RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

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Independent Auditors' Report

To the Board of Directors of
Ronald McDonald House Charities of
Kentuckiana, Inc. and Affiliates

Opinion

We have audited the accompanying consolidated financial statements of Ronald McDonald House Charities of Kentuckiana, Inc. and Affiliates, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ronald McDonald House Charities of Kentuckiana, Inc. and Affiliates as of December 31, 2024 and 2023, and the changes in their net assets and their 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Ronald McDonald House Charities of Kentuckiana, Inc. and Affiliates 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 Consolidated Financial Statements

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

In preparing the consolidated 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 Kentuckiana, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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, including omissions, 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 consolidated 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 consolidated 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 consolidated 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 Kentuckiana, Inc. and Affiliates' 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 consolidated 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 Kentuckiana, Inc. and Affiliates' 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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects of Ronald McDonald House Charities of Kentuckiana, Inc. and Affiliates not adopting Accounting Standards Update No. 2016-02, Leases (Topic 842), in relation to master leases which eliminate in consolidation, the consolidating supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Novogradac & Company LLP

Dover, Ohio
June 16, 2025

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 2,060,656	$ 996,319
Accounts Receivable	40,035	67,798
Contributions Receivable, Net	90,000	421,723
Short-Term Investments	8,813,950	7,523,151
Prepaid Expenses	83,613	96,643
Inventories	9,205	12,643
Total Current Assets	11,097,459	9,118,277
NONCURRENT ASSETS		
Contributions Receivable, Net	469,180	783,340
Investments	600,000	600,000
Property and Equipment, Net	18,363,211	18,620,789
Other Assets	24,672	26,744
Total Noncurrent Assets	19,457,063	20,030,873
Total Assets	$ 30,554,522	$ 29,149,150
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	$ 220,367	$ 236,604
Unearned Revenue	20,680	37,360
Total Current Liabilities	241,047	273,964
NET ASSETS		
Without Donor Restrictions		
Controlling Interest	27,189,383	26,297,036
Noncontrolling Interest	1,899,223	1,829,407
	29,088,606	28,126,443
With Donor Restrictions	1,224,869	748,743
Total Net Assets	30,313,475	28,875,186
Total Liabilities and Net Assets	$ 30,554,522	$ 29,149,150

See accompanying Notes to Consolidated Financial Statements.

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT						
Contributions	$ 2,682,071	$ 413,290	$ 3,095,361	$ 2,085,992	$ 10,477	$ 2,096,469
Special Events Revenue	1,077,742	-	1,077,742	1,136,466	-	1,136,466
Room Donations	324,090	-	324,090	383,670	-	383,670
Other Income	20,355	-	20,355	24,068	-	24,068
Net Assets Released from Restrictions	20,684	(20,684)	-	17,809	(17,809)	-
Total Revenues and Other Support	4,124,942	392,606	4,517,548	3,648,005	(7,332)	3,640,673
EXPENSES						
Program Services	2,704,551	-	2,704,551	2,476,509	-	2,476,509
Cost of Direct Benefits to Donors	301,165	-	301,165	281,728	-	281,728
Management and General Administration	499,482	-	499,482	420,785	-	420,785
Fundraising	533,219	-	533,219	446,475	-	446,475
Total Expenses	4,038,417	-	4,038,417	3,625,497	-	3,625,497
CHANGE IN NET ASSETS FROM OPERATIONS	86,525	392,606	479,131	22,508	(7,332)	15,176
Investment Income, Net	916,327	83,520	999,847	976,059	78,206	1,054,265
CHANGE IN NET ASSETS	1,002,852	476,126	1,478,978	998,567	70,874	1,069,441
Less: Noncontrolling interest in RMHCK Real Estate, LLC income	(110,505)	-	(110,505)	(99,395)	-	(99,395)
CHANGE IN NET ASSETS ATTRIBUTABLE TO CONTROLLING INTEREST	892,347	476,126	1,368,473	899,172	70,874	970,046
Priority return to Enhanced Capital HTC Fund III	(40,689)	-	(40,689)	(40,689)	-	(40,689)
Noncontrolling interest in RMHCK Real Estate, LLC income	110,505	-	110,505	99,395	-	99,395
Net Assets - Beginning of Year	28,126,443	748,743	28,875,186	27,168,565	677,869	27,846,434
NET ASSETS - END OF YEAR	$ 29,088,606	$ 1,224,869	$ 30,313,475	$ 28,126,443	$ 748,743	$ 28,875,186

See accompanying Notes to Consolidated Financial Statements.

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services							
	Ronald McDonald House	Ronald McDonald Family Room	Eliminations	Total	Management and General	Fundraising	Cost of Direct Benefits to Donors	Total
Salaries	$ 1,000,990	$ -	$ -	$ 1,000,990	$ 230,998	$ 307,997	$ -	$ 1,539,985
Employee Benefits	105,686	-	-	105,686	63,773	12,754	-	182,213
Payroll Taxes	81,057	-	-	81,057	17,125	15,983	-	114,165
Total Salaries and Related Expenses	1,187,733	-	-	1,187,733	311,896	336,734	-	1,836,363
Amortization	-	-	-	-	1,292	-	-	1,292
Ancillary	8,580	-	-	8,580	-	8,579	-	17,159
Board Expense	3,761	-	-	3,761	2,507	-	-	6,268
Capital Campaign	-	-	-	-	-	7,032	-	7,032
Cleaning Services and Supplies	267,906	-	-	267,906	-	-	-	267,906
Depreciation	582,801	-	(2,698)	580,103	1,366	1,366	-	582,835
Direct Mail	74,071	-	-	74,071	-	131,687	-	205,758
Family Room Expense	-	5,757	-	5,757	-	-	-	5,757
Fundraising Events	-	-	-	-	-	18,951	301,165	320,116
Insurance	51,602	-	-	51,602	2,717	-	-	54,319
Interest	564,166	-	(563,384)	782	-	-	-	782
Maintenance and Repairs	288,864	-	-	288,864	-	-	-	288,864
Office Supplies	15,787	-	-	15,787	11,833	11,832	-	39,452
Other expenses	-	-	-	-	63,857	-	-	63,857
Postage	2,144	-	-	2,144	359	1,071	-	3,574
Printing and Publishing	39,265	-	-	39,265	6,042	15,102	-	60,409
Professional Fees	-	-	-	-	64,996	-	-	64,996
Rent	1,170,902	-	(1,170,902)	-	-	-	-	-
Rental Supplies	-	-	-	-	2,412	-	-	2,412
Technology	15,632	-	-	15,632	15,632	-	-	31,264
Telephone	27,393	-	-	27,393	576	865	-	28,834
Travel, Meals, and Entertainment	7,233	-	-	7,233	7,239	-	-	14,472
Utilities	128,352	-	-	128,352	6,758	-	-	135,110
Volunteer Resources and Recognition	638	-	-	638	-	-	-	638
Total Expenses	$ 4,436,830	$ 5,757	$ (1,736,984)	$ 2,705,603	$ 499,482	$ 533,219	$ 301,165	$ 4,039,469

