RONALD MCDONALD HOUSE CHARITIES OF GREATER LAS VEGAS, INC.

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

RONALD MCDONALD HOUSE CHARITIES
OF GREATER LAS VEGAS, INC.

DECEMBER 31, 2024 AND 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Ronald McDonald House Charities
of Greater Las Vegas, Inc.

Opinion

We have audited the accompanying financial statements of Ronald McDonald House Charities of Greater Las Vegas, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year 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 Ronald McDonald House Charities of Greater Las Vegas, Inc. as of December 31, 2024 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Ronald McDonald House Charities of Greater Las Vegas, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 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 Ronald McDonald House Charities of Greater Las Vegas, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are 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 generally accepted auditing standards 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, individualy 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 generally accepted auditing standards, 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 Ronald McDonald House Charities of Greater Las Vegas, Inc.'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 Ronald McDonald House Charities of Greater Las Vegas, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Ronald McDonald House Charities of Greater Las Vegas, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 24, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Holdsworth, Russo & Company, P.C.

Las Vegas, Nevada
May 5, 2025

RONALD MCDONALD HOUSE CHARITIES
OF GREATER LAS VEGAS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 382,009	$ 213,134
Investments	2,005,201	3,334,736
Accounts receivable	-	323
Unconditional promises to give, current	414,648	362,576
Gift cards and supplies inventory	121,021	7,350
Prepaid expenses	47,303	29,734
	2,970,182	3,947,853
OTHER ASSETS		
Property and equipment, net	10,161,720	8,879,517
Cash and cash equivalents, restricted for long-term purposes	-	705,433
Unconditional promises to give, less current portion, net	5,000	306,156
Operating lease right-of-use (ROU) assets, net	4,336	7,749
	$ 13,141,238	$ 13,846,708
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 188,739	$ 457,917
Accrued expenses	74,647	51,188
Deferred revenue	11,000	1,500
Line of credit	500,000	1,000,000
Operating lease liabilities, current	3,463	3,413
	777,849	1,514,018
OTHER LIABILITIES		
Security deposit	3,085	3,085
Operating lease liabilities, less current portion	873	4,336
	781,807	1,521,439
NET ASSETS		
Without donor restrictions	11,939,783	10,951,104
With donor restrictions	419,648	1,374,165
	12,359,431	12,325,269
	$ 13,141,238	$ 13,846,708

See accompanying notes to financial statements.

RONALD MCDONALD HOUSE CHARITIES
OF GREATER LAS VEGAS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		2023	
NET ASSETS WITHOUT DONOR RESTRICTIONS				
Revenue, gains and other support:				
Contributions		$ 1,679,984		$ 2,121,547
Special events				
Special event revenue	$ 553,676		$ 520,288	
Direct benefits to donors	(123,348)		(119,813)	
Net revenues from special events		430,328		400,475
In-kind contributions		245,990		431,336
Investment return, net		173,951		385,523
Rental income		39,692		39,692
Room donations		110		14,372
Other income		7,039		16,162
Released from restrictions		1,112,345		3,404,659
		3,689,439		6,813,766
Expenses and losses:				
Program expenses:				
Ronald McDonald House		1,620,431		1,318,918
Ronald McDonald Family Room		216,979		183,348
Scholarships and grants		60,765		165,118
Care Mobile		221,550		200,952
Supporting services:				
Fundraising		358,716		346,049
Management and general		204,117		201,856
		2,682,558		2,416,241
Loss on disposal of assets		18,203		-
		2,700,761		2,416,241
Change in net assets without donor restrictions		988,678		4,397,525
NET ASSETS WITH DONOR RESTRICTIONS				
Contributions		157,829		236,957
Released from restrictions		(1,112,345)		(3,404,659)
Change in net assets with donor restrictions		(954,516)		(3,167,702)
CHANGE IN NET ASSETS		34,162		1,229,823
NET ASSETS, BEGINNING OF YEAR,		12,325,269		11,095,446
NET ASSETS, END OF YEAR		$ 12,359,431		$ 12,325,269

See accompanying notes to financial statements.

