

**WHOSOEVER GOSPEL MISSION  
AND RESCUE HOME ASSOCIATION**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED SEPTEMBER 30, 2022 AND 2021**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Whosoever Gospel Mission and Rescue Home Association  
Philadelphia, Pennsylvania

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Whosoever Gospel Mission and Rescue Home Association (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Whosoever Gospel Mission and Rescue Home Association as of September 30, 2022 and 2021, 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.

#### ***Basis for Opinion***

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Whosoever Gospel Mission and Rescue Home Association 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 audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 Whosoever Gospel Mission and Rescue Home Association's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' 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 auditors' 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 Whosoever Gospel Mission and Rescue Home Association'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 Whosoever Gospel Mission and Rescue Home Association'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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Plymouth Meeting, Pennsylvania  
December 6, 2022

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2022 AND 2021**

	2022	2021
<b>ASSETS</b>		
Cash	\$ 100,450	\$ 168,169
Inventories	222,409	217,529
Prepaid Expenses and Deposits	18,738	28,367
Investments	2,006,999	1,284,530
Land, Building, and Equipment, Net	2,640,464	2,563,251
Total Assets	\$ 5,039,060	\$ 4,261,846
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Note Payable	\$ -	\$ 37,997
Accounts Payable	17,124	5,709
Accrued Expenses and Withheld Taxes	60,048	68,355
Total Liabilities	77,172	112,061
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Designated for Use	1,065,237	1,383,486
Plant	2,640,464	2,563,251
Total Net Assets Without Donor Restrictions	3,705,701	3,946,737
With Donor Restrictions	1,256,187	203,048
Total Net Assets	4,961,888	4,149,785
Total Liabilities and Net Assets	\$ 5,039,060	\$ 4,261,846

See accompanying Notes to Financial Statements.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

	2022	2021
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
<b>REVENUES</b>		
Public Support		
Contributions	\$ 1,907,544	\$ 826,434
Gifts-In-Kind	497,898	458,296
Legacies and Bequests	220,241	319,421
Grant Revenue	247,108	312,948
Total Revenues	2,872,791	1,917,099
<b>OTHER SUPPORT AND INCOME</b>		
Store Sales	441,929	430,108
Salvage Sales	55,969	28,188
Program Services Revenue	28,898	29,750
Gain on Extinguishment of Debt	-	172,200
Investment Income (Loss), Net	(334,730)	87,608
Total Other Support and Income	192,066	747,854
Subtotal	3,064,857	2,664,953
<b>NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>		
Restrictions Satisfied by Payments or Expiration of Time Restrictions	56,056	20,464
Total Revenues Without Donor Restrictions and Other Support	3,120,913	2,685,417
<b>EXPENSES</b>		
Program Services, Rehabilitation	1,885,730	1,665,720
Supporting Services:		
Management and General	161,557	134,806
Fundraising	148,745	111,477
Depreciation	155,138	140,994
Interest	331	2,491
Total Expenses	2,351,501	2,055,488
Changes in Net Assets Without Donor Restrictions	769,412	629,929
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	75,876	100,897
Other Income	22,871	20,464
Subtotal	98,747	121,361
<b>NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>		
Restrictions Satisfied by Payments or Expiration of Time Restrictions	(56,056)	(20,464)
Changes in Net Assets With Donor Restrictions	42,691	100,897
<b>CHANGE IN NET ASSETS</b>	812,103	730,826
Net Assets - Beginning of Year	4,149,785	3,418,959
<b>NET ASSETS - END OF YEAR</b>	\$ 4,961,888	\$ 4,149,785

See accompanying Notes to Financial Statements.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED SEPTEMBER 30, 2022**

