



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

**Consolidated Financial Statements and
Supplementary Information**

June 30, 2022 and 2021



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

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June 30, 2022 and 2021

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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

Qualified Opinion

We have audited the 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, 2022 and 2021, 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 (collectively, the financial statements).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, and the changes in its assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

As disclosed in Note 2 to the 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 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 financial statements related to the failure to record donated thrift store merchandise acquired by gift have not been determined.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

RKL LLP

November 15, 2022
York, Pennsylvania

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

Consolidated Statement of Financial Position

	June 30,	
	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,370,189	\$ 1,552,260
Accounts receivable	15,720	14,330
Prepaid expenses	56,900	43,757
Gift cards	20,963	24,940
Total Current Assets	1,463,772	1,635,287
Property and Equipment, Net	1,577,312	1,550,720
Other Assets		
Restricted cash	161,014	132,953
Beneficial interest in trusts	1,001,203	1,234,333
Total Other Assets	1,162,217	1,367,286
Total Assets	\$ 4,203,301	\$ 4,553,293
Liabilities and Net Assets		
Current Liabilities		
Lines of credit	\$ 27,807	\$ 12,960
Accounts payable	171,408	102,525
Accrued payroll and compensated absences	92,697	105,425
Deferred revenue	1,788	13,388
Current portion of obligations under capital leases	7,774	15,330
Total Current Liabilities	301,474	249,628
Long-Term Liabilities		
Obligations under capital leases	12,707	20,870
Notes payable	-	138,600
Total Long-Term Liabilities	12,707	159,470
Total Liabilities	314,181	409,098
Net Assets		
Without donor restrictions	2,726,903	2,776,909
With donor restrictions	1,162,217	1,367,286
Total Net Assets	3,889,120	4,144,195
Total Liabilities and Net Assets	\$ 4,203,301	\$ 4,553,293

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, 2022		
	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenue			
Contributions	\$ 2,492,385	\$ 88,845	\$ 2,581,230
Thrift store sales	2,243,021	-	2,243,021
In-kind contributions	1,205,547	-	1,205,547
Other income	74,904	-	74,904
Gain on sale of property and equipment	75	-	75
Net assets released from restrictions	60,830	(60,830)	-
Total Support and Revenue	6,076,762	28,015	6,104,777
Expenses			
Program services	4,783,549	-	4,783,549
Supporting services			
Management and general	487,821	-	487,821
Fundraising	995,001	-	995,001
Total Expenses	6,266,371	-	6,266,371
Excess (Deficiency) of Support and Revenue over Expenses	(189,609)	28,015	(161,594)
Investment Income, Net	1,003	46	1,049
Forgiveness of Notes Payable	138,600	-	138,600
Change in Value of Beneficial Interest in Trusts	-	(233,130)	(233,130)
Changes in Net Assets	\$ (50,006)	\$ (205,069)	\$ (255,075)

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

Consolidated Statement of Activities (continued)

	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	49,181	-	49,181
Loss on sale of property and equipment	(2,509)	-	(2,509)
Net assets released from restrictions	42,629	(42,629)	-
Total Support and Revenue	5,721,673	9,356	5,731,029
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	726,851	9,356	736,207
Investment Income, Net	1,972	243	2,215
Forgiveness of Notes Payable	225,723	-	225,723
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 Changes in Net Assets

