries and Subsidiary**

**Consolidated Financial Statements and
Supplementary Information**

June 30, 2021 and 2020



**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

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June 30, 2021 and 2020

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Independent Auditor's Report

To the Board of Directors
York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary
York, Pennsylvania

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of York Union Rescue Mission, Inc. and Subsidiary d/b/a LifePath Christian Ministries and Subsidiary (the Organization), which comprise the consolidated statement of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, changes in net assets, functional expenses - by natural classification, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

As disclosed in Note 2 to the consolidated financial statements, thrift store merchandise, including clothing, home furnishings, and other miscellaneous items that the Organization acquired through donations are not recorded in the accompanying consolidated financial statements. Accounting principles generally accepted in the United States of America require gifts to be recorded at the estimated fair value at the date of receipt. The effects on the accompanying consolidated financial statements related to the failure to record donated thrift store merchandise acquired by gift have not been determined.

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter - Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects in relation to the consolidated financial statements as a whole.

RKL LLP

December 17, 2021
York, Pennsylvania

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidated Statement of Financial Position

	June 30,	
	2021	2020
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,628,318	\$ 378,112
Accounts receivable	14,330	10,292
Prepaid expenses	43,757	56,541
Gift cards	24,940	27,774
Total Current Assets	1,711,345	472,719
Property and Equipment, Net	1,550,720	1,394,727
Other Assets		
Restricted cash	56,895	47,539
Investments	-	704,323
Beneficial interest in trusts	1,234,333	993,067
Total Other Assets	1,291,228	1,744,929
Total Assets	\$ 4,553,293	\$ 3,612,375
Liabilities and Net Assets		
Current Liabilities		
Lines of credit	\$ 12,960	\$ 14,735
Accounts payable	102,525	143,115
Accrued payroll and compensated absences	105,425	88,167
Deferred revenue	13,388	8,985
Current portion of obligations under capital leases	15,330	38,269
Total Current Liabilities	249,628	293,271
Long-Term Liabilities		
Obligations under capital leases	20,870	15,997
Notes payable	138,600	364,323
Total Long-Term Liabilities	159,470	380,320
Total Liabilities	409,098	673,591
Net Assets		
Without donor restrictions	2,776,909	1,822,363
With donor restrictions	1,367,286	1,116,421
Total Net Assets	4,144,195	2,938,784
Total Liabilities and Net Assets	\$ 4,553,293	\$ 3,612,375

See accompanying notes.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidated Statement of Activities

	Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenue			
Contributions	\$ 2,793,701	\$ 51,985	\$ 2,845,686
Thrift store sales	1,700,253	-	1,700,253
In-kind contributions	1,138,418	-	1,138,418
Other income	274,904	-	274,904
Fundraising	-	-	-
Net assets released from restrictions	42,629	(42,629)	-
Loss on sale of property and equipment	(2,509)	-	(2,509)
Total Support and Revenue	5,947,396	9,356	5,956,752
Expenses			
Program services	3,965,386	-	3,965,386
Supporting services			
Management and general	382,793	-	382,793
Fundraising	646,643	-	646,643
Total Expenses	4,994,822	-	4,994,822
Excess of Support and Revenue over Expenses	952,574	9,356	961,930
Investment Income, Net	1,972	243	2,215
Change in Value of Beneficial Interest in Trusts	-	241,266	241,266
Changes in Net Assets	\$ 954,546	\$ 250,865	\$ 1,205,411

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidated Statement of Activities (continued)

	Year Ended June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenue			
Contributions	\$ 1,886,773	\$ 42,302	\$ 1,929,075
Thrift store sales	1,150,719	-	1,150,719
In-kind contributions	-	-	-
Other income	18,504	-	18,504
Fundraising	55,050	-	55,050
Net assets released from restrictions	4,354	(4,354)	-
Gain on sale of property and equipment	225,904	-	225,904
Total Support and Revenue	<u>3,341,304</u>	<u>37,948</u>	<u>3,379,252</u>
Expenses			
Program services	2,248,112	-	2,248,112
Supporting services			
Management and general	436,216	-	436,216
Fundraising	708,043	-	708,043
Total Expenses	<u>3,392,371</u>	<u>-</u>	<u>3,392,371</u>
Excess (Deficiency) of Support and Revenue over Expenses	(51,067)	37,948	(13,119)
Investment Income, Net	(37,997)	(19,687)	(57,684)
Change in Value of Beneficial Interest in Trusts	<u>-</u>	<u>(66,048)</u>	<u>(66,048)</u>
Changes in Net Assets	<u>\$ (89,064)</u>	<u>\$ (47,787)</u>	<u>\$ (136,851)</u>

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidated Statement of Changes in Net Assets

	Without Donor Restrictions	With Donor Restrictions	Totals
Net Assets at June 30, 2019	\$ 1,911,427	\$ 1,164,208	\$ 3,075,635
Changes in net assets	<u>(89,064)</u>	<u>(47,787)</u>	<u>(136,851)</u>
Net Assets at June 30, 2020	1,822,363	1,116,421	2,938,784
Changes in net assets	<u>954,546</u>	<u>250,865</u>	<u>1,205,411</u>
Net Assets at June 30, 2021	<u>\$ 2,776,909</u>	<u>\$ 1,367,286</u>	<u>\$ 4,144,195</u>

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Consolidated Statement of Functional Expenses - by Natural Classification