RONALD MCDONALD HOUSE CHARITIES
OF GREATER LAS VEGAS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2023)

	Program Services				Supporting Services				
	Ronald McDonald House	Ronald McDonald Family Room	Scholarships and Grants	Care Mobile	Fundraising	Management and General	Direct Benefits to Donors	2024 Totals	2023 Totals
Salaries and related	$ 904,640	$ 94,120	$ 33,474	$ 40,897	$ 236,139	$ 91,318	$ -	$ 1,400,588	$ 1,226,493
Accounting	-	-	-	-	-	38,145	-	38,145	12,500
Advertising	2,000	-	-	-	12,955	-	-	14,955	24,383
Auto and travel	5,082	291	103	126	730	282	-	6,614	10,864
Bank fees	-	-	-	-	-	22,773	-	22,773	20,775
Conferences	1,178	-	-	-	-	-	-	1,178	2,818
Depreciation	277,739	29,736	2,145	800	3,681	5,985	-	320,086	178,271
Direct mail expenses	-	-	-	-	55,808	-	-	55,808	54,883
Facilities and equipment rental	2,754	286	102	124	718	278	104,627	108,889	84,161
Third-party fundraising expenses	-	-	-	-	12,526	-	-	12,526	23,868
Guest services	141,970	9,045	-	-	-	-	-	151,015	134,389
Insurance	56,741	6,075	438	163	752	1,223	-	65,392	35,667
Interest	55,410	5,765	2,050	2,505	14,463	5,593	-	85,786	46,891
Meals and entertainment	5,344	556	198	241	1,395	540	-	8,274	11,799
Occupancy	3,811	53,667	-	-	-	-	-	57,478	55,543
Office and supplies	19,089	1,986	705	863	4,983	1,928	14,906	44,460	60,099
Postage and printing	8,170	850	302	369	2,133	825	-	12,649	12,817
Professional fees	3,358	347	124	151	10,669	20,382	3,815	38,846	88,311
Professional dental services	-	-	-	174,927	-	-	-	174,927	150,159
Repairs and maintenance	60,250	6,451	465	174	798	1,298	-	69,436	141,786
Scholarships and grants	-	-	20,096	-	-	-	-	20,096	86,355
Security	-	-	-	-	-	-	-	-	4,160
Taxes and licenses	-	-	-	-	-	11,975	-	11,975	7,172
Utilities	72,895	7,804	563	210	966	1,572	-	84,010	61,890
	$ 1,620,431	$ 216,979	$ 60,765	$ 221,550	$ 358,716	$ 204,117	123,348	2,805,906	2,536,054
Less: Direct benefits to donors							(123,348)	(123,348)	(119,813)
							$ -	$ 2,682,558	$ 2,416,241

See accompanying notes to financial statements.

RONALD MCDONALD HOUSE CHARITIES
OF GREATER LAS VEGAS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 34,162	$ 1,229,823
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	320,086	178,271
Amortization of pledge discount	10,391	9,399
Realized/unrealized gain on investments	(100,108)	(260,679)
Donated property and equipment	(59,080)	(354,517)
Loss on disposal of property and equipment	18,203	-
Donated gift cards and supplies inventory	(113,671)	960
Donated stock	(101,400)	-
Amortization of operating lease ROU assets	3,413	3,363
(Increase) decrease in operating assets:		
Accounts receivable	323	3,103
Unconditional promises to give	238,693	310,629
Prepaid expenses	(17,569)	(13,447)
Deposits	-	308,150
Increase (decrease) in operating liabilities:		
Accounts payable	(394,890)	3,135
Accrued expenses	23,459	2,960
Deferred revenue	9,500	(10,000)
Operating lease liabilities	(3,413)	(3,363)
Net cash provided by (used in) operating activities	(131,901)	1,407,787
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	2,725,982	547,988
Purchases of investments	(1,194,940)	(628,272)
Proceeds from sale of property and equipment	560,000	-
Purchases of property and equipment	(1,995,699)	(4,137,779)
Net cash provided by (used in) investing activities	95,343	(4,218,063)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on line of credit	(700,000)	(2,150,000)
Proceeds from line of credit	200,000	2,150,000
Net cash used in financing activities	(500,000)	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	(536,558)	(2,810,276)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	918,567	3,728,843
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 382,009	$ 918,567

See accompanying notes to financial statements.

