



DASZKALBOLTON
accountants & advisors

**Ronald McDonald House Charities
of South Florida**

Combined Financial Statements

December 31, 2014 and 2013

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Independent Auditors' Report

To the Board of Directors
Ronald McDonald House Charities of South Florida, Inc.
Miami, Florida

We have audited the accompanying combined financial statements of Ronald McDonald House Charities of South Florida, Inc. (a nonprofit organization), which comprise the combined statement of financial position at December 31, 2014 and 2013, and the related combined statements of activity and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Continued from previous page

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Ronald McDonald House Charities of South Florida, Inc. at December 31, 2014 and 2013, 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.

Angela Carlson LLP

Fort Lauderdale, Florida
August 20, 2015

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINED STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2014	2013
<u>ASSETS</u>		
Cash and cash equivalents	\$ 3,464,406	\$ 3,479,661
Cash - restricted	34,130	44,444
Accounts receivable	297,431	210,352
Prepaid expenses	46,588	42,425
Investments, at fair value	1,288,335	1,249,840
Investments - temporarily restricted, at fair value	80,076	80,076
Deposits	7,194	7,194
Buildings, building improvements, and equipment, at cost, net of accumulated depreciation	2,296,945	2,497,296
Assets restricted for permanent endowment	622,895	647,700
Total Assets	\$ 8,138,000	\$ 8,258,988
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable and accrued expenses	\$ 140,863	\$ 103,047
Deferred revenue	0	75
Total Liabilities	140,863	103,122
NET ASSETS		
Unrestricted	7,132,487	7,277,112
Temporarily restricted	241,755	231,054
Permanently restricted	622,895	647,700
Total Net Assets	7,997,137	8,155,866
Total Liabilities and Net Assets	\$ 8,138,000	\$ 8,258,988

See accompanying notes to the combined financial statements and independent auditors' report.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINED STATEMENTS OF ACTIVITIES

	Years Ended	
	December 31,	
	2014	2013
UNRESTRICTED NET ASSETS		
Public Support and Revenue		
Gross proceeds from special fund-raising events	\$ 339,630	\$ 491,127
Less direct benefit costs	(164,895)	(200,080)
Net proceeds from special fund-raising events	174,735	291,047
Contributions	1,873,084	2,057,650
Guest contributions	93,734	95,779
Investment return	8,779	14,397
Other	51,005	35,551
	2,201,337	2,494,424
Net Assets Released from Restrictions		
Restrictions satisfied by payments	73,681	91,026
Total Public Support and Revenue	2,275,018	2,585,450
EXPENSES		
Program Services	1,683,420	1,556,704
Supporting Services		
Management and general	226,197	248,040
Fund-raising	345,303	334,185
Unallocated payments to RMHC National	164,723	166,991
Total Supporting Services	736,223	749,216
Total Expenses	2,419,643	2,305,920
CHANGES IN UNRESTRICTED NET ASSETS	(144,625)	279,530
UNRESTRICTED NET ASSETS, JANUARY 1	7,277,112	6,997,582
UNRESTRICTED NET ASSETS, DECEMBER 31	\$ 7,132,487	\$ 7,277,112

See accompanying notes to the combined financial statements and independent auditors' report.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINED STATEMENTS OF ACTIVITIES (Continued)

	Years Ended	
	December 31,	
	2014	2013
TEMPORARILY RESTRICTED		
NET ASSETS		
Public Support and Revenue		
Contributions	\$ 59,263	\$ 68,198
Investment return	25,119	23,296
Net Assets Released from Restrictions	(73,681)	(91,026)
 CHANGES IN TEMPORARILY		
RESTRICTED NET ASSETS	10,701	468
 TEMPORARILY RESTRICTED		
NET ASSETS, JANUARY 1	231,054	230,586
 TEMPORARILY RESTRICTED		
NET ASSETS, DECEMBER 31	\$ 241,755	\$ 231,054

See accompanying notes to the combined financial statements and independent auditors' report.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINED STATEMENTS OF ACTIVITIES (Continued)