See accompanying Notes to Consolidated Financial Statements.

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services							
	Ronald McDonald House	Ronald McDonald Family Room	Eliminations	Total	Management and General	Fundraising	Cost of Direct Benefits to Donors	Total
Salaries	$ 853,732	$ -	$ -	$ 853,732	$ 197,015	$ 262,687	$ -	$ 1,313,434
Employee Benefits	105,190	-	-	105,190	63,474	12,694	-	181,358
Payroll Taxes	70,681	-	-	70,681	14,933	13,937	-	99,551
Total Salaries and Related Expenses	1,029,603	-	-	1,029,603	275,422	289,318	-	1,594,343
Amortization	-	-	-	-	1,292	-	-	1,292
Ancillary	11,421	-	-	11,421	-	11,421	-	22,842
Board Expense	2,825	-	-	2,825	1,883	-	-	4,708
Cleaning Services and Supplies	228,264	-	-	228,264	-	-	-	228,264
Depreciation	571,136	-	(2,698)	568,438	1,339	1,339	-	571,116
Direct Mail	49,369	-	-	49,369	-	87,770	-	137,139
Family Room Expense	-	13,905	-	13,905	-	-	-	13,905
Fundraising Events	-	-	-	-	-	17,728	281,728	299,456
Insurance	50,597	-		50,597	2,664	-	-	53,261
Interest	575,638	-	(574,856)	782	-	-	-	782
Linens and Laundry	267,970	-	-	267,970	-	-	-	267,970
Maintenance and Repairs	54	-	-	54	-	-	-	54
Office Supplies	12,078	-	-	12,078	9,053	9,052	-	30,183
Other expenses	-	-	-	-	51,838	-	-	51,838
Postage	2,146	-	-	2,146	359	1,073	-	3,578
Printing and Publishing	72,917	-	-	72,917	11,219	28,045	-	112,181
Professional Fees	-	-	-	-	39,032	-	-	39,032
Rent	1,170,902	-	(1,170,902)	-	-	-	-	-
Rental Supplies	-	-	-	-	2,086	-	-	2,086
Technology	11,983	-	-	11,983	11,982	-	-	23,965
Telephone	23,093	-	-	23,093	486	729	-	24,308
Travel, Meals, and Entertainment	5,583	-	-	5,583	5,588	-	-	11,171
Utilities	124,252	-	-	124,252	6,542	-	-	130,794
Volunteer Resources and Recognition	1,229	-	-	1,229	-	-	-	1,229
Total Expenses	$ 4,211,060	$ 13,905	$ (1,748,456)	$ 2,476,509	$ 420,785	$ 446,475	$ 281,728	$ 3,625,497

See accompanying Notes to Consolidated Financial Statements.

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 1,478,978	$ 1,069,441
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	582,835	571,116
Net Realized and Unrealized gains on Investments	(802,044)	(900,449)
Contributions Restricted for Long-Term Purposes	(413,290)	(10,477)
Changes in Discount of Pledges Receivable	28,974	30,196
(Increase) Decrease in Assets:		
Accounts Receivable	27,763	9,215
Contributions Receivable	616,909	179,993
Inventories	3,438	2,052
Prepaid Expenses	13,030	(14,909)
Other Assets	2,072	2,075
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(16,237)	(39,355)
Unearned Revenue	(16,680)	3,714
Net Cash Provided by Operating Activities	1,505,748	902,612
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(329,471)	(53,275)
Purchases of Investments	(488,755)	(769,120)
Proceeds (losses) from Sale of Investments	4,214	(313)
Net Cash Used in Investing Activities	(814,012)	(822,708)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions Restricted for Long-Term Purposes	413,290	10,477
Distributions	(40,689)	(40,689)
Net Cash Provided by (Used in) Financing Activities	372,601	(30,212)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,064,337	49,692
Cash and Cash Equivalents - Beginning of Year	996,319	946,627
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,060,656	$ 996,319

See accompanying Notes to Consolidated Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Ronald McDonald House Charities of Kentuckiana, Inc. ("RMHCK") is a Kentucky nonprofit charitable corporation. The mission of Ronald McDonald House Charities ("RMHC") is to create, find and support programs that directly improve the health and well-being of children and their families. Collectively, RMHC and the network of local chapters ascribe to five core values: they are focused on the critical needs of children, they lead with compassion, they celebrate the diversity of their people and their programs, they value their heritage, and they operate with accountability and transparency.

RMHCK fulfills its mission through operation of sustainable programs that enable family-centered care, bridge access to quality health care, are a vital part of the health care continuum and strengthen families during difficult times. The following programs, operated by RMHCK, represent the core functions of RMHC:

Ronald McDonald House (the "House")

When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. RMHCK helps families stay close to their ill or injured child through the Ronald McDonald House program located in Louisville, Kentucky, which provides temporary lodging, meals and other support to children and their families. The program provides families with emotional and physical comfort and increases the caregivers' ability to spend more time with their child, to interact with their clinical care team and to participate in critical medical care decisions.

Ronald McDonald Family Room (the "Family Rooms")

When a child is critically ill, parents may be reluctant to leave the hospital. In order to provide comfort and support to their child, it is important that parents have an opportunity to rest, have a meal or have a moment of quiet. Located inside medical care facilities, the Ronald McDonald Family Room programs in Norton Children's Hospital, Norton Women's and Children's Hospital and Frazier Rehab Institute in Louisville, Kentucky serve as a place of respite, relaxation and privacy for family members, often just steps away from where their child is being treated. The Ronald McDonald Family Room program provides parents with an opportunity to remain close to their hospitalized child and to be an active member of their child's health care team.