	Year Ended June 30, 2021						
	Program Services				Supporting Services		
	Shelter	Thrift	Food Services	Total	Management and General	Fundraising	Total
Salaries and wages	\$ 556,368	\$ 706,258	\$ 124,769	\$ 1,387,395	\$ 153,647	\$ 99,127	\$ 1,640,169
Supplies	76,810	-	1,058,047	1,134,857	2,394	-	1,137,251
Promotion and development	-	25,284	-	25,284	-	369,574	394,858
Rent expense	240	285,907	17,520	303,667	1,423	294	305,384
Professional fees	3,229	22,173	16	25,418	87,619	95,061	208,098
Utilities	68,027	85,666	15,726	169,419	8,825	-	178,244
Repairs and maintenance	74,165	38,247	29,915	142,327	10,225	-	152,552
Employee benefits	82,028	50,246	17,604	149,878	14,911	7,867	172,656
Depreciation and amortization	75,145	5,334	18,454	98,933	20,752	13,388	133,073
Payroll taxes	37,988	64,614	8,656	111,258	12,433	7,460	131,151
Office expense	1,515	96,418	41	97,974	6,807	8,950	113,731
Management fees	-	82,327	-	82,327	-	-	82,327
Insurance	27,942	23,603	6,122	57,667	15,716	4,524	77,907
Miscellaneous	7,865	35,683	3,371	46,919	8,062	79	55,060
Bank fees	-	29,817	-	29,817	1,159	10,796	41,772
Dues and subscriptions	5,451	-	2,242	7,693	8,250	24,258	40,201
Travel	-	33,758	-	33,758	61	-	33,819
Real estate taxes	3,175	1,834	71	5,080	21,527	-	26,607
Telephone	1,408	14,726	574	16,708	6,507	180	23,395
Vehicle	-	12,756	8,314	21,070	172	-	21,242
Permits and fees	4,350	-	440	4,790	181	-	4,971
Fundraising	-	-	-	-	-	4,829	4,829
Education and training	3,025	-	1,025	4,050	502	68	4,620
Other program services	4,070	-	-	4,070	-	-	4,070
Meals and entertainment	-	2,622	-	2,622	1,006	-	3,628
Interest	954	1,451	-	2,405	614	188	3,207
Total Expenses	\$ 1,033,755	\$ 1,618,724	\$ 1,312,907	\$ 3,965,386	\$ 382,793	\$ 646,643	\$ 4,994,822

See accompanying notes.

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Consolidated Statement of Functional Expenses - by Natural Classification (continued)

	Year Ended June 30, 2020						
	Program Services				Supporting Services		
	Shelter	Thrift	Food Services	Total	Management and General	Fundraising	Total
Salaries and wages	\$ 494,722	\$ 486,239	\$ 83,074	\$ 1,064,035	\$ 230,586	\$ 96,088	\$ 1,390,709
Supplies	28,611	19	20,767	49,397	464	-	49,861
Promotion and development	-	8,618	-	8,618	-	484,700	493,318
Rent expense	1,943	174,602	687	177,232	6,607	585	184,424
Professional fees	2,498	17,679	90	20,267	49,767	6,106	76,140
Utilities	90,038	66,115	5,394	161,547	9,010	-	170,557
Repairs and maintenance	51,211	37,601	27,963	116,775	10,021	-	126,796
Employee benefits	80,816	65,434	11,204	157,454	21,976	15,676	195,106
Depreciation and amortization	64,260	1,196	10,791	76,247	29,951	12,481	118,679
Payroll taxes	36,189	53,013	6,113	95,315	18,072	6,794	120,181
Office expense	1,346	20,489	30	21,865	7,877	10,159	39,901
Management fees	-	65,446	-	65,446	-	-	65,446
Insurance	37,211	720	6,249	44,180	17,344	7,227	68,751
Miscellaneous	8,944	39,646	3,003	51,593	2,769	2,010	56,372
Bank fees	-	19,777	-	19,777	2,218	8,528	30,523
Dues and subscriptions	4,169	-	1,625	5,794	6,588	23,426	35,808
Travel	-	16,412	-	16,412	54	-	16,466
Real estate taxes	7,473	29,236	78	36,787	4,046	-	40,833
Telephone	1,495	8,385	665	10,545	6,879	628	18,052
Vehicle	56	15,195	19,600	34,851	1,944	-	36,795
Permits and fees	3,210	-	543	3,753	181	785	4,719
Fundraising	-	-	-	-	-	32,699	32,699
Education and training	145	-	1,065	1,210	577	-	1,787
Other program services	3,576	-	-	3,576	-	-	3,576
Meals and entertainment	409	1,843	-	2,252	4,725	151	7,128
Interest	1,701	1,483	-	3,184	4,560	-	7,744
Total Expenses	\$ 920,023	\$ 1,129,148	\$ 198,941	\$ 2,248,112	\$ 436,216	\$ 708,043	\$ 3,392,371

See accompanying notes.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidated Statement of Cash Flows

	Years Ended June 30,	
	2021	2020
Cash Flows from Operating Activities		
Changes in net assets	\$ 1,205,411	\$ (136,851)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	133,073	118,679
Realized and unrealized loss on investments	-	69,658
(Gain) loss on sale of property and equipment	2,509	(225,904)
Change in value of beneficial interest in trusts	(241,266)	66,048
In-kind contribution - contributed property and equipment	(24,500)	-
Contributions restricted for capital expenditures	(113,971)	(100,993)
Forgiveness of notes payable	(225,723)	-
(Increase) decrease in assets		
Accounts receivable	(4,038)	(10,292)
Prepaid expenses	12,784	(21,545)
Gift cards	2,834	6,591
Increase (decrease) in liabilities		
Accounts payable	(3,905)	(43,695)
Accrued payroll and compensated absences	17,258	(25,108)
Deferred revenue	4,403	(18,420)
Net Cash Provided by (Used in) Operating Activities	764,869	(321,832)
Cash Flows from Investing Activities		
Capital expenditures	(291,733)	(91,816)
Proceeds on sale of property and equipment	11,900	477,207
Principal repayments of note receivable	-	18,000
Purchase of investments	-	(1,073,499)
Proceeds from sale of investments	704,323	962,040
Net Cash Provided by Investing Activities	424,490	291,932
Cash Flows from Financing Activities		
Net change in lines of credit	(1,775)	(88,723)
Principal payments on obligations under capital leases	(41,993)	(39,847)
Proceeds from notes payable	-	364,323
Contributions restricted for capital expenditures	113,971	100,993
Net Cash Provided by Financing Activities	70,203	336,746
Net Increase in Cash and Cash Equivalents	1,259,562	306,846
Cash and Cash Equivalents at Beginning of Year	425,651	118,805
Cash and Cash Equivalents at End of Year	\$ 1,685,213	\$ 425,651
Cash is Comprised of the Following on the Statement of Financial Position		
Cash and cash equivalents	\$ 1,628,318	\$ 378,112
Restricted cash	56,895	47,539
	\$ 1,685,213	\$ 425,651