	Program			2022 Total Expenses
	Services	Supporting Services		
	Rehabilitation Program	Management and General	Fund Raising	
Salaries	\$ 813,879	\$ 108,859	\$ 94,103	\$ 1,016,841
Employee Benefits	54,507	7,291	6,302	68,100
Pension Plan	7,792	1,042	901	9,735
Payroll Taxes	49,300	6,594	5,700	61,594
Total	<u>925,478</u>	<u>123,786</u>	<u>107,006</u>	<u>1,156,270</u>
Careers Phase	9,286	-	-	9,286
Cost of Goods Sold, Thrift, and Salvage Sales	497,898	-	-	497,898
Development	-	-	41,739	41,739
Food Service	98,807	-	-	98,807
General	3,195	7,996	-	11,191
Heat, Light, and Power	56,189	2,957	-	59,146
Insurance	47,357	6,458	-	53,815
Learning Center	4,350	-	-	4,350
Licenses and Inspection Fees	13,308	1,479	-	14,787
Men and Family Ministry	17,730	-	-	17,730
Men's Allowances	13,910	-	-	13,910
Men's Medical	8,225	-	-	8,225
New Life Program	27,567	-	-	27,567
Office Supplies	6,135	838	-	6,973
Plant Repair	27,310	3,035	-	30,345
Professional Fees	-	13,776	-	13,776
Salvage	1,629	-	-	1,629
Supplies	9,143	1,016	-	10,159
Telephone	4,114	216	-	4,330
Thrift Store	74,223	-	-	74,223
Trash Service	15,977	-	-	15,977
Travel and Training	6,363	-	-	6,363
Truck	17,536	-	-	17,536
Subtotal	<u>1,885,730</u>	<u>161,557</u>	<u>148,745</u>	<u>2,196,032</u>
Depreciation	139,624	15,514	-	155,138
Interest	-	331	-	331
Total	<u>139,624</u>	<u>15,845</u>	<u>-</u>	<u>155,469</u>
Total Functional Expenses	<u>\$ 2,025,354</u>	<u>\$ 177,402</u>	<u>\$ 148,745</u>	<u>\$ 2,351,501</u>

See accompanying Notes to Financial Statements.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED SEPTEMBER 30, 2021**

	Program			2021 Total Expenses
	Services	Supporting Services		
	Rehabilitation Program	Management and General	Fund Raising	
Salaries	\$ 700,005	\$ 84,337	\$ 70,743	\$ 855,085
Employee Benefits	49,454	5,958	4,998	60,410
Pension Plan	7,924	955	801	9,680
Payroll Taxes	42,630	5,136	4,308	52,074
Total	<u>800,013</u>	<u>96,386</u>	<u>80,850</u>	<u>977,249</u>
Careers Phase	9,197	-	-	9,197
Cost of Goods Sold, Thrift, and Salvage Sales	458,296	-	-	458,296
Development	-	-	30,627	30,627
Food Service	80,771	-	-	80,771
General	3,983	7,696	-	11,679
Heat, Light, and Power	51,233	2,696	-	53,929
Insurance	44,111	6,015	-	50,126
Learning Center	2,306	-	-	2,306
Licenses and Inspection Fees	18,646	2,072	-	20,718
Men and Family Ministry	16,989	-	-	16,989
Men's Allowances	11,457	-	-	11,457
Men's Medical	2,680	-	-	2,680
New Life Program	14,374	-	-	14,374
Office Supplies	4,198	572	-	4,770
Plant Repair	38,819	4,314	-	43,133
Professional Fees	-	13,995	-	13,995
Salvage	1,433	-	-	1,433
Supplies	7,413	824	-	8,237
Telephone	4,487	236	-	4,723
Thrift Store	66,512	-	-	66,512
Trash Service	17,968	-	-	17,968
Travel and Training	1,897	-	-	1,897
Truck	8,937	-	-	8,937
Subtotal	<u>1,665,720</u>	<u>134,806</u>	<u>111,477</u>	<u>1,912,003</u>
Depreciation	126,895	14,099	-	140,994
Interest	-	2,491	-	2,491
Total	<u>126,895</u>	<u>16,590</u>	<u>-</u>	<u>143,485</u>
Total Functional Expenses	<u>\$ 1,792,615</u>	<u>\$ 151,396</u>	<u>\$ 111,477</u>	<u>\$ 2,055,488</u>

See accompanying Notes to Financial Statements.



**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 812,103	\$ 730,826
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	155,138	140,994
Unrealized (Gains) Losses on Investments	395,019	(57,660)
Realized (Gains) Losses on Investments	2,681	(8,294)
Gain on Forgiveness of Payroll Protection Program Loan	-	(172,200)
(Increase) Decrease in Assets:		
Promises to Give/Pledges Receivable	(50,000)	-
Inventories	(4,880)	(1,195)
Prepaid Expenses and Deposits	9,629	(9,799)
Increase (Decrease) in Liabilities:		
Accounts Payable	11,415	(4,300)
Accrued Expenses and Withheld Taxes	(8,307)	18,380
Net Cash Provided by Operating Activities	1,322,798	636,752
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(1,304,752)	(731,535)
Proceeds from Sale of Investments	184,583	56,883
Additions to Land, Building, and Equipment	(232,351)	(25,835)
Net Cash Used by Investing Activities	(1,352,520)	(700,487)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments on Note Payable	(37,997)	(7,301)
Net Cash Used by Financing Activities	(37,997)	(7,301)
<b>NET DECREASE IN CASH</b>	(67,719)	(71,036)
Cash - Beginning of Year	168,169	239,205
<b>CASH - END OF YEAR</b>	\$ 100,450	\$ 168,169
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest Paid	\$ 331	\$ 2,491