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</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	2,776,909	1,367,286	4,144,195
Changes in net assets	<u>(50,006)</u>	<u>(205,069)</u>	<u>(255,075)</u>
Net Assets at June 30, 2022	<u>\$ 2,726,903</u>	<u>\$ 1,162,217</u>	<u>\$ 3,889,120</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, 2022						
	Program Services				Supporting Services		
	Shelter	Thrift	Food Services	Total	Management and General	Fundraising	Total
Salaries and wages	\$ 696,192	\$ 874,486	\$ 232,833	\$ 1,803,511	\$ 225,659	\$ 192,905	\$ 2,222,075
Supplies	108,398	-	1,130,573	1,238,971	2,645	-	1,241,616
Promotion and development	-	24,484	-	24,484	-	553,216	577,700
Rent expense	-	392,859	17,532	410,391	1,040	920	412,351
Employee benefits	94,006	55,894	31,439	181,339	30,470	26,048	237,857
Utilities	67,370	127,374	17,282	212,026	14,896	-	226,922
Professional fees	2,764	26,697	150	29,611	60,193	123,568	213,372
Payroll taxes	52,051	83,526	17,408	152,985	16,871	14,423	184,279
Repairs and maintenance	69,997	37,004	38,781	145,782	37,199	-	182,981
Depreciation and amortization	63,506	9,021	21,239	93,766	20,584	17,596	131,946
Insurance	33,445	50,562	11,185	95,192	10,840	9,268	115,300
Management fees	-	113,260	-	113,260	-	-	113,260
Miscellaneous	16,050	54,149	9,910	80,109	1,289	2,021	83,419
Office expense	3,256	38,815	399	42,470	10,370	9,779	62,619
Bank fees	-	42,523	-	42,523	907	5,127	48,557
Dues and subscriptions	5,804	-	815	6,619	11,342	20,813	38,774
Vehicle	-	28,704	6,047	34,751	10	-	34,761
Telephone	1,676	20,077	522	22,275	5,808	870	28,953
Real estate taxes	129	3,081	71	3,281	25,151	-	28,432
Travel	41	20,158	26	20,225	4,573	1,954	26,752
Recycling	-	14,352	-	14,352	-	-	14,352
Fundraising	-	-	-	-	-	13,107	13,107
Education and training	1,218	-	1,067	2,285	5,851	1,327	9,463
Meals and entertainment	666	2,914	-	3,580	728	2,059	6,367
Other program services	5,028	-	-	5,028	-	-	5,028
Permits and fees	2,850	-	440	3,290	-	-	3,290
Interest	367	1,076	-	1,443	1,395	-	2,838
Total Expenses	\$ 1,224,814	\$ 2,021,016	\$ 1,537,719	\$ 4,783,549	\$ 487,821	\$ 995,001	\$ 6,266,371

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, 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
Employee benefits	82,028	50,246	17,604	149,878	14,911	7,867	172,656
Utilities	68,027	85,666	15,726	169,419	8,825	-	178,244
Professional fees	3,229	22,173	16	25,418	87,619	95,061	208,098
Payroll taxes	37,988	64,614	8,656	111,258	12,433	7,460	131,151
Repairs and maintenance	74,165	38,247	29,915	142,327	10,225	-	152,552
Depreciation and amortization	75,145	5,334	18,454	98,933	20,752	13,388	133,073
Insurance	27,942	23,603	6,122	57,667	15,716	4,524	77,907
Management fees	-	82,327	-	82,327	-	-	82,327
Miscellaneous	7,865	35,155	3,371	46,391	8,062	79	54,532
Office expense	1,515	96,418	41	97,974	6,807	8,950	113,731
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
Vehicle	-	12,756	8,314	21,070	172	-	21,242
Telephone	1,408	14,726	574	16,708	6,507	180	23,395
Real estate taxes	3,175	1,834	71	5,080	21,527	-	26,607
Travel	-	33,758	-	33,758	61	-	33,819
Recycling	-	528	-	528	-	-	528
Fundraising	-	-	-	-	-	4,829	4,829
Education and training	3,025	-	1,025	4,050	502	68	4,620
Meals and entertainment	-	2,622	-	2,622	1,006	-	3,628
Other program services	4,070	-	-	4,070	-	-	4,070
Permits and fees	4,350	-	440	4,790	181	-	4,971
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