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Consolidated Statement of Cash Flows (continued)

	Years Ended June 30	
	2021	2020
Supplementary Cash Flow Information		
Interest paid	<u>\$ 3,207</u>	<u>\$ 7,744</u>

**Supplementary Schedule of Noncash Investing and
Financing Activities**

In 2021

Equipment valued at \$23,927 was financed by a capital lease.

In 2020

Accounts payable includes \$36,685 of capital expenditures.

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 1 - Nature of Operations

York Union Rescue Mission, Inc. d/b/a LifePath Christian Ministries (the Mission) was incorporated in March 1962 as a religious and charitable nonprofit corporation. The Mission's primary source of support and revenue is contributions. The charter of the Mission sets forth the following purpose:

To maintain a nonsectarian organization for the advancement of the Kingdom of God through the Gospel of Jesus Christ and to do missionary, relief, and rescue work of all kinds in York and the surrounding area, and such other places that the Board of Directors may deem advisable.

The Mission's primary focus is to provide shelter services, which includes providing emergency shelter and food for homeless men, transient men, and senior foster care, as well as counseling and spiritual recovery sessions for those recovering from alcohol and drug addictions, to assist them on the road back to a productive life. Additionally, shelter services include providing emergency shelter and food for homeless women and children. The Mission runs programming designed to help women grow spiritually and to develop the skills needed to flourish personally and in the community.

In June 2018, the Mission created a wholly-owned subsidiary called LifePath Thrift Stores, LLC (the Company). The Mission is the sole member of the Company and has the power to choose the governance structure of the Company. The Company was established to own and operate the Mission's thrift stores in a commercial manner. The Mission provides administration, oversight, and back office and other support, as necessary, to support the Company's operations that are consistent with the Mission's purposes. The Company took over operating the thrift stores effective August 1, 2018.

For the purpose of these consolidated financial statements, the entities described above are collectively referred to as the Organization.

Note 2 - Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 2 - Summary of Significant Accounting Policies (continued)

Principles of Consolidation

The consolidated financial statements include the accounts of York Union Rescue Mission d/b/a LifePath Christian Ministries and its wholly owned subsidiary LifePath Thrift Stores, LLC (collectively referred to as the Organization). Any significant intercompany balances and transactions are eliminated in consolidation.

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with U.S. GAAP. Under the accrual basis of accounting, support and revenue are recognized when earned and expenses are recognized when incurred.

Cash and Cash Equivalents

The Organization considers all highly-liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at outstanding balances. The Organization considers accounts receivable to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established, or the accounts will be charged to income when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

Property and Equipment

Property and equipment are stated at cost if purchased, or at the estimated fair market value at the date of gift if contributed. Property and equipment are depreciated or amortized using the straight-line method over the estimated average useful lives of the assets or the lease term, whichever is shorter, as follows: buildings and improvements, five to thirty-nine years; transportation equipment, five years; furniture and equipment, five to ten years, and leasehold improvements, five years. All capital assets of the Organization are depreciated except for land. When property and equipment are retired or sold, the cost and applicable accumulated depreciation are removed from the respective accounts and the related gain or loss is reflected in earnings.

The Organization's policy is to capitalize property and equipment expenditures of \$2,500 or more.

Maintenance, repairs, and minor renewals that do not significantly improve or extend the lives of the respective assets are charged to operations when incurred. Additions, improvements, and major renewals are capitalized.

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 2 - Summary of Significant Accounting Policies (continued)

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the impaired asset. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows and discount rates reflecting varying degrees of perceived risk. Management has concluded that no impairment adjustments were required during the years ended June 30, 2021 and 2020.

Investments

Investments in debt and equity securities with readily determinable fair values are reported at fair value. Contributed investments are valued at market value on the date contributed. Unrealized gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Realized gains and losses, if any, on the sale or disposal of investments are computed on a specific identification basis and are also included as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation.

Net Assets

Net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that are restricted for a specified purpose or passage of time or are restricted in perpetuity.

Revenue Recognition

Contributions

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

All contributions are considered to be available for operations unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as support with donor restrictions that increases that net asset class. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 2 - Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Thrift Store Sales

The Organization operates a retail operation where thrift store merchandise, including clothing, home furnishings, and other miscellaneous items are donated and then sold to the community at a greatly reduced price. Revenue is recognized by the Organization at the time the goods are sold. Thrift store merchandise that the Organization acquired through donations are not recorded in the accompanying consolidated financial statements. U.S. GAAP requires gifts to be recorded at the estimated fair value at the date of receipt. Management has determined the fair market value of these items to be equal to the sales price and recognizes revenue upon the sale of those materials. As management has determined that the donated materials have no value unless sold, no inventory is recorded. Costs associated with operation of the store are expensed in program services in the accompanying consolidated statement of activities and consolidated statement of functional expenses - by natural classification.