See accompanying Notes to Financial Statements.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

The Whosoever Gospel Mission and Rescue Home Association (the Mission) is a Christian nonprofit organization whose purpose is to provide shelter, food, clothing, education, counseling, rehabilitation, and other assistance to homeless and/or needy men, women, and children in the Philadelphia metropolitan area. The Mission is supported primarily through donor contributions, grants, and revenue generated in its thrift stores and salvage sales.

The Mission is a member of Citygate Network and the Evangelical Council for Financial Accountability (ECFA).

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Basis of Presentation**

The Mission reports information regarding its financial position and activities into classes of net assets according to the existence or absence of donor-imposed restrictions as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for specific board initiatives, as described in Note 8.

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Inventories**

Inventories consist of donated thrift shop items for resale and food for distribution. Inventories are recorded at the estimated fair value at the time of donation.

**Investments**

Investments are carried at fair value.

Mutual funds are valued at their net asset value at year-end. Money market funds are stated at cost which approximates fair value.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments (Continued)**

Investments are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

**Land, Building, and Equipment and Depreciation**

Land, building, and equipment are stated at cost for purchased items (generally in excess of \$500) or at the estimated fair value at the date of receipt, in the case of donated items. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Mission reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Mission reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Land, building, and equipment are depreciated using the straight-line method over the estimated useful lives of the assets.

**Contributions**

Contributions received are recorded as support with or without donor restrictions depending on the existence or nature of any donor restrictions. Contributions that are recorded as support with donor restrictions due to time restriction or payment satisfaction by the Mission are reclassified to net assets without donor restrictions upon satisfaction or expiration of the donor restrictions.

Conditional contributions received are unrecognized initially, that is, until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without donor restrictions.

**Thrift Store Revenue**

Thrift store revenue has one distinct performance obligation: sale of a donated item to the customer. Prices for all the items in the thrift store are determined using the best value estimate considering the Missions' past experience and general Internal Revenue Service guidelines in valuing previously owned items. All the prices are included on the price tags attached to the merchandise. Revenue for thrift store items is recognized at the point of sale. There is no merchandise return option for these transactions.

**Promises to Give/Pledges Receivable**

Contributions and bequests are recognized when the donor makes a promise to give to the Mission that is, in substance, unconditional. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Pledges and promises to give that are expected to be collected within one year are recorded at their net realizable value. Pledges and promises that are expected to be collected beyond one year are discounted using an appropriate discount rate commensurate with the period of collection.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Expense Reporting**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Expenses have been allocated between program services (rehabilitation) and supporting services (management and general and fund raising) activities based on an analysis of personnel time and space utilized for activities.

**Income Tax Status**

The Mission is recognized as an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986.

The Mission follows the income tax standard for uncertain tax positions. The Mission believes there are no uncertain tax positions that need to be disclosed in the financial statements.

The Mission's informational tax returns are subject to review and examination by federal, state, and local authorities. The Mission is not aware of any activities that would jeopardize its tax-exempt status.

**Fair Value of Financial Instruments**

The Mission follows the accounting standard for fair value measurements. This standard applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. The standard emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.

Financial assets recorded on the statements of financial position are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Inputs that utilize unadjusted quoted prices in active markets for identical assets or liabilities that the Mission has the ability to access.

*Level 2* – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

*Level 3* – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

All investments of the Mission are categorized under Level 1 as of September 30, 2022 and 2021.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of Accounting Pronouncement**

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard requires that contributed nonfinancial assets are reported on a separate line item in the statements of activities, apart from contributions of cash and other financial assets. It also requires disclosure of disaggregated amounts of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets along with additional qualitative information about the monetization of such assets, donor restrictions and valuation techniques. The adoption of this standard did not have any significant impact on the accompanying financial statements or disclosures.

**Accounting Pronouncement Not Yet Effective**

In February 2016, FASB issued ASU 2016-02, *Leases*. This accounting standard requires organizations that lease assets to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its statement of financial position. This accounting standard will also require additional disclosures about the amount, timing and uncertainty of cash flows arising from leases. This accounting standard is effective for the Mission in fiscal year 2023. Management is currently evaluating the impact of adopting this accounting standard.