RMHCK is an affiliate of RMHC. RMHCK is responsible for raising the necessary funds to maintain and operate the House and Family Rooms.

RMHCK's primary sources of revenue are contributions and grants in varying forms from individuals, corporate donors, other charitable organizations, and others.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RMHCK follows generally accepted accounting principles as outlined in the Financial Accounting Standards Board's ("FASB") *Accounting Standards Codification*. Significant accounting policies are as follows:

Consolidation Policy

The consolidated financial statements include the accounts of RMHCK and its affiliates RMHCK Real Estate, LLC, and RMHCK Real Estate Member, Inc. All significant intercompany transactions are eliminated in the consolidated financial statements.

In 2017, RMHCK formed the following affiliated entities to pursue potential tax credits to assist in the funding of its ongoing expansion of their two existing buildings to better serve the families and children in need.

RMHCK Real Estate, LLC was formed as a limited liability company.
RMHCK Real Estate Member, Inc. was formed as a corporation.

RMHCK Real Estate Member, Inc. is structured as a wholly owned subsidiary of RMHCK. RMHCK Real Estate, LLC was owned 99% by RMHCK and 1% by RMHCK Real Estate Member, Inc. In connection with the financing of the renovation and expansion of its facilities, effective February 20, 2019, RMHCK exchanged its 99% ownership in RMHCK Real Estate, LLC, for an agreed upon capital commitment of $2,361,000 from an investment member (Enhanced Capital HTC Fund III, LLC).

For financial reporting purposes, RMHCK continues to consolidate RMHCK Real Estate, LLC into its financial statements, as RMHCK Real Estate Member, Inc. is the managing member and has operational control of RMHCK Real Estate, LLC.

Basis of Presentation

The consolidated financial statements of RMHCK have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and are presented on the basis of net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are created only by donor-imposed restrictions on their use. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. All other net assets, including board-designated or appropriated amounts, are net assets without donor restrictions and are reported as part of the net assets without donor restriction class.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measure of Operations

RMHCK's change in net assets from operations on the consolidated statements of activities includes all operating revenues and expenses that are an integral part of its program and supporting activities, net assets released from donor restrictions to support operating expenditures and other non-operating funds to support current operating activities. The measure of operations excludes return on investments.

Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management of RMHCK to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash Equivalents

Cash equivalents include money market funds and all highly liquid investments with a maturity date of less than three months from the date of purchase. RMHCK's cash balances that are maintained in bank accounts may exceed Federal Deposit Insurance Corporation limits from time to time. RMHCK has not experienced any losses in such accounts and management believes that it is not exposed to any significant credit risk on cash.

Accounts Receivable

RMHCK considers accounts receivable fully collectible. Accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to activities when that determination is made. No amounts were charged to activities in 2024 or 2023. There were no amounts determined to be uncollectible for the years ended December 31, 2024 and 2023.

Contributions Receivable

Contributions receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Contributions receivable are written off when deemed uncollectible. There were no amounts determined to be uncollectible for the years ended December 31, 2024 or 2023.

Inventories

Inventories of apparel and promotional items are recorded at the lower of cost or net realizable value. Cost is determined using the first-in, first-out method.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and Investment Income

RMHCK carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statements of financial position. Realized and unrealized gains and losses and income are included in the consolidated statements of activities.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Investment return is reflected in the consolidated statements of activities based upon the existence and nature of any donor or legally imposed restrictions.

Property and Equipment

Property and equipment are stated at cost, if purchased, or estimated fair value, if donated, at the date of donation. Additions of $1,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and Improvements	5 - 40 Years
Office Furniture and Equipment	5 - 15 Years

Impairment of Long-Lived Assets

RMHCK evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amount of such assets may not be fully recoverable. RMHCK evaluates the recoverability of long-lived assets by measuring the carrying amount of such assets against the estimated undiscounted future cash flows associated with them. At the time such evaluation indicates that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying value of such assets, the assets are adjusted to their fair values. RMHCK determined that no impairment loss need be recognized for applicable assets for the years ended December 31, 2024 and 2023.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Assets, Property and Equipment, and Services

Donated marketable securities, property and equipment, and other noncash donations are recorded as contributions at their fair values at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, RMHCK reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. RMHCK reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

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 RMHCK. RMHCK also receives donated services from other contributors and volunteers that are not measurable, and therefore, are excluded from the consolidated financial statements.

Net Assets

RMHCK's net assets and changes therein are classified and reported as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions or law.

With Donor Restrictions

Net assets subject to donor-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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contributions and Grants
Unconditional promises to give are recognized as revenue in the period the promise was made. Contributions, grants, and bequests are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. 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. RMHCK reports contributions restricted by donors 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.

Conditional grants are recorded as revenue when earned. Revenue is earned when eligible expenditures or deliverables, as defined in each contract, are met. Funds received but not yet earned are shown as Deferred Revenue. Expenditures under contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, RMHCK will record such disallowance at the time the final assessment is made.

Special Events Revenue
Special events revenue is recorded as revenue when earned. Revenue is earned when special events occur, and revenue is received.

Functional Expenses

The consolidated statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting functions of RMHCK. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Certain costs have been allocated among the program, management and general, and fundraising categories based on the estimated time spent on activities, space used or number of employees.

Advertising

RMHCK expenses advertising costs as they are incurred. RMHCK advertises through the use of newsletters, direct mail appeals, RMHCK web site, and McDonald’s Co-op by means of donation boxes placed in all stores. Advertising expense was $12,908 and $33,189 for the years ended December 31, 2024 and 2023, respectively.

Income Tax Status

RMHCK is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (“IRC”). However, income, if any, from certain activities not directly related to RMHCK's tax-exempt purpose is subject to taxation as unrelated business income. In addition, RMHCK qualifies for the charitable contribution deduction under IRC Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under IRC Section 509(a)(2). RMHCK is also exempt from state and local tax pursuant to state and local tax code.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status (continued)

RMHCK believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements.