Functional Expense Classification

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the consolidated statement of activities and consolidated statement of functional expenses - by natural classification. Accordingly, certain costs have been allocated among the program and supporting services benefited. Supporting services include management and general and fundraising expenses. Expenses require allocation on a reasonable basis that is consistently applied. Expenses are generally allocated on the basis of estimates of time and effort.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense amounted to \$25,491 and \$9,818 for the years ended June 30, 2021 and 2020, respectively.

Change in Accounting Principle

In August 2018, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, *Fair Value Measurements (Topic 820)*. The amendments in this ASU removes, modifies, and adds certain disclosure requirements of Accounting Standards Codification (ASC) Topic 820. The Organization implemented this standard during the year ended June 30, 2021. The Organization has determined that the adoption of ASU 2018-13 did not have a material effect on the 2021 financial statements.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 2 - Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, and subsequently amended in ASU 2019-10 and 2020-05. The guidance in these ASUs supersedes the leasing guidance in Topic 840, *Leases*, which sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases, based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases, and operating leases. The new standard is effective for privately held companies for fiscal years beginning after December 15, 2021, including interim periods within fiscal years beginning after December 15, 2022.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which will require not-for-profit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. Also, this ASU will require disclosure of a disaggregation of the amount of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets as well as additional information around valuation and usage of the contributed nonfinancial assets. The amendments in this standard should be applied on a retrospective basis and are effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022.

The Organization is currently evaluating the pending adoption of the new standards on the financial statements.

Note 3 - Tax-Exempt Status

The Mission is a nonprofit entity described in Section 501(c)(3) of the Internal Revenue Code (Code) and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code. In addition, the Mission was organized under the Pennsylvania Nonprofit Corporation Law and is exempt from state income taxes.

The Company is a single member limited liability company, and was structured as a disregarded entity for federal, state, and local income tax purposes. Accordingly, no provision for income taxes is made in the consolidated financial statements.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 3 - Tax-Exempt Status (continued)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Organization has taken no uncertain tax positions that require recognition or disclosure in the consolidated financial statements. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before June 30, 2018.

Note 4 - Liquidity and Availability

Financial assets available for general expenditures, that is, without donor restrictions or other designations limiting their use, within one year of the date of the consolidated statement of financial position, comprise the following as of June 30:

	<u>2021</u>	<u>2020</u>
Financial Assets		
Cash and cash equivalents	\$ 1,628,318	\$ 378,112
Accounts receivable	14,330	10,292
Restricted cash	56,895	47,539
Investments	-	704,323
Distributions from beneficial interest in trusts	<u>39,250</u>	<u>41,359</u>
Total Financial Assets	<u>1,738,793</u>	<u>1,181,625</u>
Less Amounts that are Internally Designated or Externally Restricted		
Donor-imposed restrictions		
Cash subject to donor restrictions	(56,895)	(47,539)
Endowment investments	<u>(76,058)</u>	<u>(75,815)</u>
Total Amounts Not Available to be Used Within One Year	<u>(132,953)</u>	<u>(123,354)</u>
Financial Assets Available to be Used Within One Year	<u>\$ 1,605,840</u>	<u>\$ 1,058,271</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

The Organization's investments include a donor-restricted endowment fund. Income from the fund is restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditures.

The Organization also has lines of credit available to meet short-term obligations if needed (refer to Note 10).

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 5 - Property and Equipment

Property and equipment consists of the following as of June 30:

	<u>2021</u>	<u>2020</u>
Buildings and improvements	\$ 2,976,983	\$ 2,823,239
Furniture and equipment	668,499	578,816
Land *	54,059	54,059
Transportation equipment	35,743	60,813
Leasehold improvements	21,900	-
	<u>3,757,184</u>	<u>3,516,927</u>
Accumulated depreciation and amortization	<u>(2,206,464)</u>	<u>(2,122,200)</u>
	<u>\$ 1,550,720</u>	<u>\$ 1,394,727</u>

* Not depreciated

Note 6 - Investments

Investments consist of the following as of June 30, 2020:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Cash and cash equivalents	\$ 704,323	\$ 704,323	\$ -

Investment income, net consists of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Interest and dividend income, net	\$ 2,215	\$ 11,974
Realized and unrealized losses	-	(69,658)
	<u>\$ 2,215</u>	<u>\$ (57,684)</u>

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 7 - Beneficial Interest in Trusts

Beneficial interest in trusts consist of beneficial interests in perpetual trusts and a charitable remainder trust.

For beneficial interests in perpetual trusts, the Mission is the beneficiary of several perpetual trusts held by a third party. Under the terms of the trusts, the Mission has the irrevocable right to receive the income generated by the trusts in perpetuity. The beneficial interests in perpetual trusts are recorded at fair value. Changes in net assets of trusts are recorded as gains or losses (change in value of beneficial interest in trusts) on the consolidated statement of activities. Net assets and changes in the net assets are recorded as net assets with donor restrictions. Distributions received from these trusts are recorded in the consolidated statement of activities as contributions without donor restrictions.

For beneficial interest in charitable remainder trust, a donor established and funded a trust under which specified distributions are made to designated beneficiaries over the trust's terms. Upon termination of the trust, the Mission will receive a portion of the assets remaining in the trust. Beneficial interest in charitable remainder trust is recorded at the fair value of the Mission's share of the trust's assets net of the present value of the estimated future payments to be made under the specific terms of the trust. The change in net assets of the trust is recorded as a gain or loss (change in value of beneficial interest in trusts) in the consolidated statement of activities. Net assets and changes in the net assets of the trust are recorded as net assets with donor restrictions.

As of June 30, 2021 and 2020, the Mission's beneficiary interest allocations in perpetual trusts and charitable remainder trust range from 8.3% to 25.0%.