**Reclassifications**

Certain reclassifications have been made to the 2021 amounts to conform to the 2022 presentation. These reclassifications had no effect on the overall net assets of the Mission.

**Subsequent Events**

In preparing these financial statements, the Mission has evaluated events and transactions for potential recognition or disclosure through December 6, 2022, the date the financial statements were available to be issued.

**NOTE 2 INVENTORIES**

The composition of inventories is as follows at September 30:

	2022	2021
Thrift Store Items	<u>\$ 222,409</u>	<u>\$ 217,529</u>

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

**NOTE 3 INVESTMENTS**

The following lists the cost and fair value of investments at September 30:

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Money Market	\$ 126,181	\$ 126,180	\$ 40,677	\$ 40,677
Mutual Funds - Fixed Income	1,025,408	883,351	584,390	582,753
Mutual Funds - Equities	946,575	807,424	455,380	533,644
Mutual Funds - Other	221,669	190,044	121,897	127,456
Total Investments	<u>\$ 2,319,833</u>	<u>\$ 2,006,999</u>	<u>\$ 1,202,344</u>	<u>\$ 1,284,530</u>

The following schedule summarizes the investment return in the statements of activities for the years ended September 30:

	<u>2022</u>	<u>2021</u>
Investment Income, Net of Fees	\$ 62,970	\$ 21,654
Realized Gains (Losses) on Sales of Investments	(2,681)	8,294
Unrealized Gains (Losses) on Investments	(395,019)	57,660
Total	<u>\$ (334,730)</u>	<u>\$ 87,608</u>

**NOTE 4 LAND, BUILDING, AND EQUIPMENT AND DEPRECIATION**

Land, building, and equipment consist of the following at September 30:

	<u>2022</u>	<u>2021</u>
Land	\$ 5,445	\$ 5,445
Building	4,545,662	4,378,712
Furniture, Fixtures, and Equipment	378,962	313,561
Automotive Equipment	162,178	162,178
Total	<u>5,092,247</u>	<u>4,859,896</u>
Less: Accumulated Depreciation	<u>2,451,783</u>	<u>2,296,645</u>
Total Land, Building, and Equipment, Net	<u>\$ 2,640,464</u>	<u>\$ 2,563,251</u>

Depreciation expense was \$155,138 and \$140,994 for the years ended September 30, 2022 and 2021, respectively.

**NOTE 5 DONATED MATERIALS AND CONTRIBUTED SERVICES**

The Mission's rehabilitation program depends on the collection, repair, and sale of discarded clothing, furniture, and other household articles. The Mission also utilizes various food banks in providing food to the men as well as donations for various sundry cleaning supplies and toiletries. Donated thrift shop materials for resale amounted to \$497,898 and \$458,296 for the years ended September 30, 2022 and 2021, respectively, and resulted in activities as follows:

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

**NOTE 5 DONATED MATERIALS AND CONTRIBUTED SERVICES (CONTINUED)**

	2022		2021	
	Sales	Direct Cost	Sales	Direct Cost
Merchandising Sales to the Public	\$ 441,929	\$ 73,812	\$ 430,108	\$ 66,220
Salvage Sales	55,969	1,629	28,188	1,433

In addition, the value of the donated food, supplies, and thrift shop merchandise amounted to \$85,259 and \$67,431 for the years ended September 30, 2022 and 2021, respectively.

The Mission provided free clothing and supplies to the homeless men enrolled in the Mission's New Life Program. The Mission served 201 and 187 individuals during the years ended September 30, 2022 and 2021, respectively. During the years ended September 30, 2022 and 2021, the estimated value of the donated clothing, gifts for the men and men's New Life Program supplies amounted to \$16,490, and \$18,107, respectively.

The Mission primarily utilized information on publicly available websites in determining the value of donated food, supplies, and thrift shop merchandise during the years ended September 30, 2022 and 2021. None of the donated materials were restricted by donors.

The Mission recognizes donated services that creates or enhances nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the years ended September 30, 2022 and 2021, the Mission did not receive any contributed services which met the requirement for recognition in the financial statements.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Mission with their purpose. The value of the donated volunteer services is not reflected in the accompanying financial statements as the services rendered do not meet the criteria which require the measurement of the value of such services.