RMHCK Real Estate, LLC is treated as a partnership for income tax purposes. RMHCK Real Estate Member, Inc. elected to be treated as a separate corporation for income tax purposes.

NOTE 2 LIQUIDITY

RMHCK has a goal to maintain financial assets, and specifically cash, on hand to meet 365 days of normal operating expenses. RMHCK has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

	December 31	
	2024	2023
Financial assets, at year-end	$ 12,073,821	$ 10,392,331
Less: those unavailable for general expenditures within one year, due to:		
Contributions receivable, long-term	(469,180)	(783,340)
Contractual or donor-imposed restrictions:		
Kroc and Arentsen endowment funds	(600,000)	(600,000)
Board designated capital project funds	(4,273,952)	(3,136,037)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 6,730,689	$ 5,872,954
Cash and Cash Equivalents	$ 2,060,656	$ 996,319
Accounts Receivable	40,035	67,798
Contributions Receivable, Net	559,180	1,205,063
Investments	9,413,950	8,123,151
Financial Assets at Year-End	$ 12,073,821	$ 10,392,331

NOTE 3 CONTRIBUTIONS RECEIVABLE

	December 31 2024	December 31 2023
Amounts due in:		
Less than one year	$ 90,000	$ 421,723
One to five years	411,866	665,000
More than five years	90,000	180,000
Total	591,866	1,266,723
Unamortized Discount	32,686	61,660
Net Contributions Receivable	$ 559,180	$ 1,205,063

Contributions receivable due in more than one year are reflected at the present value of estimated future cash flows using an applicable discount rate, which is equivalent to RMHCK's incremental borrowing rate of 2.63%.

NOTE 4 INVESTMENTS

Overall Investment Objective--The overall investment objective of RMHCK is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value after inflation. RMHCK diversifies its investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by the Board of Directors which oversees RMHCK's investment program in accordance with established guidelines.

Investments consisted of the following at December 31, 2024:

	Fair Value	Cost	Cumulative Unrealized Gain (Loss)
Undesignated			
Operating Reserve Fund			
Cash equivalents	$ 247,769	$ 247,769	$ -
Common stock	1,973,105	1,279,674	693,431
Exchange traded funds	298,571	287,302	11,269
Mutual funds			
Index funds	80,374	77,802	2,572
Domestic equity	1,026,282	1,037,193	(10,911)
International equity	191,949	172,296	19,653
Bond funds	495,897	498,818	(2,921)
Total Undesignated Investments	$ 4,313,947	$ 3,600,854	$ 713,093
Designated			
Capital Project Fund			
Cash equivalents	$ 312,741	$ 312,741	$ -
Common stock	1,936,903	1,326,152	610,751
Exchange traded funds	344,624	319,421	25,203
Mutual funds			
Index funds	74,740	72,060	2,680
Domestic equity	743,946	743,784	162
International equity	180,484	163,331	17,153
Bond funds	680,513	683,076	(2,563)
Total Designated Investments	$ 4,273,951	$ 3,620,565	$ 653,386

NOTE 4 INVESTMENTS (CONTINUED)

Investments consisted of the following at December 31, 2024 (continued):

	Fair Value	Cost	Cumulative Unrealized Gain (Loss)
Retention Plan Account			
Cash equivalents	$ 1,180	$ 1,180	$ -
Mutual funds			
Domestic Equity	-	-	-
Bond funds	-	-	-
Total Retention Plan Account	$ 1,180	$ 1,180	$ -
Kroc Restricted Fund			
Cash equivalents	$ 44,140	$ 44,140	$ -
Exchange traded funds	113,405	105,714	7,691
Mutual funds			
Index funds	99,876	41,182	58,694
Domestic equity	325,665	323,709	1,956
International equity	37,820	35,347	2,473
Bond Funds	47,209	45,858	1,351
Total Kroc Restricted Fund	$ 668,115	$ 595,950	$ 72,165
Janet Arentsen Endowment Fund			
Cash equivalents	$ 9,538	$ 9,538	$ -
Exchange traded funds	49,463	39,845	9,618
Mutual funds			
Index funds	20,110	7,565	12,545
Domestic equity	65,065	62,976	2,089
International equity	9,384	7,435	1,949
Bond funds	3,196	3,081	115
Total Janet Arentsen Endowment Fund	$ 156,756	$ 130,440	$ 26,316
Total Restricted Investments	$ 824,871	$ 726,390	$ 98,481
Total Investments	$ 9,413,950	$ 7,948,989	$ 1,464,960

NOTE 4 INVESTMENTS (CONTINUED)

Investments consisted of the following at December 31, 2023:

	Fair Value	Cost	Cumulative Unrealized Gain (Loss)
Undesignated			
Operating Reserve Fund			
Cash equivalents	$ 154,298	$ 154,298	$ -
Common Stock	1,274,653	1,283,445	(8,792)
Exchange traded funds	114,700	110,157	4,543
Mutual funds			
Index funds	191,933	207,052	(15,119)
Domestic equity	908,165	971,504	(63,339)
International equity	152,798	170,595	(17,797)
Bond funds	364,176	376,927	(12,751)
Total Undesignated Investments	$ 3,160,723	$ 3,273,978	$ (113,255)
Designated			
Capital Project Fund			
Cash equivalents	$ 133,865	$ 133,865	$ -
Common stock	1,021,589	1,019,131	2,458
Exchange traded funds	38,000	39,543	(1,543)
Index funds	40,925	47,326	(6,401)
Domestic equity	622,563	646,549	(23,986)
International equity	221,631	224,188	(2,557)
Bond funds	442,615	449,636	(7,021)
Total Designated Investments	$ 2,521,188	$ 2,560,238	$ (39,050)
Retention Plan Account			
Cash equivalents	$ 12,143	$ 12,143	$ -
Exchange traded funds	12,277	12,240	37
Mutual funds			
Index funds	8,019	8,403	(384)
Domestic equity	49,299	53,350	(4,051)
International equity	5,095	6,076	(981)
Bond funds	6,969	7,250	(281)
Total Retention Plan Account	$ 93,802	$ 99,462	$ (5,660)

NOTE 4 INVESTMENTS (CONTINUED)