The carrying value of beneficial interest in trusts is as follows as of June 30:

	<u>2021</u>	<u>2020</u>
Perpetual trusts	\$ 1,148,107	\$ 974,115
Charitable remainder trust	<u>86,226</u>	<u>18,952</u>
	<u>\$ 1,234,333</u>	<u>\$ 993,067</u>

Note 8 - Fair Value of Financial Instruments

The fair value hierarchy prioritizes the inputs to valuation methods used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 - Quoted prices in markets that are not active, or inputs that are observable either directly or indirectly, for substantially the full term of the asset or liability.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 8 - Fair Value of Financial Instruments (continued)

Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported with little or no market activity).

An asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following valuation techniques were used to measure fair value of assets in the tables below on a recurring basis:

Cash and cash equivalents - The carrying amounts approximate fair value because of the short-term nature of these investments.

Beneficial interest in trusts - The beneficial interest in trusts are valued at fair value based on the Mission's interest in the fair values of the underlying assets, which approximate the present value of estimated cash flows to be received from the trusts. The present value measured is utilized as the underlying assets of each individual trust and is not in the control of the Mission.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Mission believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

For assets measured at fair value on a recurring basis, the fair value measurements by level within the fair value hierarchy are as follows as of June 30:

	2021			
	Total	Level 1	Level 2	Level 3
Beneficial Interest in Trusts				
Perpetual trusts	\$ 1,148,107	\$ -	\$ -	\$ 1,148,107
Charitable remainder trust	86,226	-	-	86,226
	<u>\$ 1,234,333</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,234,333</u>

**York Union Rescue Mission, Inc. and Subsidiary
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Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 8 - Fair Value of Financial Instruments (continued)

	2020			
	Total	Level 1	Level 2	Level 3
Cash and Cash Equivalents	\$ 704,323	\$ 704,323	\$ -	\$ -
Beneficial Interest in Trusts				
Perpetual trusts	\$ 974,115	\$ -	\$ -	\$ 974,115
Charitable remainder trust	18,952	-	-	18,952
	<u>\$ 993,067</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 993,067</u>

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended June 30, 2021 and 2020, there were no transfers in or out of Level 3.

Note 9 - Endowment

The Mission's endowment consists of a fund that was established by a donor to be invested in perpetuity. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 9 - Endowment (continued)

Interpretation of Relevant State Law

The Board of Directors of the Mission has interpreted the relevant state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Mission classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Unless specifically defined by a donor-restricted endowment fund required by donor stipulation, the Mission considers the following factors in making a determination to accumulate or appropriate endowment funds:

- A. The duration and preservation of the fund
- B. The purposes of the donor-restricted endowment fund
- C. General economic conditions
- D. The possible effect of inflation and deflation
- E. The expected total return from interest and dividend income and appreciation of investments
- F. Other resources of the Mission
- G. The investment policies of the Mission

The following schedule represents the endowment net asset composition by type of endowment fund as of June 30:

	<u>2021</u>	<u>2020</u>
Endowment funds with donor restrictions	<u>\$ 76,058</u>	<u>\$ 75,815</u>

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 9 - Endowment (continued)

Interpretation of Relevant State Law (continued)

The following schedule represents the changes in endowment net assets with donor restrictions for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Endowment Net Assets With Donor Restrictions at Beginning of Year	\$ 75,815	\$ 95,502
Investment return		
Interest and dividend income, net	243	1,681
Net depreciation (realized and unrealized)	-	(6,953)
Distributions	-	(14,415)
Endowment Net Assets With Donor Restrictions at End of Year	\$ 76,058	\$ 75,815

Funds with Deficiencies

The relevant state law has no requirement to restore permanent fund deficiencies and accounting standards provide that the generally accepted rule of reporting such deficiencies as net assets without donor restrictions should be applied only in the absence of donor stipulations or laws to the contrary. The Mission has interpreted state law to allow spending of the original principal with no requirement to restore fund deficiencies to the original value. As such, the Mission has no underwater endowments as of June 30, 2021 and 2020. Any fund deficiencies are reported as reductions to net assets with donor restrictions.

The endowment assets are invested in a manner that is intended to produce results and allow the Mission to fund programming and operations while assuming a moderate level of investment risk in order to preserve the endowment's long-term value. The Mission relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Board of Directors approves disbursements from the funds on a specific need basis.

Note 10 - Lines of Credit

The Mission has a line of credit agreement with a bank, which provides for borrowings of up to \$100,000. The line of credit is uncollateralized and bears interest at the bank's prime rate, plus 3.00%, with a floor of 5.00%. The interest rate was 6.25% as of June 30, 2021 and 2020. The line of credit is payable upon demand. There were no borrowings against the line of credit as of June 30, 2021 and 2020.

The Company also has a line of credit agreement with a bank, which provides for borrowings of up to \$15,000. The line of credit is uncollateralized and bears interest at the bank's prime rate, plus 5.00%, with a floor of 10.25%. The interest rate was 10.25% as of June 30, 2021 and 2020. The line of credit is payable upon demand. As of June 30, 2021 and 2020, borrowings against the line of credit amounted to \$12,960 and \$14,735, respectively.