	Years Ended	
	December 31,	
	2014	2013
PERMANENTLY RESTRICTED		
NET ASSETS		
Public Support and Revenue		
Investment return (loss)	\$ (24,805)	\$ 65,694
CHANGES IN PERMANENTLY		
RESTRICTED NET ASSETS	(24,805)	65,694
PERMANENTLY RESTRICTED		
NET ASSETS, JANUARY 1	647,700	582,006
PERMANENTLY RESTRICTED		
NET ASSETS, DECEMBER 31	\$ 622,895	\$ 647,700

See accompanying notes to the combined financial statements and independent auditors' report.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2014

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund-Raising</u>	<u>Total</u>
Salaries and related expenses	\$ 381,110	\$ 27,601	\$ 115,431	\$ 524,142
Rent expense	144,015	497	1,987	146,499
Repairs and maintenance	203,403	4,259	2,922	210,584
Insurance	57,966	847	630	59,443
Utilities	93,069	1,684	1,171	95,924
Supplies	377,414	0	0	377,414
Professional fees	0	79,991	0	79,991
Travel and entertainment fees	7,987	14,824	0	22,811
Office expense	10,236	16,066	0	26,302
Promotion	3,091	2,036	13,909	19,036
Chapter grants	159,968	0	0	159,968
Advertising	0	0	36,000	36,000
Canister expense	0	0	148,128	148,128
Loss on disposal of assets	1,605	0	0	1,605
Miscellaneous	1,896	17,011	21,928	40,835
Total Expenses before Depreciation	1,441,760	164,816	342,106	1,948,682
Depreciation and amortization	241,660	61,381	3,197	306,238
Total Expenses	<u>\$ 1,683,420</u>	<u>\$ 226,197</u>	<u>\$ 345,303</u>	2,254,920
Unallocated payment to RMHC National				<u>164,723</u>
				<u>\$ 2,419,643</u>

See accompanying notes to the combined financial statements and independent auditors' report.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2013

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund-Raising</u>	<u>Total</u>
Salaries and related expenses	\$ 417,563	\$ 24,279	\$ 89,821	\$ 531,663
Rent expense	136,148	30,596	2,368	169,112
Repairs and maintenance	122,254	2,260	1,557	126,071
Insurance	64,771	916	679	66,366
Utilities	99,552	1,658	1,197	102,407
Supplies	326,006	0	0	326,006
Professional fees	0	71,919	0	71,919
Travel and entertainment fees	7,668	20,567	0	28,235
Office expense	11,874	13,833	257	25,964
Promotion	4,796	4,087	24,462	33,345
Chapter grants	131,910	0	0	131,910
Advertising	0	0	36,000	36,000
Canister expense	0	0	152,800	152,800
Miscellaneous	7,615	9,286	22,060	38,961
Total Expenses before Depreciation	<u>1,330,157</u>	<u>179,401</u>	<u>331,201</u>	<u>1,840,759</u>
Depreciation and amortization	<u>226,547</u>	<u>68,639</u>	<u>2,984</u>	<u>298,170</u>
Total Expenses	<u>\$ 1,556,704</u>	<u>\$ 248,040</u>	<u>\$ 334,185</u>	2,138,929
Unallocated payment to RMHC National				<u>166,991</u>
				<u>\$ 2,305,920</u>

See accompanying notes to the combined financial statements and independent auditors' report.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINED STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (158,729)	\$ 345,692
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	306,238	298,170
Loss on disposal of assets	1,605	0
In-kind contributions of property and equipment	(42,750)	(161,147)
Realized and unrealized loss (gain) on investments	41,068	(55,250)
Change in operating assets and liabilities		
Accounts receivable	(87,079)	162,678
Prepaid expenses	(4,163)	(3,585)
Accounts payable and accrued expenses	37,816	10,310
Deferred revenue	(75)	75
Grants payable	0	(5,000)
Net Cash Provided by Operating Activities	93,931	591,943
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of investments	1,029,338	0
Proceeds from the sale of property and equipment	4,988	0
Purchase of property and equipment	(69,730)	(173,627)
Purchase of investments	(1,084,096)	(237,214)
Net Cash Used in Investing Activities	(119,500)	(410,841)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(25,569)	181,102
CASH AND CASH EQUIVALENTS, JANUARY 1	3,524,105	3,343,003
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 3,498,536	\$ 3,524,105

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

NON CASH INVESTING ACTIVITIES

In-kind contributions of property and equipment	\$ 42,750	\$ 161,147
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See accompanying notes to the combined financial statements and independent auditors' report.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 1 Nature and Purpose of the Organization

Ronald McDonald House Charities of South Florida, Inc. (the "Organization") oversees the operation of two Ronald McDonald Houses located in Miami and Ft. Lauderdale. The Ronald McDonald Houses provide temporary residential facilities to the families of seriously ill children receiving medical treatment at nearby hospitals. The Houses are located on the grounds of the Jackson Memorial Medical Center in Miami and the Chris Evert Children's Hospital at Broward General Medical Center in Fort Lauderdale.