RONALD MCDONALD HOUSE CHARITIES
OF GREATER LAS VEGAS, INC.
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
SUMMARY OF CASH ACCOUNTS		
Cash and cash equivalents	$ 382,009	$ 213,134
Cash and cash equivalents, restricted for long-term purposes	-	705,433
	$ 382,009	$ 918,567
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	$ 94,221	$ 46,891
Property and equipment acquired through accounts payable	$ 125,713	$ 421,731

See accompanying notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Ronald McDonald House Charities of Greater Las Vegas, Inc. (RMHC or House) is a nonprofit corporation under the laws of the State of Nevada. This "home away from home" provides temporary housing, meals, transportation, and other support services for families who must travel to Las Vegas to seek critical medical treatment for their children. In the Fall of 2024, RMHC completed construction and launched operations at a second Housing facility in Las Vegas to serve larger families with longer stays. RMHC also operates a Ronald McDonald Family Room right on the grounds of Sunrise Children's Hospital, offering free meals, a comfortable lounge, hot showers, sleeping and napping accommodations for family members with children being treated at Sunrise Hospital. RMHC also awards annual scholarships to local high school seniors, as well as qualifying continuing college students in Clark and Nye Counties. Another RMHC program, the Ronald McDonald Care Mobile, is a mobile state-of-the-art dental van that travels to rural communities and inner-city neighborhoods throughout Nevada to serve children from low-income families who have little to no access to critical dental care. Financial support for RMHC comes from individual donors, foundations, local companies, and corporations, as well as fundraising events, primarily from the Southern Nevada region.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, and, accordingly, reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205 and subsections. Under ASC 958-205, the House is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Estimates

Timely 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 certain reported amounts, some of which may require revision in future periods.

Income Tax Status

The House is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from income taxes on related income pursuant to the appropriate section of the Internal Revenue Code.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the House considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consist of charges due back on the credit card. Accounts receivables are stated at the amount management expects to collect from outstanding balances. It is the House's policy to charge off uncollectible accounts receivable when management determines the receivables will not be collected. There was no allowance at December 31, 2024 and 2023 as all accounts receivable were determined to be collectible.

Unconditional Promises to Give

Unconditional promises to give represent promises from donors to give to the House. Contributions are recognized when the donor makes a promise to give to the House that is, in substance, unconditional. Conditional promises to give are recognized at net realizable value when the conditions on which they depend are substantially met. Promises to give are stated at the amount management expects to collect from outstanding balances. It is the House's policy to charge off uncollectible balances when management determines the promise to give will not be collected. No allowance for uncollectible promises to give was present at December 31, 2024 and 2023. Unconditional promises to give expected to be collected in greater than one year are recognized net of a discount to present value.

Gift Cards and Other Supplies Inventory

Gift card inventory consisted of donated gift cards, vouchers, and apparel, recorded at approximate fair value at the date of donation, which are used for the House's various programs.

Property and Equipment

Property and equipment are stated at cost or, if donated, at the approximate fair market value at the date of donation. Depreciation is computed using the straight-line method. The House capitalizes items that have a cost of $1,000 or more and a useful life of greater than one year.

Impairment of Long-Lived Assets

The House reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount which the carrying amount of the assets exceeds the fair value of the assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donor-Imposed Restrictions

Contributions received are recorded as increases in net assets with or without restrictions, depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other 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 and reported in the statement of activities as net assets released from restrictions.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the House. The value of donated services included in the financial statements for the years ended December 31, 2024 and 2023, consists of services to the House totaling $22,537 and $144,848, respectively. The types of services provided include cab services for houseguests and construction management architect services related to construction of the new building.