**NOTE 6 NOTE PAYABLE**

On December 3, 2015, the Mission refinanced their loan with PNC Bank. The loan was amortized over 122 months with monthly installments of \$816, including principal and interest of 5.85%. The Mission paid off the loan in full on October 21, 2021.

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

**NOTE 7 NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD-DESIGNATED**

As of September 30, 2022 and 2021, the board of directors has designated net assets without donor restrictions for the following purposes:

	<u>2022</u>	<u>2021</u>
Building Construction and Renovation	\$ 500,000	\$ 600,000
Equipment Repair and Maintenance	400,000	500,000
Vehicle Repair and Replacement	100,000	83,486
General Contingency Fund	<u>65,237</u>	<u>200,000</u>
Total Net Assets Without Donor Restrictions - Designated for Use	<u><u>\$ 1,065,237</u></u>	<u><u>\$ 1,383,486</u></u>

**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions at September 30, 2022 and 2021 represent monies received or unconditionally promised that are restricted by a donor or grantor and are expected to be expended in the subsequent year. They are as follows:

	<u>2022</u>	<u>2021</u>
Hannah's Place (Program Restricted)	\$ 199,936	\$ 199,736
Warehouse Building Fund (Program Restricted)	1,003,988	3,312
Housing Assistance (Program Restricted)	2,263	-
Grants Income (Time Restricted)	<u>50,000</u>	<u>-</u>
Total Net Assets With Donor Restrictions	<u><u>\$ 1,256,187</u></u>	<u><u>\$ 203,048</u></u>

**NOTE 9 OPERATING LEASES**

The Mission entered into an operating lease for space to operate a second thrift store. The monthly rent payment is \$4,200 and the lease expires in December 2025. The rent expense was \$50,400 in 2022 and 2021.

Minimum annual rentals for each year subsequent to September 30, 2022 are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2023	\$ 50,400
2024	50,400
2025	50,400
2026	<u>12,600</u>
Total	<u><u>\$ 163,800</u></u>



**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022 AND 2021**

**NOTE 10 SIMPLE IRA MATCHING**

Effective January 1, 1999, the Mission established a simple IRA pension plan, covering all employees who earn annually over \$5,000. The Mission will contribute a matching contribution to each eligible employee's simple IRA equal to the eligible employee's salary reduction contributions up to a limit of 3% of the employee's compensation. The employer contribution for the years ended September 30, 2022 and 2021 was \$9,735 and \$9,680, respectively.

**NOTE 11 LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Mission considers all expenditures related to its ongoing program activities, as well as the administrative and general expenditures required to support these activities, to be general operating expenditures. Historically, the Mission receives a majority of support for operating expenditures from contributions without donor restrictions and contributions with donor restrictions. The Mission regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

The Mission has a goal to maintain financial assets, which consist of cash and investments, to meet normal operating expenses and strives to operate with a balanced budget.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following at September 30:

	<u>2022</u>	<u>2021</u>
Cash	\$ 100,450	\$ 168,169
Investments	2,006,999	1,284,530
Less: Net Assets With Donor Restrictions	<u>(1,256,187)</u>	<u>(203,048)</u>
Total	<u>\$ 851,262</u>	<u>\$ 1,249,651</u>



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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors  
Whosoever Gospel Mission and Rescue Home Association  
Philadelphia, Pennsylvania

We have audited the financial statements of Whosoever Gospel Mission and Rescue Home Association as of and for the year ended September 30, 2022, and our report thereon dated December 6, 2022, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of investments and cash, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Plymouth Meeting, Pennsylvania  
December 6, 2022

**WHOSOEVER GOSPEL MISSION AND RESCUE HOME ASSOCIATION**  
**SCHEDULE OF INVESTMENTS AND CASH**  
**SEPTEMBER 30, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Cost	Market Value	Unrealized Gain	Investment Income
<b>INVESTMENTS</b>				
Mutual Funds and Money Market Funds	<u>\$ 2,319,833</u>	<u>\$ 2,006,999</u>	\$ (312,834)	
Less: Unrealized Gain, October 1, 2020			<u>82,185</u>	
Unrealized Gain for Year Ended September 30, 2021			<u>\$ (395,019)</u>	\$ (395,019)
Realized Loss				(2,681)
Investment Fees				(8,088)
 <b>CASH</b>				
Petty Cash	\$ 500			
Checking:				
PayPal	100			
PNC	99,850			
Total	<u>\$ 100,450</u>			
 Earnings from Investments and Cash				<u>71,058</u>
Total Investment Return				<u>\$ (334,730)</u>