The Organization also provides grants to other local and national charities benefiting children. These grants are enhanced with funds from the National Ronald McDonald House Charities Organization.

The Organization is a not-for-profit corporation chartered in the State of Florida. It is recognized as exempt from federal income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code.

NOTE 2 Summary of Significant Accounting Policies

Basis of Accounting

The combined financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets – not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the actions of the Board of Directors.

Temporarily Restricted Net Assets – subject to donor-imposed stipulations that may be fulfilled by the actions of the Board of Directors or become unrestricted at the date specified by the donor.

Permanently Restricted Net Assets – subject to donor-imposed stipulations that are to be maintained permanently.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 2 Summary of Significant Accounting Policies (Continued)

Business Combination

The combined financial statements include the accounts of the following divisions.

RMHC Division - organized to raise funds to support local Ronald McDonald Houses and local and national charities benefiting children.

Ronald McDonald Houses

 Miami Division - Miami, FL

 Ft. Lauderdale Division – Ft. Lauderdale, FL

All significant interdivisional transactions have been eliminated.

Revenue and Expense Recognition

Revenue from contributions and fund-raising events is recorded when cash is received or an unconditional promise to give is made. In-kind contributions are recognized as income when the donated asset is actually received. Expenses are recorded when incurred.

Cash and Cash Equivalents

Cash and cash equivalents include checking, savings, and money market mutual funds and are maintained at several financial institutions and major brokerage firms. The Organization may be subject to credit risk to its cash and cash equivalents, which are placed with high credit-quality financial institutions. The Federal Deposit Insurance Corporation (“FDIC”) coverage is \$250,000 for all accounts. At December 31, 2014, the Organization’s cash accounts exceeded federally insured limits by \$166,919. Accounts held at SIPC insured brokerage firms are insured up to \$500,000. The Organization’s accounts exceeded SIPC insured limits at December 31, 2014 by \$2,631,260.

Cash and cash equivalents presented in the combined statements of cash flows includes restricted cash of \$34,130 and \$44,444 at December 31, 2014 and 2013, respectively.

Valuation of Investments at Fair Value

The Organization complies with the provisions of FASB ASC 820, *Fair Value Measurements*. Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 2 Summary of Significant Accounting Policies (Continued)

Valuation of Investments at Fair Value (Continued)

ASC 820 establishes a fair value hierarchy for inputs 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. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Building, Building Improvements, Equipment, and Depreciation

Buildings, building improvements and equipment are recorded at cost, if purchased, or at fair value at the time of donation, if contributed. They are depreciated on the straight-line method over their estimated useful lives ranging from 3 to 39 years.

Major replacements and betterments of buildings, building improvements and equipment are capitalized while repairs and minor replacements are charged to operations.

The Organization reviews the carrying value of buildings, building improvements and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable. In cases where the carrying value is not expected to be recoverable, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results and prospects, as well as the effects of obsolescence and other economic factors.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 2 Summary of Significant Accounting Policies (Continued)

Building, Building Improvements, Equipment, and Depreciation (Continued)

Contributed property is recorded at its estimated fair market value at the date of the contribution. These contributions are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Use of Estimates

The preparation of the combined 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 in the combined financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

Contributions and Promises to Give

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activity as net assets released from restrictions.

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-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. There were no unconditional or conditional promises to give at December 31, 2014 and 2013.