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

Consolidated Statement of Cash Flows

	Years Ended June 30,	
	2022	2021
Cash Flows from Operating Activities		
Changes in net assets	\$ (255,075)	\$ 1,205,411
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	131,946	133,073
(Gain) loss on sale of property and equipment	(75)	2,509
Change in value of beneficial interest in trusts	233,130	(241,266)
In-kind contribution - contributed property and equipment	(15,000)	(24,500)
Contributions restricted for capital expenditures	(40,000)	(113,971)
Forgiveness of notes payable	(138,600)	(225,723)
(Increase) decrease in assets		
Accounts receivable	(1,390)	(4,038)
Prepaid expenses	(13,143)	12,784
Gift cards	3,977	2,834
Increase (decrease) in liabilities		
Accounts payable	68,883	(3,905)
Accrued payroll and compensated absences	(12,728)	17,258
Deferred revenue	(11,600)	4,403
Net Cash Provided by (Used in) Operating Activities	(49,675)	764,869
Cash Flows from Investing Activities		
Capital expenditures	(143,538)	(291,733)
Proceeds on sale of property and equipment	75	11,900
Proceeds from sale of investments	-	704,323
Net Cash Provided by (Used in) Investing Activities	(143,463)	424,490
Cash Flows from Financing Activities		
Net change in lines of credit	14,847	(1,775)
Principal payments on obligations under capital leases	(15,719)	(41,993)
Contributions restricted for capital expenditures	40,000	113,971
Net Cash Provided by Financing Activities	39,128	70,203
Net Increase (Decrease) in Cash and Cash Equivalents	(154,010)	1,259,562
Cash and Cash Equivalents at Beginning of Year	1,685,213	425,651
Cash and Cash Equivalents at End of Year	\$ 1,531,203	\$ 1,685,213
Cash is Comprised of the Following on the Statement of Financial Position		
Cash and cash equivalents	\$ 1,370,189	\$ 1,552,260
Restricted cash	161,014	132,953
	\$ 1,531,203	\$ 1,685,213

**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,	
	2022	2021
Supplementary Cash Flow Information		
Interest paid	<u>\$ 2,838</u>	<u>\$ 3,207</u>

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

In 2021

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

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

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, 2022 and 2021

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. Land and construction in progress are not depreciated. 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, 2022 and 2021

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, 2022 and 2021.

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.

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.

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 2 - Summary of Significant Accounting Policies (continued)

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.

Donated or Contributed Investments, Services, or Materials

Donated or contributed investments, services, or materials meeting the criteria for recognition, are reflected in the consolidated financial statements as in-kind contributions at their estimated value on the date of receipt. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at the fair value when received.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense amounted to \$24,484 and \$25,491 for the years ended June 30, 2022 and 2021, respectively.

Change in Accounting Principle

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, Not-for-Profit Entities (Topic 958): *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires not-for-profit entities to present contributed nonfinancial assets as a separate line item in the consolidated statement of activities, apart from contributions of cash and other financial assets. Also, this ASU requires 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. During the year ended June 30, 2022, the Organization implemented the provisions of this standard.

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 2 - Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncement

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. The Organization is currently evaluating the pending adoption of the new standard on the consolidated 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.

U.S. GAAP requires 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, 2019.

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

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>2022</u>	<u>2021</u>
Financial Assets		
Cash and cash equivalents	\$ 1,370,189	\$ 1,552,260
Accounts receivable	15,720	14,330
Restricted cash	161,014	132,953
Distributions from beneficial interest in trusts	<u>56,226</u>	<u>39,250</u>
Total Financial Assets	1,603,149	1,738,793
Less Amounts that are Internally Designated or Externally Restricted		
Donor-imposed restrictions		
Cash subject to donor restrictions	<u>(161,014)</u>	<u>(132,953)</u>
Financial Assets Available to be Used Within One Year	<u>\$ 1,442,135</u>	<u>\$ 1,605,840</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.

As of June 30, 2022 and 2021, cash subject to donor restrictions includes donor-restricted endowment funds of \$66,927 and \$76,058, respectively. The Organization's endowment includes 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 9).

**York Union Rescue Mission, Inc. and Subsidiary
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Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 5 - Property and Equipment

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

	<u>2022</u>	<u>2021</u>
Buildings and improvements	\$ 3,103,872	\$ 2,976,983
Furniture and equipment	675,778	668,499
Land *	54,059	54,059
Transportation equipment	50,743	35,743
Leasehold improvements	29,425	21,900
	<u>3,913,877</u>	<u>3,757,184</u>
Accumulated depreciation and amortization	<u>(2,336,565)</u>	<u>(2,206,464)</u>
	<u>\$ 1,577,312</u>	<u>\$ 1,550,720</u>

* Not depreciated

Note 6 - 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, 2022 and 2021, the Mission's beneficiary interest allocations in perpetual trusts and charitable remainder trust range from 8.3% to 25.0%.