Investments consisted of the following at December 31, 2023 (continued):

Kroc Restricted Fund			
Cash equivalents	$ 34,121	$ 34,121	$ -
Exchange traded funds	100,468	72,347	28,121
Mutual funds			
Index funds	73,469	32,932	40,537
Domestic equity	308,533	296,610	11,923
International equity	46,535	43,527	3,008
Bond funds	40,466	38,091	2,375
Total Kroc Restricted Fund	$ 603,592	$ 517,628	$ 85,964
Janet Arentsen Endowment Fund			
Cash equivalents	$ 8,175	$ 8,175	$ -
Exchange traded funds	32,528	23,980	8,548
Mutual funds			
Index funds	16,303	7,565	8,738
Domestic equity	73,360	71,130	2,230
International equity	9,203	7,436	1,767
Bond funds	5,582	5,254	328
Total Janet Arentsen Endowment Fund	$ 145,151	$ 123,540	$ 21,611
Total Restricted Investments	$ 748,743	$ 641,168	$ 107,575
Total Investments	$ 8,123,151	$ 7,264,160	$ 858,990

In determining fair value, RMHCK uses various valuation approaches within the fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability. A hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Levels within the hierarchy are based on the reliability of inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;

Level 2 - Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and

NOTE 4 INVESTMENTS (CONTINUED)

Level 3 - Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

Fair value of assets measured on a recurring basis as of December 31, 2024 is as follows:

	Fair Value	Level 1	Level 2	Level 3
Cash equivalents	$ 615,367	$ 615,367	$ -	$ -
Exchange traded funds	806,063	806,063	-	-
Common stock	3,910,008	3,910,008	-	-
Mutual funds				
Index funds	275,101	275,101	-	-
Domestic equity	2,160,958	2,160,958	-	-
International equity	419,637	419,637	-	-
Bond funds	1,226,816	1,226,816	-	-
	$ 9,413,950	$ 9,413,950	$ -	$ -

Fair value of assets measured on a recurring basis as of December 31, 2023 is as follows:

	Fair Value	Level 1	Level 2	Level 3
Cash equivalents	$ 431,103	$ 431,103	$ -	$ -
Exchange traded funds	553,862	553,862	-	-
Common stock	3,249,553	3,249,553	-	-
Mutual funds				
Index funds	238,277	238,277	-	-
Domestic equity	2,083,621	2,083,621	-	-
International equity	510,051	510,051	-	-
Bond funds	1,056,684	1,056,684	-	-
	$ 8,123,151	$ 8,123,151	$ -	$ -

The carrying amounts of all other assets and liabilities reflected in the consolidated statements of financial position for RMHCK's financial instruments approximates their respective fair value due to the short-term maturities of those instruments. There have been no changes in valuation techniques and related inputs in 2024 or 2023.

NOTE 4 INVESTMENTS (CONTINUED)

Total investment income is comprised of the following:

	Year Ended December 31	
	2024	2023
Interest and dividend income	$ 240,485	$ 187,697
Net realized and unrealized gains on investments reported at fair value	802,044	900,449
Less investment related expenses	(42,682)	(33,881)
Total	$ 999,847	$ 1,054,265

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	December 31	
	2024	2023
Land	$ 510,000	$ 510,000
Buildings and Improvements	20,199,692	19,987,294
Furniture and equipment	687,228	575,420
Total, at Cost	21,396,920	21,072,714
Less accumulated depreciation	(3,033,709)	(2,451,925)
Net Property and Equipment	$ 18,363,211	$ 18,620,789

NOTE 6 ENDOWMENT FUNDS

Board-designated Endowment--RMHCK has designated a portion of its unrestricted net assets as a general endowment fund to support the mission of RMHCK. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

RMHCK has a spending policy of appropriating funds for distribution as needed for significant repairs, maintenance expenses and future facility expansions. In establishing this policy, RMHCK considered the long-term expected investment return on its endowment. Accordingly, RMHCK has invested the endowment in an asset allocation of highly liquid equity-based investments and fixed income securities to achieve its return objectives within risk parameters.

Donor-designated Endowment--As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

RMHCK has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, RMHCK classifies such gifts as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as unappropriated endowment income until those amounts are appropriated for expenditure by RMHCK in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, RMHCK considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of RMHCK, and (7) RMHCK's investment policies.

NOTE 6 ENDOWMENT FUNDS (CONTINUED)

Changes in board-designated and donor-restricted endowment during the years ended December 31, 2024 and 2023 are as follows:

	Board-Designated Endowment (Net Assets without Donor Restrictions)	Donor-Restricted Endowment (Net Assets with Donor Restrictions)
Balance at January 1, 2023	$ 2,521,188	$ 677,869
Investment income	62,927	78,206
Net appreciation	364,648	-
Amounts appropriated for expenditure	-	(7,332)
Contributions	187,273	-
Total Change in Endowment	614,848	70,874
Balance at December 31, 2023	3,136,036	748,743
Investment income	103,578	83,520
Net appreciation	339,811	-
Amounts appropriated for expenditure	-	(7,394)
Contributions	694,239	-
Total Change in Endowment	1,137,628	76,126
Balance at December 31, 2024	$ 4,273,664	$ 824,869

Endowment Investment and Spending Policies--RMHCK has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. RMHCK's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. Each of RMHCK's funds have a long-term objective to provide stability of principal and income. Arentsen's return objective is to return 7%, net of investment fees, over a full market cycle, approximately five to seven years. Kroc's return objective is to return 5%, net of investment fees, over a full market cycle, approximately five to seven years. Actual returns, in any given year, may vary from this amount. Each fund also has relative objectives that include generating a return in excess of the passive portfolio benchmark for each asset class, exceeding the rate of inflation, assumed to be approximately 3% over a five to ten-year period, and exceeding the 50th percentile return of a universe comprised of funds or managers with similar objectives and/or styles. RMHCK targets a diversified asset allocation to achieve its long-term return objectives within prudent risk parameters.

NOTE 6 ENDOWMENT FUNDS (CONTINUED)

The spending policy for Kroc specifies that income only from the fund will be used for operating expenses. The spending policy for Arentsen requires that a rolling fair market value average for the previous eight quarters, the value for a quarter to be determined as of the last day of each quarter, shall be determined and 5% of this amount shall be available to be spent for the objective of the fund in the succeeding year, as the Board of Directors of RMHCK determines.