Contributed Services and Materials

A substantial number of unpaid volunteers have made significant contributions of their time in the Organization's program services and in its fund-raising activities. No amounts have been recognized in the combined statements of activity because the criterion for recognition has not been satisfied.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 2 Summary of Significant Accounting Policies (Continued)

Contributed Services and Materials (Continued)

The Organization receives donations of advertising materials and food, paper products, cleaning products, and other miscellaneous supplies for use by the House residents. The Organization also receives donated promotional items, auction items, and other materials and services for various fund-raising events. Donated materials are recorded as revenue and expense in the accompanying combined statements of activity at fair market value on the date of receipt. Donated materials and services for House operations were charged to “advertising”, “utilities”, “repairs and maintenance”, and “supplies” under program services on the statements of functional expenses. Donated materials and services for special fund-raising events were charged to “direct benefit costs” on the statements of activity. Donated materials and services for miscellaneous fund-raisers were charged to “miscellaneous” under fund-raising on the combined statements of functional expenses.

	Years Ended December 31,	
	2014	2013
RMHC Division	\$ 76,689	\$ 108,084
Ft. Lauderdale House	223,115	224,192
Miami House	246,546	302,876
	\$ 546,350	\$ 635,152

Income Taxes

No provision for income taxes has been made in the combined financial statements since the Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. However, income from activities not directly related to the Organization’s tax-exempt purpose, if any, would be subject to taxation as unrelated business income.

The Organization complies with the guidance in FASB ASC 740, *Income Taxes*. This guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Compliance with FASB ASC 740, *Income Taxes*, did not have a material impact on the Organization’s results of operations and financial position.

The Organization had no uncertain tax positions that qualify for either recognition or disclosure in combined financial statements at December 31, 2014 and 2013. The Organization’s tax years 2011 and forward remain open for examination by federal and state taxing authorities.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 2 Summary of Significant Accounting Policies (Continued)

Advertising

The Organization expenses advertising costs as they are incurred.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the combined financial statements through August 20, 2015, the date the combined financial statements were available to be issued. No events or transactions occurred subsequent to this date that would require recognition or disclosure in the combined financial statements.

Reclassification

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported net asset balances.

NOTE 3 Investments

The Organization's investments are recorded at fair value and have been categorized based upon a fair value hierarchy, in accordance with ASC 820 (see Note 2). The following sets forth, by level, within the fair value hierarchy, the investments at fair value at December 31, 2014 and 2013.

	<u>Investments at Fair Value at December 31, 2014</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$ 5,000	\$ 0	\$ 0	\$ 5,000
Equity securities	954,803	0	0	954,803
Mutual funds	1,031,503	0	0	1,031,503
	<u>\$ 1,991,306</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,991,306</u>

	<u>Investments at Fair Value at December 31, 2013</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$ 5,000	\$ 0	\$ 0	\$ 5,000
Equity securities	969,718	0	0	969,718
Mutual funds	1,002,898	0	0	1,002,898
	<u>\$ 1,977,616</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,977,616</u>

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 3 Investments (Continued)

The Organization's investments, at fair value, consisted of the following:

	December 31,	
	2014	2013
Unrestricted		
Equity securities	\$ 256,832	\$ 246,942
Mutual funds	1,031,503	1,002,898
	\$ 1,288,335	\$ 1,249,840
Temporarily restricted		
Equity securities	\$ 80,076	\$ 80,076
	\$ 80,076	\$ 80,076
Permanently restricted		
Cash	\$ 5,000	\$ 5,000
Equity securities	617,895	642,700
	\$ 622,895	\$ 647,700

The following schedule summarizes the investment return and its classification in the combined statements of activities.

	Year Ended December 31, 2014		
	Unrestricted	Restricted	Total
Net realized loss	\$ (18,087)	\$ 0	\$ (18,087)
Net unrealized gain (loss)	1,824	(24,805)	(22,981)
Interest and dividend income	25,042	25,119	50,161
Total investment return	\$ 8,779	\$ 314	\$ 9,093

	Year Ended December 31, 2013		
	Unrestricted	Restricted	Total
Net unrealized gain (loss)	\$ (10,444)	\$ 65,694	\$ 55,250
Interest and dividend income	24,841	23,296	48,137
Total investment return	\$ 14,397	\$ 88,990	\$ 103,387

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 4 Buildings, Building Improvements and Equipment

	December 31,	
	2014	2013
Miami House and improvements	\$ 2,595,896	\$ 2,592,776
Ft. Lauderdale House and improvements	2,098,316	2,083,287
Furniture and equipment	1,233,282	1,195,606
Vehicles	60,848	88,100
	5,988,342	5,959,769
Less accumulated depreciation	3,691,397	3,462,473
	\$ 2,296,945	\$ 2,497,296

Depreciation expense totaled \$306,238 and \$298,170 for the years ended December 31, 2014 and 2013, respectively.