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 6 - Beneficial Interest in Trusts (continued)

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

	<u>2022</u>	<u>2021</u>
Perpetual trusts	\$ 955,958	\$ 1,148,107
Charitable remainder trust	<u>45,245</u>	<u>86,226</u>
	<u>\$ 1,001,203</u>	<u>\$ 1,234,333</u>

Note 7 - 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.
- 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 technique was used to measure fair value of assets in the tables below on a recurring basis:

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 method 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 method is 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.

**York Union Rescue Mission, Inc. and Subsidiary
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Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 7 - Fair Value of Financial Instruments (continued)

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:

	2022			
	Total	Level 1	Level 2	Level 3
Beneficial Interest in Trusts				
Perpetual trusts	\$ 955,958	\$ -	\$ -	\$ 955,958
Charitable remainder trust	45,245	-	-	45,245
	<u>\$ 1,001,203</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,001,203</u>
2021				
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>

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.

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, 2022 and 2021, there were no transfers in or out of Level 3.

Note 8 - 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
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Notes to Consolidated Financial Statements
 June 30, 2022 and 2021

Note 8 - 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>2022</u>	<u>2021</u>
Endowment funds with donor restrictions	<u>\$ 66,927</u>	<u>\$ 76,058</u>

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

	<u>2022</u>	<u>2021</u>
Endowment Net Assets With Donor Restrictions at Beginning of Year	\$ 76,058	\$ 75,815
Investment return		
Interest and dividend income, net	46	243
Distributions	<u>(9,177)</u>	<u>-</u>
Endowment Net Assets With Donor Restrictions at End of Year	<u>\$ 66,927</u>	<u>\$ 76,058</u>

York Union Rescue Mission, Inc. and Subsidiary
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Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 8 - Endowment (continued)

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, 2022 and 2021. 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 9 - 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 7.75% and 6.25% as of June 30, 2022 and 2021, respectively. The line of credit is payable upon demand. As of June 30, 2022 and 2021, borrowings against the line of credit amounted to \$27,807 and \$-0-, respectively.

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, 2022 and 2021. The line of credit is payable upon demand. As of June 30, 2022 and 2021, borrowings against the line of credit amounted to \$-0- and \$12,960, respectively.

Note 10 - 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 four years ending June 30:

2023	\$	8,416
2024		7,074
2025		5,191
2026		1,297
		<hr/>
		21,978
Amount representing interest		<hr/>
		(1,497)
		<hr/>
	\$	20,481

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 10 - Obligations under Capital Leases (continued)

Current portion	\$ 7,774
Noncurrent portion	<u>12,707</u>
	<u>\$ 20,481</u>

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

	<u>2022</u>	<u>2021</u>
Office equipment	\$ 23,927	\$ 23,927
Security equipment	<u>14,023</u>	<u>127,609</u>
	37,950	151,536
Accumulated amortization	<u>(17,723)</u>	<u>(123,719)</u>
	<u>\$ 20,227</u>	<u>\$ 27,817</u>

Amortization expense amounted to \$7,590 and \$31,589 for the years ended June 30, 2022 and 2021, 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.

Note 11 - 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 16). 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 Traditions Bank a loan in the amount of \$138,600 on May 5, 2020. Both loans were forgivable if certain criteria was 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 (SBA). In November 2021, the Company was notified by their bank that the loan had been forgiven in full by the SBA.

Note 12 - Commitments

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

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 12 - Commitments (continued)

Future minimum lease payments including the new lease agreement signed in September 2022 (refer to Note 18), and assuming no change in current terms, consist of the following for the remaining five years ending June 30, and thereafter:

2023	\$	403,876
2024		422,423
2025		305,713
2026		175,958
2027		135,245
Thereafter		<u>25,253</u>
	<u>\$</u>	<u>1,468,468</u>

The Company entered an operating agreement with SMCo Thrift, LLC for management services. Under the terms of the contract, the Company pays SMCo 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 original agreement extend through May 31, 2021. The agreement continued on a month-to-month basis through July 31, 2022 when it was renewed for an additional two-year term effective August 1, 2022 through July 31, 2024. Either party may terminate this agreement up to 60 days' prior written notice to the other party.