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Notes to Consolidated Financial Statements
 June 30, 2021 and 2020

Note 11 - Obligations under Capital Leases

The Mission has several capital leases for equipment. Assuming no change in current terms, future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, consist of the following for the remaining five years ending June 30:

2022	\$ 16,731
2023	8,416
2024	7,074
2025	5,191
2026	<u>1,297</u>
	38,709
Amount representing interest	<u>(2,509)</u>
	\$ 36,200
Current portion	\$ 15,330
Noncurrent portion	<u>20,870</u>
	\$ 36,200

Equipment under capital lease obligations consists of the following as of June 30:

	<u>2021</u>	<u>2020</u>
Security equipment	\$ 127,609	\$ 127,609
Office equipment	<u>23,927</u>	<u>67,912</u>
	151,536	195,521
Accumulated amortization	<u>(123,719)</u>	<u>(160,043)</u>
	\$ 27,817	\$ 35,478

Amortization expense amounted to \$31,589 and \$29,434 for the years ended June 30, 2021 and 2020, respectively. The amortization expense of capital lease assets is included in the depreciation and amortization expense reported in the consolidated statement of functional expenses - by natural classification.

York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 12 - Notes Payable

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) which established the Paycheck Protection Program (the Program). The Program was created to assist small businesses in paying their employees and certain other expenses during the COVID-19 crisis (refer to Note 17). The Mission applied for a loan under this Program and received from Members 1st Federal Credit Union, a loan in the amount of \$225,723 on April 19, 2020. The Company also applied for a loan under this Program and received from York Traditions Bank a loan in the amount of \$138,600 on May 5, 2020. Both loans are forgivable if certain criteria is met, as established under the Program. In April 2021, the Mission was notified by their bank that the loan had been forgiven in full by the Small Business Administration. Forgiveness of notes payable is included as other income in the consolidated statement of activities. The Company will seek loan forgiveness in fiscal year 2022.

The Company's loan is unsecured and does not require personal guarantees. The loan bears interest at a fixed rate of 1.00%. Based on the original terms of the loan agreement, the loan was to accrue interest for the first six months following the date of the loan, and thereafter would convert to monthly payments of principal and interest. The Paycheck Protection Program Flexibility Act of 2020 extended the deferral period for borrower payments of principal, interest, and fees on the loan to the date that the SBA remits the loan forgiveness amount, or if loan forgiveness is not requested, ten months after the end of the loan forgiveness covered period, which generally begins on the date the loan proceeds were received. The Company elected to use a 24-week loan forgiveness covered period. If any portion of the loan is forgiven in connection with the CARES Act and the terms of the Program, the monthly payments of principal and interest shall thereafter be recalculated by the lender to fully amortize any outstanding amounts remaining after forgiveness over the remaining term of the loan. In November 2021, the Company was notified by their bank that the loan has been forgiven.

Note 13 - Commitments

The Organization has entered into various operating lease agreements for facilities, which have varying monthly rental payments and terms. Additionally, the Organization also leases certain office equipment and vehicles, which are accounted for as operating leases. These leases have terms of two to five years.

Future minimum lease payments, assuming no change in current terms, consist of the following for the remaining five years ending June 30:

2022	\$	211,008
2023		134,989
2024		128,050
2025		128,050
2026		42,683
		<hr/>
	\$	644,780

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 13 - Commitments (continued)

The Company entered has an operating agreement with SMC Co Thrift, LLC for management services. Under the terms of the contract, the Company pays SMC Co Thrift, LLC a management fee equal to the greater of 5.00% of the gross sales of the thrift stores, or \$4,000, plus transportation expenses to and from York, Pennsylvania. Terms of the agreement extend through May 31, 2021. The agreement has continued on a month-to-month basis, since then.

Note 14 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

	<u>2021</u>	<u>2020</u>
Subject to Expenditure for a Specified Purpose		
Cash - shelter improvements	\$ 45,247	\$ 11,474
Cash - other	6,652	977
Cash - healthy eating	4,746	5,237
Cash - facility maintenance	250	29,851
Subject to the Passage of Time		
Beneficial interest in charitable remainder trust	86,226	18,952
Perpetual in Nature		
Beneficial interest in perpetual trusts	1,148,107	974,115
Endowment investments	76,058	75,815
	<u>\$ 1,367,286</u>	<u>\$ 1,116,421</u>

Note 15 - In-Kind Contributions

Certain donated materials and services, meeting the criteria for recognition, are reflected in the consolidated financial statements at their estimated fair value on the date of receipt. During the year ended June 30, 2020, food items and other supplies that the Organization acquired through donations were not recorded in the accompanying consolidated financial statements. U.S. GAAP requires gifts to be recorded at the estimated fair value at the date of receipt. During the year ended June 30, 2021, the Organization implemented a process for recording donated food items and other supplies.

Additionally, during the years ended June 30, 2021 and 2020, a substantial number of individual volunteers and businesses have donated significant amounts of time to the Organization's programs and supporting services. These services do not meet the criteria for recognition as contributed services, and are not reflected in the consolidated financial statements.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

Note 15 - In-Kind Contributions (continued)

In-kind contributions consist of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Food service supplies	\$ 1,032,858	\$ -
Shelter supplies	42,580	-
Other supplies	38,480	-
Office supplies	24,500	-
Contributed property and equipment		
	<u>\$ 1,138,418</u>	<u>\$ -</u>

Note 16 - Concentrations of Cash and Credit Risks

At times during the years ended June 30, 2021 and 2020, the Organization's cash balances may have exceeded the federally insured limit of \$250,000.

Note 17 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. The actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economy, financial markets, and the geographical area in which the Organization operates. It is unknown how long these conditions will last and what the complete financial effect will be to the Organization.

Additionally, it is reasonably possible that estimates made in the consolidated financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions.

Note 18 - Subsequent Events,

The Organization has evaluated subsequent events through December 17, 2021. This date is the date the consolidated financial statements were available to be issued. No material events subsequent to June 30, 2021, other than as described in Note 12, were noted.