A portion of the House's functions and programs are supported by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not meet the criteria as set forth in the FASB ASC 958, *Not-for-Profit Entities*. These volunteers donated 18,164 and 12,368 hours, which at an hourly rate determined by the Independent Sector Research would be valued at approximately $30 and $32 per hour, or $544,920 and $395,776, for the years ended December 31, 2024 and 2023, respectively.

Advertising

The House uses advertising for the programmatic, scholarship and fundraising functions. Advertising is expensed as incurred.

Deferred Revenue

Event attendance fees or sponsorships collected in advance are included in deferred revenue in the accompanying statement of financial position. This deferred revenue is expected to be recognized within one year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The House is the lessee of office equipment and office space for The Family Room located inside Sunrise Hospital and determines if an arrangement is a lease at inception. Operating leases for equipment are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statement of financial position. There are no ROU assets or operating lease liabilities for lease office space as the space is donated to the House.

ROU assets represent the House's right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the House's leases do not provide an implicit rate, a risk-free rate is used based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The House's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The House is the lessor of land to a company for use of a parking lot. The House determines whether its contracts to lease assets to other parties are leases at inception based on whether the contract conveys the right to use of an identified asset for a period of time in exchange for consideration. Control over the use of an asset is predicted upon whether the lessee has both the right to obtain substantially all of the economic benefit from the use of the asset and the ability to direct the use of the asset. Assets leased by the House are included in property and equipment on the statements of financial position.

Revenue is recognized under operating leases as rental income on the statements of activities starting at lease commencement over the term of the lease. The House does not have any rental payments received that are variable in nature nor has the House incurred any material initial direct costs for the lease. The lease agreement does not contain any material residual value guarantees or material restrictive covenants. The House evaluates the recognition of rental income based on the criteria set forth in ASC 842, *Leases.*

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The following expenses were allocated on the basis of employee time and effort: salaries and related, facilities and equipment rental, interest, meals and entertainment and postage and printing.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses (Continued)

The following expenses were allocated on a square footage basis: depreciation, insurance, security and utilities.

The following expenses were directly allocated by function based on the nature of the expense: accounting, advertising, bank fees, conferences, direct mail expenses, third-party fundraising expenses, guest services, professional dental services, occupancy, professional fees, scholarships and grants and taxes and licenses.

The following expenses were allocated on the basis of a combination of employee time and effort and by direct allocation: auto and travel and office and supplies.

The following expenses were allocated on the basis of a combination of employee time and effort and square footage basis: repairs and maintenance.

Concentration of Credit Risk

The House maintains its deposits at three financial institutions which, at most times, exceeded amounts covered by the Federal Deposit Insurance Corporation (FDIC) limit of $250,000. The House has not experienced any losses on deposits and does not believe they are exposed to a significant risk.

Comparative Financial Information and Reclassifications

The statement of functional expenses includes certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the House's financial statements for the year ended December 31, 2023, from which the summarized information was derived. Additionally, certain reclassifications have been made to the 2023 financial statements to conform to the 2024 presentation.

Date of Management's Review

Subsequent events have been evaluated through May 5, 2025, which is the date the financial statements were available to be issued.

NOTE 2. INFORMATION REGARDING LIQUIDITY AND AVAILABILITY

The House is substantially supported by contribution revenues, and considers contributions restricted for programs which are ongoing, major, and central to its operations to be available to meet cash needs for general expenditures. The House manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To help manage unanticipated liquidity needs, the House has a line of credit for a total of $1,300,000 of which $800,000 is available at December 31, 2024, which could be drawn upon, as discussed in Note 10.