Note 13 - Net Assets with Donor Restrictions

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

	<u>2022</u>	<u>2021</u>
Subject to Expenditure for a Specified Purpose		
Cash - shelter improvements	\$ 48,396	\$ 45,247
Cash - website design	40,000	-
Cash - healthy eating	4,336	4,746
Cash - other	1,355	6,652
Cash - facility maintenance	-	250
Subject to the Passage of Time		
Beneficial interest in charitable remainder trust	45,245	86,226
Perpetual in Nature		
Beneficial interest in perpetual trusts	955,958	1,148,107
Cash - endowment	66,927	76,058
	<u>\$ 1,162,217</u>	<u>\$ 1,367,286</u>

**York Union Rescue Mission, Inc. and Subsidiary
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Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 14 - In-Kind Contributions

In-kind contributions meeting the requirements for recognition in the consolidated statement of activities consist of the following for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Food service supplies	\$ 1,090,526	\$ 1,032,858
Shelter supplies	87,466	42,580
Contributed property and equipment	15,000	24,500
Other supplies	<u>12,555</u>	<u>38,480</u>
	<u>\$ 1,205,547</u>	<u>\$ 1,138,418</u>

Contributed food service supplies recognized is comprised of donations of food to be used to provide meals to men, women, and children receiving emergency shelter services as well as providing meals, served free, to those in need in the community. There are no associated donor restrictions related to the donations. Contributed food supplies are reported at the estimated fair value determined by multiplying the weight of food donated by rates set by the Bureau of Labor Statistics, U.S. Department of Labor.

Contributed supplies recognized are comprised of donations of miscellaneous supplies to be used for various programs and supporting services. There are no associated donor restrictions related to the donations. Contributed supplies are reported at the estimated fair value based on the value that would be received for selling similar products.

Contributed property and equipment recognized are comprised of donations of equipment to be used for various program activities. There are no associated donor restrictions related to the donations. In valuing the contributed property and equipment, the Organization estimated the fair value on the basis of comparable sales prices.

In addition to the in-kind contribution amounts recorded in the consolidated financial statements, during the years ended June 30, 2022 and 2021, a substantial number of individual volunteers 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 on the accompanying consolidated financial statements.

Note 15 - Concentrations of Cash and Credit Risks

At times during the years ended June 30, 2022 and 2021, the Organization's cash balances may have exceeded the federally insured limit of \$250,000.

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

Notes to Consolidated Financial Statements
June 30, 2022 and 2021

Note 16 - 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 17 - Reclassifications

Certain information in the 2021 consolidated financial statements and related footnotes contain reclassifications necessary to make that information comparable to information presented in the 2022 consolidated financial statements. There was no change to total changes in net assets or total net assets.

Note 18 - Subsequent Events

The Organization has evaluated subsequent events through November 15, 2022. This date is the date the consolidated financial statements were available to be issued. Material events subsequent to June 30, 2022 are described in Note 12 and below.

In September 2022, the Company entered into a new operating lease agreement for facilities. The lease is for a base term of five years and requires monthly rent payments. Commitments related to this agreement are included in the schedule of future minimum lease payments disclosed in Note 12.

In September 2022, the Company entered into a line of credit agreement with a bank, which provides for borrowings of up to \$25,000. The line of credit is collateralized by substantially all assets of the Company and bears interest at the bank's prime rate, plus 1.00%, with a floor of 5.00%.

No other material events subsequent to June 30, 2022 were noted.