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidating Schedule - Financial Position Information

	June 30, 2021			
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Totals
Assets				
Current Assets				
Cash and cash equivalents	\$ 1,530,951	\$ 97,367	\$ -	\$ 1,628,318
Accounts receivable	17,604	8,161	(11,435)	14,330
Prepaid expenses	30,642	13,115	-	43,757
Gift cards	24,940	-	-	24,940
Total Current Assets	1,604,137	118,643	(11,435)	1,711,345
Property and Equipment, Net	1,507,185	43,535	-	1,550,720
Other Assets				
Restricted cash	56,895	-	-	56,895
Investments	-	-	-	-
Beneficial interest in trusts	1,234,333	-	-	1,234,333
Total Other Assets	1,291,228	-	-	1,291,228
Total Assets	\$ 4,402,550	\$ 162,178	\$ (11,435)	\$ 4,553,293
Liabilities and Net Assets				
Current Liabilities				
Lines of credit	\$ -	\$ 12,960	\$ -	\$ 12,960
Accounts payable	85,856	28,104	(11,435)	102,525
Accrued payroll and compensated absences	49,605	55,820	-	105,425
Deferred revenue	7,000	6,388	-	13,388
Current portion of obligations under capital leases	15,330	-	-	15,330
Total Current Liabilities	157,791	103,272	(11,435)	249,628
Long-Term Liabilities				
Obligations under capital leases	20,870	-	-	20,870
Notes payable	-	138,600	-	138,600
Total Long-Term Liabilities	20,870	138,600	-	159,470
Total Liabilities	178,661	241,872	(11,435)	409,098
Net Assets				
Without donor restrictions	2,856,603	(79,694)	-	2,776,909
With donor restrictions	1,367,286	-	-	1,367,286
Total Net Assets	4,223,889	(79,694)	-	4,144,195
Total Liabilities and Net Assets	\$ 4,402,550	\$ 162,178	\$ (11,435)	\$ 4,553,293

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidating Schedule - Financial Position Information (continued)

	June 30, 2020			
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Totals
Assets				
Current Assets				
Cash and cash equivalents	\$ 242,629	\$ 135,483	\$ -	\$ 378,112
Accounts receivable	29,386	6,797	(25,891)	10,292
Prepaid expenses	49,874	6,667	-	56,541
Gift cards	27,774	-	-	27,774
Total Current Assets	349,663	148,947	(25,891)	472,719
Property and Equipment, Net	1,384,557	10,170	-	1,394,727
Other Assets				
Restricted cash	47,539	-	-	47,539
Investments	704,323	-	-	704,323
Beneficial interest in trusts	993,067	-	-	993,067
Total Other Assets	1,744,929	-	-	1,744,929
Total Assets	\$ 3,479,149	\$ 159,117	\$ (25,891)	\$ 3,612,375
Liabilities and Net Assets				
Current Liabilities				
Lines of credit	\$ -	\$ 14,735	\$ -	\$ 14,735
Accounts payable	130,134	38,872	(25,891)	143,115
Accrued payroll and compensated absences	71,089	17,078	-	88,167
Deferred revenue	-	8,985	-	8,985
Current portion of obligations under capital leases	38,269	-	-	38,269
Total Current Liabilities	239,492	79,670	(25,891)	293,271
Long-Term Liabilities				
Obligations under capital leases	15,997	-	-	15,997
Notes payable	225,723	138,600	-	364,323
Total Long-Term Liabilities	241,720	138,600	-	380,320
Total Liabilities	481,212	218,270	(25,891)	673,591
Net Assets				
Without donor restrictions	1,881,516	(59,153)	-	1,822,363
With donor restrictions	1,116,421	-	-	1,116,421
Total Net Assets	2,997,937	(59,153)	-	2,938,784
Total Liabilities and Net Assets	\$ 3,479,149	\$ 159,117	\$ (25,891)	\$ 3,612,375

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidating Schedule - Activities Information

	Year Ended June 30, 2021					
	Without Donor Restrictions				With Donor Restrictions	
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Total	LifePath Christian Ministries	Total
Support and Revenue						
Contributions	\$ 2,793,701	\$ -	\$ -	\$ 2,793,701	\$ 51,985	\$ 2,845,686
Thrift store sales	-	1,700,253	-	1,700,253	-	1,700,253
In-kind contributions	1,138,418	-	-	1,138,418	-	1,138,418
Other income	277,098	12,806	(15,000)	274,904	-	274,904
Fundraising	-	-	-	-	-	-
Rental income	84,000	-	(84,000)	-	-	-
Billed to thrift	51,504	-	(51,504)	-	-	-
Net assets released from restrictions	42,629	-	-	42,629	(42,629)	-
Loss on sale of property and equipment	(2,509)	-	-	(2,509)	-	(2,509)
Total Support and Revenue	4,384,841	1,713,059	(150,504)	5,947,396	9,356	5,956,752
Expenses						
Program services	2,382,250	1,733,640	(150,504)	3,965,386	-	3,965,386
Supporting services						
Management and general	382,793	-	-	382,793	-	382,793
Fundraising	646,643	-	-	646,643	-	646,643
Total Expenses	3,411,686	1,733,640	(150,504)	4,994,822	-	4,994,822
Excess (Deficiency) of Support and Revenue over Expenses	973,155	(20,581)	-	952,574	9,356	961,930
Investment Income, Net	1,932	40	-	1,972	243	2,215
Change in Value of Beneficial Interest in Trusts	-	-	-	-	241,266	241,266
Changes in Net Assets	\$ 975,087	\$ (20,541)	\$ -	\$ 954,546	\$ 250,865	\$ 1,205,411

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidating Schedule - Activities Information (continued)