NOTE 5 Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods.

	December 31,	
	2014	2013
Ronald McDonald House - Miami		
House operations – J. Kroc bequest	\$ 188,714	\$ 179,055
Restricted for purpose	18,910	5,494
RMHC Division		
Hispanic Student Scholarship Program	33,631	43,945
Future Achiever Scholarship Program	500	500
Restricted for purpose	0	2,060
	\$ 241,755	\$ 231,054

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 5 Temporarily Restricted Net Assets (Continued)

During the years ended December 31, 2014 and 2013, net assets were released from donor restrictions as follows:

	December 31,	
	2014	2013
Ronald McDonald House - Miami		
House operations – J. Kroc bequest	\$ 14,773	\$ 6,466
Restricted for purpose	21,285	39,630
 RMHC Division		
Hispanic Student Scholarship Program	11,000	11,000
Future Achiever Scholarship Program	10,000	10,000
Restricted for purpose	16,623	23,930
	\$ 73,681	\$ 91,026

NOTE 6 Endowments

The Organization's governing body has interpreted the Uniform Prudent Management of Institutional Funds Act as adopted by the state of Florida (UPMIFA) as requiring 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. Permanently restricted net assets consist primarily of an endowment fund which requires the principal and any applicable appreciation to be held in perpetuity for the benefit of the Ronald McDonald House in Miami. Income from the endowment fund may be used for operating expenses of the House. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Organization and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Organization
7. Investment policies of the Organization

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 6 Endowments (Continued)

The composition of net assets of the donor restricted endowment fund was:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
December 31, 2014	\$ 0	\$ 188,714	\$ 622,895	\$ 811,609
December 31, 2013	\$ 0	\$ 179,055	\$ 647,700	\$ 826,755

Following are the changes in the endowment net assets for the years ended December 31, 2014 and 2013:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets at December 31, 2012	\$ 162,280	\$ 582,006	\$ 744,286
Investment income	23,241	65,694	88,935
Released from restrictions	<u>(6,466)</u>	<u>0</u>	<u>(6,466)</u>
Endowment net assets at December 31, 2013	179,055	647,700	826,755
Investment income (loss)	24,392	(24,805)	(413)
Released from restrictions	<u>(14,733)</u>	<u>0</u>	<u>(14,733)</u>
Endowment net assets at December 31, 2014	<u>\$ 188,714</u>	<u>\$ 622,895</u>	<u>\$ 811,609</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the Organization is required to retain as a fund of perpetual duration pursuant to donor stipulation or UPMIFA. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in unrestricted net assets. The Organization did not have any such deficiencies at December 31, 2014 and 2013.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2014 AND 2013

NOTE 7 Land Leases

In May 1979, the Organization entered into a lease agreement with the Public Health Trust of Dade County Florida to lease land for 30 years with a renewal option for an additional 30 years. This option was exercised in May 2009. The Organization constructed the Miami Ronald McDonald House on this property. Compensation paid under the lease and its renewal is \$1 per year. The Organization records rent at its net realizable value estimated by management to be \$66,432 and \$63,675 for the years ended December 31, 2014 and 2013, respectively.

Effective April 15, 2001, the Organization entered into a lease agreement with North Broward Hospital District to lease certain real property and improvements in Ft. Lauderdale for a term of 50 years. These premises are used by the Organization to operate the Ronald McDonald House in Broward County. The lease expires April 14, 2051. The annual rental for the property is \$1 plus any insurance and maintenance. During 2013, the lease was amended to exclude certain surplus property used for storage. The Organization records rent at its net realizable value estimated by management to be \$80,008 and \$105,437 for the years ended December 31, 2014 and 2013, respectively.

NOTE 8 Commitments – National Ronald McDonald House Charities

As part of a national affiliation agreement, the Organization is obligated to remit 25% of certain monetary contributions received, net of normal and customary fund-raising expenses, to the National Ronald McDonald House Charities Organization. The National Organization may, upon notice to Ronald McDonald House Charities of South Florida, change the remittance percentage.