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

Consolidating Schedule - Financial Position Information

	June 30, 2022			
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Totals
Assets				
Current Assets				
Cash and cash equivalents	\$ 1,311,269	\$ 58,920	\$ -	\$ 1,370,189
Accounts receivable	29,560	8,161	(22,001)	15,720
Prepaid expenses	43,785	13,115	-	56,900
Gift cards	20,963	-	-	20,963
Total Current Assets	1,405,577	80,196	(22,001)	1,463,772
Property and Equipment, Net	1,525,594	51,718	-	1,577,312
Other Assets				
Restricted cash	161,014	-	-	161,014
Beneficial interest in trusts	1,001,203	-	-	1,001,203
Total Other Assets	1,162,217	-	-	1,162,217
Total Assets	\$ 4,093,388	\$ 131,914	\$ (22,001)	\$ 4,203,301
Liabilities and Net Assets				
Current Liabilities				
Lines of credit	\$ 27,807	\$ -	\$ -	\$ 27,807
Accounts payable	164,281	29,128	(22,001)	171,408
Accrued payroll and compensated absences	71,390	21,307	-	92,697
Deferred revenue	-	1,788	-	1,788
Current portion of obligations under capital leases	7,774	-	-	7,774
Total Current Liabilities	271,252	52,223	(22,001)	301,474
Long-Term Liabilities				
Obligations under capital leases	12,707	-	-	12,707
Notes payable	-	-	-	-
Total Long-Term Liabilities	12,707	-	-	12,707
Total Liabilities	283,959	52,223	(22,001)	314,181
Net Assets				
Without donor restrictions	2,647,212	79,691	-	2,726,903
With donor restrictions	1,162,217	-	-	1,162,217
Total Net Assets	3,809,429	79,691	-	3,889,120
Total Liabilities and Net Assets	\$ 4,093,388	\$ 131,914	\$ (22,001)	\$ 4,203,301

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

Consolidating Schedule - Financial Position Information (continued)

	June 30, 2021			
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Totals
Assets				
Current Assets				
Cash and cash equivalents	\$ 1,454,893	\$ 97,367	\$ -	\$ 1,552,260
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	1,528,079	118,643	(11,435)	1,635,287
Property and Equipment, Net	1,507,185	43,535	-	1,550,720
Other Assets				
Restricted cash	132,953	-	-	132,953
Beneficial interest in trusts	1,234,333	-	-	1,234,333
Total Other Assets	1,367,286	-	-	1,367,286
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 - Activities Information

	Year Ended June 30, 2022					
	Without Donor Restrictions				With Donor Restrictions	
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Total	LifePath Christian Ministries	Total
Support and Revenue						
Contributions	\$ 2,492,385	\$ -	\$ -	\$ 2,492,385	\$ 88,845	\$ 2,581,230
Thrift store sales	-	2,243,021	-	2,243,021	-	2,243,021
In-kind contributions	1,205,547	-	-	1,205,547	-	1,205,547
Other income	190,012	8,644	(123,752)	74,904	-	74,904
Gain on sale of property and equipment	75	-	-	75	-	75
Rental income	84,000	-	(84,000)	-	-	-
Billed to Company	22,872	-	(22,872)	-	-	-
Net assets released from restrictions	60,830	-	-	60,830	(60,830)	-
Total Support and Revenue	4,055,721	2,251,665	(230,624)	6,076,762	28,015	6,104,777
Expenses						
Program services	2,783,292	2,230,881	(230,624)	4,783,549	-	4,783,549
Supporting services						
Management and general	487,821	-	-	487,821	-	487,821
Fundraising	995,001	-	-	995,001	-	995,001
Total Expenses	4,266,114	2,230,881	(230,624)	6,266,371	-	6,266,371
Excess (Deficiency) of Support and Revenue over Expenses	(210,393)	20,784	-	(189,609)	28,015	(161,594)
Investment Income, Net	1,002	1	-	1,003	46	1,049
Forgiveness of Notes Payable	-	138,600	-	138,600	-	138,600
Change in Value of Beneficial Interest in Trusts	-	-	-	-	(233,130)	(233,130)
Changes in Net Assets	\$ (209,391)	\$ 159,385	\$ -	\$ (50,006)	\$ (205,069)	\$ (255,075)

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

Consolidating Schedule - Activities Information (continued)