The following table reflects the House's financial assets as of December 31, 2024 and 2023, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date:

	2024	2023
Cash and cash equivalents	$ 382,009	$ 213,134
Investments	2,005,201	3,334,736
Accounts receivable	-	323
Unconditional promises to give, current	364,544	308,909
Total for general expenditures within one year	$ 2,751,754	$ 3,857,102

NOTE 3. INVESTMENTS AND FAIR VALUE OF ASSETS

The following are quantitative disclosures about the fair value measurements of assets. Fair value measurements are categorized on three levels:

Level 1 inputs are quoted market prices in active markets for identical assets.
Level 2 inputs are inputs other than quoted prices within Level 1; for example, quoted prices for similar assets.
Level 3 inputs are unobservable inputs for the assets.

Investments are stated at their fair market value and related gains and losses on investments are reported as increases or decreases in net assets without donor restrictions. The House's only assets valued at fair value are its investments. The House's investment holdings are as follows:

	2024	Level 1
Equities	$ 1,190,407	$ 1,190,407
Money market funds	45,548	45,548
Bonds	690,805	690,805
Other mutual funds	78,441	78,441
Total	$ 2,005,201	$ 2,005,201

NOTE 3. INVESTMENTS AND FAIR VALUE OF ASSETS (CONTINUED)

	2023	Level 1
Equities	$ 2,031,175	$ 2,031,175
Money market funds	77,032	77,032
Bonds	1,100,710	1,100,710
Other mutual funds	125,819	125,819
Total	$ 3,334,736	$ 3,334,736

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2024	2023
Building and improvements	$ 9,630,163	$ 2,860,296
Land	1,267,827	1,752,955
Land improvements	90,496	180,992
Furniture and equipment	432,530	432,530
Website and database	60,000	60,000
Vehicles	739,029	737,229
Construction in progress	389,898	4,983,652
	12,609,943	11,007,654
Less: accumulated depreciation	(2,448,223)	(2,128,137)
	$ 10,161,720	$ 8,879,517

NOTE 5. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are recorded at the present value of estimated future cash flows using discount rates ranging from 0.42% to 4.43% for the years ended December 31, 2024 and 2023. Amounts are recorded as net assets with donor restrictions until released from restriction.

Expected collections of unconditional promises to give are as follows:

	2024	2023
Gross receivables due in less than one year	$ 414,648	$ 418,579
Gross receivables due in one to five years	5,000	260,544
	419,648	679,123
Less: discount to net present value	-	(10,391)
	$ 419,648	$ 668,732

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31 are restricted for the following purposes:

Subject to expenditure for a specified purpose:	2024	2023
O'Bannon house	$ -	$ 705,433
Subject to the passage of time:		
Unconditional promises to give	369,544	508,957
Subject to expenditure for a specified purpose and the passage of time:		
Sunrise Family Room	50,104	103,771
O'Bannon House	-	56,004
Total net assets with donor restrictions	$ 419,648	$ 1,374,165

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

Satisfaction of purpose restrictions:	2024	2023
Care Mobile	$ -	$ 85,615
Scholarships	-	14,591
O'Bannon house	705,433	2,747,468
	705,433	2,847,674
Subject to the passage of time:		
Unconditional promises to give	298,957	-
Subject to expenditure for a specified purpose and the passage of time:		
Sunrise Family Room	53,667	51,550
O'Bannon House	54,288	505,435
	107,955	556,985
	$ 1,112,345	$ 3,404,659

Net assets with donor restrictions consisted of the following:

	2024	2023
Cash and cash equivalents	$ -	$ 705,433
Unconditional promises to give	419,648	668,732
	$ 419,648	$ 1,374,165

NOTE 7. TRANSACTIONS WITH AFFILIATE

House receives grants and other donations from the national Ronald McDonald House Charities. The House received income totaling $86,550 and $158,012 in 2024 and 2023, respectively. A total of $58,014 and $32,409 of these amounts were included in unconditional promises to give in 2024 and 2023, respectively.