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

RMHCK receives certain contributions for which the use is restricted by the donor or is subject to a time restriction. For the years ended December 31, 2024 and 2023, the activity in net assets with donor restrictions consisted of the following:

	Balance December 31, 2023	Restricted Contributions and Grants	Net Assets Released from Restrictions	Balance December 31, 2024
Controlling Interest:				
Restricted for Specific Purpose				
Debt relief and building renovations	$ -	$ 413,290	$ (13,290)	$ 400,000
Kroc and Arentsen Endowments				
Investment in perpetuity	600,000	-	-	600,000
Unappropriated endowment earnings	148,743	83,520	(7,394)	224,869
Noncontrolling Interest	-	-	-	-
	$ 748,743	$ 496,810	$ (20,684)	$ 1,224,869

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

	Balance December 31, 2022	Restricted Contributions and Grants	Net Assets Released from Restrictions	Balance December 31, 2023
Controlling Interest:				
Restricted for Specific Purpose				
Debt relief and building renovations	$ -	$ 10,477	$ (10,477)	$ -
Kroc and Arentsen Endowments				
Investment in perpetuity	600,000	-	-	600,000
Unappropriated endowment earnings	77,869	78,206	(7,332)	148,743
Noncontrolling Interest	-	-	-	-
	$ 677,869	$ 88,683	$ (17,809)	$ 748,743

NOTE 8 NET ASSETS WITHOUT DONOR RESTRICTIONS

For the years ended December 31, 2024 and 2023, the activity in net assets without donor restrictions consisted of the following:

	Balance December 31, 2023	Unrestricted Contributions	Unrestricted Distributions	Change in Net Assets	Balance December 31, 2024
Controlling Interest:	$ 26,297,036	$ -	$ -	$ 892,347	$ 27,189,383
Noncontrolling Interest	1,829,407	-	(40,689)	110,505	1,899,223
	$ 28,126,443	$ -	$ (40,689)	$ 1,002,852	$ 29,088,606

	Balance December 31, 2022	Unrestricted Contributions	Unrestricted Distributions	Change in Net Assets	Balance December 31, 2023
Controlling Interest:	$ 25,397,864	$ -	$ -	$ 899,172	$ 26,297,036
Noncontrolling Interest	1,770,701	-	(40,689)	99,395	1,829,407
	$ 27,168,565	$ -	$ (40,689)	$ 998,567	$ 28,126,443

NOTE 9 DONATED GOODS AND SERVICES

Donated goods and services consisted of the following for the year ended December 31, 2024:

	Program Services	Management and General Administration	Fundraising	Total
Cleaning service and supplies	$ 150,091	$ -	$ -	$ 150,091
Printing and publishing	-	-	1,178	1,178
	$ 150,091	$ -	$ 1,178	$ 151,269

Donated goods and services consisted of the following for the year ended December 31, 2023:

	Program Services	Management and General Administration	Fundraising	Total
Cleaning service and supplies	$ 130,764	$ -	$ -	$ 130,764
Printing and publishing	-	-	270	270
	$ 130,764	$ -	$ 270	$ 131,034

NOTE 10 RETIREMENT PLAN

RMHCK has a simple IRA retirement plan. RMHCK matches 100% of employee contributions up to three percent of their compensation. RMHCK made contributions of $27,865 and $24,037 for the years ended December 31, 2024 and 2023, respectively. The contributions are included in employee benefits on the consolidated statements of functional expenses.

NOTE 11 SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 16, 2025, which is the date the financial statements were available to be issued. On February 26, 2025, Enhanced Capital HTC Fund III, LLC exercised its membership interest redemption option pursuant to the terms of the operating agreement of RMHCK Real Estate, LLC, in exchange for the redemption option price of $99,445. Effective February 26, 2025, RMHCK Real Estate, LLC purchased and redeemed Enhanced Capital HTC Fund III, LLC's interest for $99,445, and RMHCK Real Estate Member, Inc. became the 100% owner of RMHCK Real Estate, LLC.

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2024

	Ronald McDonald House Charities of Kentuckiana, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	$ 1,950,474	$ 110,182	$ -	$ -	$ 2,060,656
Accounts Receivable	40,035	-	-	-	40,035
Deferred Rent Receivable	-	774,264	-	(774,264)	-
Contributions Receivable, Net	90,000	-	-	-	90,000
Short-Term Investments	8,813,950	-	-	-	8,813,950
Due from Related Parties	7,960	-	-	(7,960)	-
Prepaid Expenses	83,613	-	-	-	83,613
Inventories	9,205	-	-	-	9,205
Total Current Assets	10,995,237	884,446	-	(782,224)	11,097,459
NONCURRENT ASSETS					
Contributions Receivable, Net	469,180	-	-	-	469,180
Investments	600,000	-	-	-	600,000
Property and Equipment, Net	1,297,090	17,154,115	-	(87,994)	18,363,211
Other Assets	-	24,672	-	-	24,672
Mortgage Note Receivable	16,000,156	-	-	(16,000,156)	-
Investment in Subsidiary	77,065	-	74,341	(151,406)	-
Total Noncurrent Assets	18,443,491	17,178,787	74,341	(16,239,556)	19,457,063
Total Assets	$ 29,438,728	$ 18,063,233	$ 74,341	$ (17,021,780)	$ 30,554,522
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts Payable and Accrued Expenses	$ 220,287	$ 80	$ -	$ -	$ 220,367
Unearned Revenue	20,680	-	-	-	20,680
Due to Related Parties	774,264	-	-	(774,264)	-
Total Current Liabilities	1,015,231	80	-	(774,264)	241,047
MORTGAGE NOTE PAYABLE	-	16,000,155	-	(16,000,155)	-
NET ASSETS					
Without Donor Restrictions					
Controlling Interest	27,198,628	2,062,998	74,341	(2,146,584)	27,189,383
Noncontrolling Interest	-	-	-	1,899,223	1,899,223
With Donor Restrictions	1,224,869	-	-	-	1,224,869
Total Net Assets	28,423,497	2,062,998	74,341	(247,361)	30,313,475
Total Liabilities and Net Assets	$ 29,438,728	$ 18,063,233	$ 74,341	$ (17,021,780)	$ 30,554,522