	Year Ended June 30, 2020					
	Without Donor Restrictions				With Donor Restrictions	
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Total	LifePath Christian Ministries	Total
Support and Revenue						
Contributions	\$ 1,886,773	\$ -	\$ -	\$ 1,886,773	\$ 42,302	\$ 1,929,075
Thrift store sales	-	1,150,719	-	1,150,719	-	1,150,719
In-kind contributions	-	-	-	-	-	-
Other income	6,726	11,778	-	18,504	-	18,504
Fundraising	55,050	-	-	55,050	-	55,050
Rental income	84,000	-	(84,000)	-	-	-
Billed to thrift	55,028	-	(55,028)	-	-	-
Net assets released from restrictions	4,354	-	-	4,354	(4,354)	-
Gain on sale of property and equipment	225,904	-	-	225,904	-	225,904
Total Support and Revenue	<u>2,317,835</u>	<u>1,162,497</u>	<u>(139,028)</u>	<u>3,341,304</u>	<u>37,948</u>	<u>3,379,252</u>
Expenses						
Program services	1,190,549	1,196,591	(139,028)	2,248,112	-	2,248,112
Supporting services						
Management and general	436,216	-	-	436,216	-	436,216
Fundraising	708,043	-	-	708,043	-	708,043
Total Expenses	<u>2,334,808</u>	<u>1,196,591</u>	<u>(139,028)</u>	<u>3,392,371</u>	<u>-</u>	<u>3,392,371</u>
Excess (Deficiency) of Support and Revenue over Expenses	(16,973)	(34,094)	-	(51,067)	37,948	(13,119)
Investment Income, Net	(38,036)	39	-	(37,997)	(19,687)	(57,684)
Change in Value of Beneficial Interest in Trusts	-	-	-	-	(66,048)	(66,048)
Changes in Net Assets	<u>\$ (55,009)</u>	<u>\$ (34,055)</u>	<u>\$ -</u>	<u>\$ (89,064)</u>	<u>\$ (47,787)</u>	<u>\$ (136,851)</u>

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidating Schedule - Changes in Net Assets Information

	Without Donor Restrictions			With Donor Restrictions	
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Total	LifePath Christian Ministries	Total
Net Assets at June 30, 2019	\$ 1,936,525	\$ (25,098)	\$ 1,911,427	\$ 1,164,208	\$ 3,075,635
Changes in net assets	(55,009)	(34,055)	(89,064)	(47,787)	(136,851)
Net Assets at June 30, 2020	1,881,516	(59,153)	1,822,363	1,116,421	2,938,784
Changes in net assets	975,087	(20,541)	954,546	250,865	1,205,411
Net Assets at June 30, 2021	\$ 2,856,603	\$ (79,694)	\$ 2,776,909	\$ 1,367,286	\$ 4,144,195

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidating Schedule - Expense Information

	Year Ended June 30, 2021			
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Total
Salaries and wages	\$ 933,911	\$ 706,258	\$ -	\$ 1,640,169
Supplies	1,137,251	-	-	1,137,251
Promotion and development	369,574	25,284	-	394,858
Rent expense	55,065	369,907	(119,588)	305,384
Professional fees	185,925	22,173	-	208,098
Utilities	92,578	85,666	-	178,244
Repairs and maintenance	114,305	38,247	-	152,552
Employee benefits	122,410	50,246	-	172,656
Depreciation and amortization	127,739	5,334	-	133,073
Payroll taxes	66,537	64,614	-	131,151
Office expense	17,313	104,460	(8,042)	113,731
Management fees	-	82,327	-	82,327
Insurance	54,304	31,477	(7,874)	77,907
Miscellaneous	19,377	35,683	-	55,060
Bank fees	11,955	29,817	-	41,772
Dues and subscriptions	40,201	-	-	40,201
Travel	61	33,758	-	33,819
Real estate taxes	24,773	1,834	-	26,607
Telephone	8,669	14,726	-	23,395
Vehicle	8,486	12,756	-	21,242
Permits and fees	4,971	15,000	(15,000)	4,971
Fundraising	4,829	-	-	4,829
Education and training	4,620	-	-	4,620
Other program services	4,070	-	-	4,070
Meals and entertainment	1,006	2,622	-	3,628
Interest	1,756	1,451	-	3,207
Total Expenses	\$ 3,411,686	\$ 1,733,640	\$ (150,504)	\$ 4,994,822

**York Union Rescue Mission, Inc. and Subsidiary
d/b/a LifePath Christian Ministries and Subsidiary**

Consolidating Schedule - Expense Information (continued)

	Year Ended June 30, 2020			
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Total
Salaries and wages	\$ 904,470	\$ 486,239	\$ -	\$ 1,390,709
Supplies	49,842	19	-	49,861
Promotion and development	484,700	8,618	-	493,318
Rent expense	45,884	258,128	(119,588)	184,424
Professional fees	58,461	17,679	-	76,140
Utilities	110,888	59,669	-	170,557
Repairs and maintenance	90,901	35,895	-	126,796
Employee benefits	129,672	65,434	-	195,106
Depreciation and amortization	117,483	1,196	-	118,679
Payroll taxes	67,168	53,013	-	120,181
Office expense	19,412	28,204	(7,715)	39,901
Management fees	-	65,446	-	65,446
Insurance	68,031	12,445	(11,725)	68,751
Miscellaneous	18,726	37,646	-	56,372
Bank fees	10,746	19,777	-	30,523
Dues and subscriptions	35,808	-	-	35,808
Travel	54	16,412	-	16,466
Real estate taxes	36,968	3,865	-	40,833
Telephone	9,667	8,385	-	18,052
Vehicle	21,600	15,195	-	36,795
Permits and fees	4,719	-	-	4,719
Fundraising	32,699	-	-	32,699
Education and training	1,787	-	-	1,787
Other program services	3,576	-	-	3,576
Meals and entertainment	5,285	1,843	-	7,128
Interest	6,261	1,483	-	7,744
Total Expenses	\$ 2,334,808	\$ 1,196,591	\$ (139,028)	\$ 3,392,371