NOTE 8. OPERATING LEASES

The House has a lease for a copier that expires in March 2026. Total operating lease costs for the years ended December 31, 2024 and 2023 was $4,923 and $3,502, respectively and a discount rate of 1.45% was utilized.

Future minimum lease payments under the operating lease are as follows as of December 31, 2024:

2025	$ 3,502
2026	876
Total future minimum lease payments	4,378
Less: imputed interest	(42)
Total operating lease liabilities	4,336
Less: current portion	(3,463)
Long-term operating lease liabilities	$ 873

In December 2015, the House entered into a below-market lease for 1,380 square feet of space for the Family Room, located inside Sunrise Hospital. This lease, which expired in November 2020, had an annual base rent of $1. To recognize the fair market value of this lease, an unconditional promise to give and related in-kind contribution revenue of $244,950 was recognized with a discount to present value using a rate of 1.93%. The unconditional promise to give was amortized over the 5-year term of the lease and the corresponding amortization of the discount had been recognized as an in-kind contribution. The House entered into a new 5-year lease agreement which is effective through November 30, 2025. This lease has an annual base rent of $1. To recognize the fair market value of this lease, an unconditional promise to give and related in-kind contribution revenue of $260,095 was recognized with a discount to present value using a rate of .42%. The unconditional promise to give has been amortized over the 5-year term of the lease and the corresponding amortization of the discount has been recognized as an in-kind contribution.

For the years ending December 31, 2024 and 2023, rent expense in the amount of $53,667 and $52,103 respectively, related to this lease was recognized.

NOTE 9. EMPLOYEE BENEFIT PLAN

The House participates in a multiple employer defined contribution plan covering all employees who have completed more than three months of service and contribute to the plan. The House offers a matching contribution to the plan up to 4% of all participants' compensation. The matching contributions are vested on a graded five-year schedule. Total expense for the years ended December 31, 2024 and 2023 was $28,266 and was $14,003, respectively.

NOTE 10. LINE OF CREDIT

The House opened a $150,000 line of credit in July 2012 expiring in July 2021 with an interest rate of LIBOR plus 2.948%. In December 2020, the line of credit was increased to $1,300,000. The House renewed the line of credit in December 2023 for an additional three years through December 2026. The calculated interest rate was revised to 2.75 percentage points over the secured overnight financing rate (SOFR), which was 5.36% as of the renewal date and 4.49% at December 31, 2024. The line of credit is collateralized by the House's investments.

NOTE 11. RELATED PARTIES

The House's Board of Directors' members are active in the oversight of the House. Contributions received from the Board of Directors members were $165,960 and $135,458 for the years ended December 31, 2024 and 2023, respectively.

NOTE 12. IN-KIND CONTRIBUTIONS

The House's in-kind contributions consisted of the following as of December 31,:

Category	Usage	2024	2023
Guest Services	Ronald McDonald House	$ 73,243	$ 73,515
Construction	Ronald McDonald House/ New House	59,080	254,517
Vehicles	Ronald McDonald House	-	100,000
Advertising	Ronald McDonald House	2,000	3,304
Inventory	Ronald McDonald House	111,667	-
		$ 245,990	$ 431,336

Guest services, advertising, inventory, and construction were valued at the estimated purchase price for similar items. The vehicle donation was valued at the amount the House received towards the purchase of the Care Mobile. All donated services and goods were or will be utilized by the House.

NOTE 13. LEASE INCOME

The House leases a parking lot that includes a security deposit of $3,085 to be held as continuing security under the lease terms. Monthly rental payments through December 31, 2024 were $3,308 per month. The land with the parking lot was partially sold in December 2024 and the lease was extended at $926 per month through December 2029. Total rental income under the lease for the years ended December 31, 2024 and 2023 was $39,692 and $39,692, respectively.

NOTE 13. LEASE INCOME (CONTINUED)

Future minimum lease income payments are as follows:

2025	$ 11,112
2026	11,112
2027	11,112
2028	11,112
2029	11,112
Total future minimum lease income payments	$ 55,560