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Ronald McDonald House Charities of Kentuckiana, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
WITHOUT DONOR RESTRICTIONS					
REVENUES AND OTHER SUPPORT					
Contributions	$ 2,682,071	$ -	$ -	$ -	$ 2,682,071
Special Events Revenue	1,077,742	-	-	-	1,077,742
Room Donations	324,090	-	-	-	324,090
Interest Income	563,384	-	-	(563,384)	-
Other Income	20,355	1,170,902	1,116	(1,172,018)	20,355
Net Assets Released from Restrictions	20,684	-	-	-	20,684
Total Revenues and Other Support	4,688,326	1,170,902	1,116	(1,735,402)	4,124,942
EXPENSES					
Program Services	3,379,914	1,059,281	2,340	(1,736,984)	2,704,551
Cost of Direct Benefits to Donors	301,165	-	-	-	301,165
Management and General Administration	499,482	-	-	-	499,482
Fundraising	533,219	-	-	-	533,219
Total Expenses	4,713,780	1,059,281	2,340	(1,736,984)	4,038,417
CHANGE IN NET ASSETS FROM OPERATIONS	(25,454)	111,621	(1,224)	1,582	86,525
Investment Income, Net	916,327	-	-	-	916,327
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	890,873	111,621	(1,224)	1,582	1,002,852
WITH DONOR RESTRICTIONS					
REVENUES AND OTHER SUPPORT					
Contributions	413,290	-	-	-	413,290
Net Assets Released from Restrictions	(20,684)	-	-	-	(20,684)
Total Revenues and Other Support	392,606	-	-	-	392,606
Investment Income, Net	83,520	-	-	-	83,520
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	476,126	-	-	-	476,126
CONSOLIDATED CHANGE IN NET ASSETS	1,366,999	111,621	(1,224)	1,582	1,478,978
Less: Noncontrolling interest in RMHCK Real Estate, LLC loss	-	-	-	(110,505)	(110,505)
CHANGE IN NET ASSETS ATTRIBUTABLE TO CONTROLLING INTEREST	1,366,999	111,621	(1,224)	(108,923)	1,368,473
NET ASSETS - BEGINNING OF YEAR	27,377,479	1,672,135	67,591	(242,019)	28,875,186
Contribution of assets from RMHCK	-	-	-	-	-
Capital from Enhanced Capital HTC Fund III	-	-	-	110,505	110,505
Distributions from RMHCK Real Estate, LLC	-	(40,689)	-	-	(40,689)
NET ASSETS - END OF YEAR	$ 28,744,478	$ 1,743,067	$ 66,367	$ (240,437)	$ 30,313,475

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

	Ronald McDonald House Charities of Kentuckiana, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES					
Change in Net Assets	$ 1,366,999	$ 111,621	$ (1,224)	$ 1,582	1,478,978
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:					
Depreciation	97,150	488,383	-	(2,698)	582,835
Net Realized and Unrealized Gains on Investments	(802,044)	-	-	-	(802,044)
Contributions Restricted for Long-Term Purposes	(413,290)	-	-	-	(413,290)
Changes in Discount of Pledges Receivable	28,974	-	-	-	28,974
Equity in Net (Income) Loss of Subsidiaries	-	-	(1,116)	1,116	-
(Increase) Decrease in Assets:					-
Accounts Receivable	27,763	-	-	-	27,763
Contributions Receivable	616,909	-	-	-	616,909
Inventories	3,438	-	-	-	3,438
Prepaid Expenses	13,030	-	-	-	13,030
Deferred Rent Receivable	-	(87,231)	-	87,231	-
Other Assets	-	2,072	-	-	2,072
Increase (Decrease) in Liabilities:					
Accounts Payable and Accrued Expenses	(16,237)	-	-	-	(16,237)
Unearned Revenue	(16,680)	-	-	-	(16,680)
Deferred Rent Payable	87,231	-	-	(87,231)	-
Net Cash Provided by Operating Activities	993,243	514,845	(2,340)	-	1,505,748
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property and Equipment	(329,471)	-	-	-	(329,471)
Due from Related Parties	(2,340)	-	-	2,340	-
Purchases of Investments	(488,755)	-	-	-	(488,755)
Gain from Sale of Investments	4,214	-	-	-	4,214
Net Cash Used in Investing Activities	(816,352)	-	-	2,340	(814,012)
CASH FLOWS FROM FINANCING ACTIVITIES					
Advances of (Payments on) Notes Payable	437,879	(437,879)	-	-	-
Capital Contributions	-	-	2,190	(2,190)	-
Contributions Restricted for Long-Term Purposes	413,290	-	-	-	413,290
Distributions	-	(40,689)	-	-	(40,689)
Net Cash Provided by (Used in) Financing Activities	851,169	(478,568)	2,190	(2,190)	372,601
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,028,060	36,277	(150)	150	1,064,337
Cash and Cash Equivalents - Beginning of Year	922,414	73,905	-	-	996,319
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,950,474	$ 110,182	$ (150)	$ 150	2,060,656