	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	51,375	12,806	(15,000)	49,181	-	49,181
Loss on sale of property and equipment	(2,509)	-	-	(2,509)	-	(2,509)
Rental income	84,000	-	(84,000)	-	-	-
Billed to Company	51,504	-	(51,504)	-	-	-
Net assets released from restrictions	42,629	-	-	42,629	(42,629)	-
Total Support and Revenue	4,159,118	1,713,059	(150,504)	5,721,673	9,356	5,731,029
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	747,432	(20,581)	-	726,851	9,356	736,207
Investment Income, Net	1,932	40	-	1,972	243	2,215
Forgiveness of Notes Payable	225,723	-	-	225,723	-	225,723
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 - 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, 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
Changes in net assets	(209,391)	159,385	(50,006)	(205,069)	(255,075)
Net Assets at June 30, 2022	\$ 2,647,212	\$ 79,691	\$ 2,726,903	\$ 1,162,217	\$ 3,889,120

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

Consolidating Schedule - Expense Information

	Year Ended June 30, 2022			
	LifePath Christian Ministries	LifePath Thrift Stores, LLC	Eliminations	Total
Salaries and wages	\$ 1,347,589	\$ 874,486	\$ -	\$ 2,222,075
Supplies	1,241,616	-	-	1,241,616
Promotion and development	553,216	24,484	-	577,700
Rent expense	40,251	476,859	(104,759)	412,351
Employee benefits	181,963	55,894	-	237,857
Utilities	99,548	127,374	-	226,922
Professional fees	186,675	26,697	-	213,372
Payroll taxes	100,753	83,526	-	184,279
Repairs and maintenance	145,977	37,004	-	182,981
Depreciation and amortization	122,925	9,021	-	131,946
Insurance	64,738	50,562	-	115,300
Management fees	-	113,260	-	113,260
Miscellaneous	29,270	54,149	-	83,419
Office expense	23,804	40,928	(2,113)	62,619
Bank fees	6,034	42,523	-	48,557
Dues and subscriptions	38,774	-	-	38,774
Vehicle	6,057	28,704	-	34,761
Telephone	8,876	20,077	-	28,953
Real estate taxes	25,351	3,081	-	28,432
Travel	6,594	20,158	-	26,752
Recycling	-	14,352	-	14,352
Fundraising	13,107	-	-	13,107
Education and training	9,463	-	-	9,463
Meals and entertainment	3,453	2,914	-	6,367
Other program services	5,028	-	-	5,028
Permits and fees	3,290	-	-	3,290
Interest	1,762	1,076	-	2,838
Licensing fee	-	123,752	(123,752)	-
Total Expenses	\$ 4,266,114	\$ 2,230,881	\$ (230,624)	\$ 6,266,371

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

Consolidating Schedule - Expense Information (continued)

	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
Employee benefits	122,410	50,246	-	172,656
Utilities	92,578	85,666	-	178,244
Professional fees	185,925	22,173	-	208,098
Payroll taxes	66,537	64,614	-	131,151
Repairs and maintenance	114,305	38,247	-	152,552
Depreciation and amortization	127,739	5,334	-	133,073
Insurance	54,304	31,477	(7,874)	77,907
Management fees	-	82,327	-	82,327
Miscellaneous	19,377	35,155	-	54,532
Office expense	17,313	104,460	(8,042)	113,731
Bank fees	11,955	29,817	-	41,772
Dues and subscriptions	40,201	-	-	40,201
Vehicle	8,486	12,756	-	21,242
Telephone	8,669	14,726	-	23,395
Real estate taxes	24,773	1,834	-	26,607
Travel	61	33,758	-	33,819
Recycling	-	528	-	528
Fundraising	4,829	-	-	4,829
Education and training	4,620	-	-	4,620
Meals and entertainment	1,006	2,622	-	3,628
Other program services	4,070	-	-	4,070
Permits and fees	4,971	-	-	4,971
Interest	1,756	1,451	-	3,207
Licensing fee	-	15,000	(15,000)	-
Total Expenses	\$ 3,411,686	\$ 1,733,640	\$ (150,504)	\$ 4,994,822