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2023

	Ronald McDonald House Charities of Kentuckiana, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	$ 922,414	$ 73,905	$ -	$ -	$ 996,319
Accounts Receivable	67,798	-	-	-	67,798
Deferred Rent Receivable	-	687,033		(687,033)	-
Contributions Receivable, Net	421,723	-	-	-	421,723
Short-Term Investments	7,523,151	-	-	-	7,523,151
Due from Related Parties	5,620	-	-	(5,620)	-
Prepaid Expenses	96,643	-	-	-	96,643
Inventories	12,643	-	-	-	12,643
Total Current Assets	9,049,992	760,938	-	(692,653)	9,118,277
NONCURRENT ASSETS					
Contributions Receivable, Net	783,340	-	-	-	783,340
Investments	600,000	-	-	-	600,000
Property and Equipment, Net	1,070,034	17,642,498	-	(91,743)	18,620,789
Other Assets	-	26,744	-	-	26,744
Mortgage Note Receivable	16,438,036	-	-	(16,438,036)	-
Investment in Subsidiary	77,065	-	73,225	(150,290)	-
Total Noncurrent Assets	18,968,475	17,669,242	73,225	(16,680,069)	20,030,873
Total Assets	$ 28,018,467	$ 18,430,180	$ 73,225	$ (17,372,722)	$ 29,149,150
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts Payable and Accrued Expenses	$ 236,524	$ 80	$ -	$ -	$ 236,604
Unearned Revenue	37,360	-	-	-	37,360
Due to Related Parties	687,033	-	-	(687,033)	-
Total Current Liabilities	960,917	80	-	(687,033)	273,964
MORTGAGE NOTE PAYABLE	-	16,438,036	-	(16,438,036)	-
NET ASSETS					
Without Donor Restrictions					
Controlling Interest	26,308,807	1,992,064	73,225	(2,077,060)	26,297,036
Noncontrolling Interest	-	-	-	1,829,407	1,829,407
With Donor Restrictions	748,743	-	-	-	748,743
Total Net Assets	27,057,550	1,992,064	73,225	(247,653)	28,875,186
Total Liabilities and Net Assets	$ 28,018,467	$ 18,430,180	$ 73,225	$ (17,372,722)	$ 29,149,150

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Ronald McDonald House Charities of Kentuckiana, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
WITHOUT DONOR RESTRICTIONS					
REVENUES AND OTHER SUPPORT					
Contributions	$ 2,085,992	$ -	$ -	$ -	$ 2,085,992
Special Events Revenue	1,136,466	-	-	-	1,136,466
Room Donations	383,670	-	-	-	383,670
Interest Income	574,856	-	-	(574,856)	-
Other Income	24,068	1,170,902	1,004	(1,171,906)	24,068
Net Assets Released from Restrictions	17,809	-	-	-	17,809
Total Revenues and Other Support	4,222,861	1,170,902	1,004	(1,746,762)	3,648,005
EXPENSES					
Program Services	3,152,272	1,070,503	2,190	(1,748,456)	2,476,509
Cost of Direct Benefits to Donors	281,728	-	-	-	281,728
Management and General Administration	420,785	-	-	-	420,785
Fundraising	446,475	-	-	-	446,475
Total Expenses	4,301,260	1,070,503	2,190	(1,748,456)	3,625,497
CHANGE IN NET ASSETS FROM OPERATIONS	(78,399)	100,399	(1,186)	1,694	22,508
Investment Income, Net	976,059	-	-	-	976,059
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	897,660	100,399	(1,186)	1,694	998,567
WITH DONOR RESTRICTIONS					
REVENUES AND OTHER SUPPORT					
Contributions	10,477	-	-	-	10,477
Net Assets Released from Restrictions	(17,809)	-	-	-	(17,809)
Total Revenues and Other Support	(7,332)	-	-	-	(7,332)
Investment Income, Net	78,206	-	-	-	78,206
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	70,874	-	-	-	70,874
CONSOLIDATED CHANGE IN NET ASSETS	968,534	100,399	(1,186)	1,694	1,069,441
Less: Noncontrolling interest in RMHCK Real Estate, LLC loss	-	-	-	(99,395)	(99,395)
CHANGE IN NET ASSETS ATTRIBUTABLE TO CONTROLLING INTEREST	968,534	100,399	(1,186)	(97,701)	970,046
NET ASSETS - BEGINNING OF YEAR	26,408,945	1,612,425	68,777	(243,713)	27,846,434
Contribution of assets from RMHCK Real Estate Member, Inc.	-	-	-	-	-
Capital from Enhanced Capital HTC Fund III	-	-	-	99,395	99,395
Distributions from RMHCK Real Estate, LLC	-	(40,689)	-	-	(40,689)
NET ASSETS - END OF YEAR	$ 27,377,479	$ 1,672,135	$ 67,591	$ (242,019)	$ 28,875,186

RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

	Ronald McDonald House Charities of Kentuckiana, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES					
Change in Net Assets	$ 968,534	$ 100,399	$ (1,186)	$ 1,694	$ 1,069,441
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	85,431	488,383	-	(2,698)	571,116
Net Realized and Unrealized Losses on Investments	(900,449)	-	-	-	(900,449)
Contributions Restricted for Long-Term Purposes	(10,477)	-	-	-	(10,477)
Changes in Discount of Pledges Receivable	30,196	-	-	-	30,196
Equity in Net (Income) Loss of Subsidiaries	-	-	(1,004)	1,004	-
(Increase) Decrease in Assets:					
Accounts Receivable	9,215	-	-	-	9,215
Contributions Receivable	179,993	-	-	-	179,993
Inventories	2,052	-	-	-	2,052
Prepaid Expenses	(14,909)	-	-	-	(14,909)
Deferred Rent Receivable	-	(108,480)	-	108,480	-
Other Assets	-	2,075	-	-	2,075
Increase (Decrease) in Liabilities:					-
Accounts Payable and Accrued Expenses	(39,355)	-	-	-	(39,355)
Unearned revenue	3,714	-	-	-	3,714
Deferred Rent Payable	108,480	-	-	(108,480)	-
Net Cash Provided by (Used In) Operating Activities	422,425	482,377	(2,190)	-	902,612
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property and Equipment	(53,275)	-	-	-	(53,275)
Due from Related Parties	(2,190)	-	-	2,190	-
Purchases of Investments	(769,120)	-	-	-	(769,120)
Proceeds from Sale of Investments	(313)	-	-	-	(313)
Net Cash Used in Investing Activities	(824,898)	-	-	2,190	(822,708)
CASH FLOWS FROM FINANCING ACTIVITIES					
Advances of (Payments on) Notes Payable	426,232	(426,232)	-	-	-
Capital Contributions	-	-	2,190	(2,190)	-
Contributions Restricted for Long-Term Purposes	10,477	-	-	-	10,477
Distributions	-	(40,689)	-	-	(40,689)
Net Cash Provided by (Used in) Financing Activities	436,709	(466,921)	2,190	(2,190)	(30,212)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENT	34,236	15,456	-	-	49,692
Cash and Cash Equivalents - Beginning of Year	888,178	58,449	-	-	946,627
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 922,414	$ 73,905	$ -	$ -	$ 996,319

See Independent Auditor's Report