During 2014 and 2013, the Organization's expense to the National Organization was \$164,723 and \$166,991, respectively. At December 31, 2014 and 2013, Ronald McDonald House Charities of South Florida had \$33,780 and \$31,902, respectively, payable to the National Organization and \$0 and \$68,089, respectively, receivable from Globally held promotions.

SUPPLEMENTARY INFORMATION

Independent Auditors' Report
on Additional Information

To the Board of Directors
Ronald McDonald House Charities of South Florida, Inc.
Miami, Florida

We have audited the combined financial statements of Ronald McDonald House Charities of South Florida, Inc. at and for the years ended December 31, 2014 and 2013, and have issued our report thereon dated July 31, 2015, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Daszkal Bolton LLP

Fort Lauderdale, Florida
August 20, 2015

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

<u>ASSETS</u>	Combined Total		Combined Interdivision Eliminations		RMHC Division	
	2014	2013	2014	2013	2014	2013
Cash and cash equivalents	\$ 3,464,406	\$ 3,479,661	\$ 0	\$ 0	\$ 3,447,860	\$ 3,438,268
Cash-restricted	34,130	44,444	0	0	34,130	44,444
Accounts receivable	297,431	210,352	0	0	290,765	199,893
Prepaid expenses	46,588	42,425	0	0	46,588	42,425
Investments, at fair value	1,288,335	1,249,840	0	0	1,288,335	1,249,840
Investments-temporarily restricted, at fair value	80,076	80,076	0	0	0	0
Deposits	7,194	7,194	0	0	0	0
Buildings, building improvements, and equipment, at cost, net of accumulated depreciation	2,296,945	2,497,296	0	0	21,904	74,721
Interdivision	0	0	(2,154,809)	(1,934,646)	2,671,843	2,256,709
Assets restricted for permanent endowment	622,895	647,700	0	0	5,000	5,000
Total Assets	<u>\$ 8,138,000</u>	<u>\$ 8,258,988</u>	<u>\$ (2,154,809)</u>	<u>\$ (1,934,646)</u>	<u>\$ 7,806,425</u>	<u>\$ 7,311,300</u>
<u>LIABILITIES AND NET ASSETS</u>						
LIABILITIES						
Accounts payable and accrued expenses	\$ 140,863	\$ 103,047	\$ 0	\$ 0	\$ 104,284	\$ 74,340
Deferred revenue	0	75	0	0	0	75
Interdivision	0	0	(2,154,809)	(1,934,646)	0	0
Total Liabilities	<u>140,863</u>	<u>103,122</u>	<u>(2,154,809)</u>	<u>(1,934,646)</u>	<u>104,284</u>	<u>74,415</u>
NET ASSETS (DEFICIT)						
Unrestricted	7,132,487	7,277,112	0	0	7,663,010	7,185,380
Temporarily restricted	241,755	231,054	0	0	34,131	46,505
Permanently restricted	622,895	647,700	0	0	5,000	5,000
Total Net Assets (Deficit)	<u>7,997,137</u>	<u>8,155,866</u>	<u>0</u>	<u>0</u>	<u>7,702,141</u>	<u>7,236,885</u>
Total Liabilities and Net Assets	<u>\$ 8,138,000</u>	<u>\$ 8,258,988</u>	<u>\$ (2,154,809)</u>	<u>\$ (1,934,646)</u>	<u>\$ 7,806,425</u>	<u>\$ 7,311,300</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF FINANCIAL POSITION (Continued)
DECEMBER 31, 2014 AND 2013

<u>ASSETS</u>	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2014	2013	2014	2013
Cash and cash equivalents	\$ 12,106	\$ 39,173	\$ 4,440	\$ 2,220
Cash-restricted	0	0	0	0
Accounts receivable	2,465	7,030	4,201	3,429
Prepaid expenses	0	0	0	0
Investments, at fair value	0	0	0	0
Investments-temporarily restricted, at fair value	80,076	80,076	0	0
Deposits	2,200	2,200	4,994	4,994
Buildings, building improvements, and equipment, at cost, net of accumulated depreciation	665,518	783,704	1,609,523	1,638,871
Interdivision	(517,034)	(322,063)	0	0
Assets restricted for permanent endowment	617,895	642,700	0	0
	\$ 863,226	\$ 1,232,820	\$ 1,623,158	\$ 1,649,514
<u>LIABILITIES AND NET ASSETS</u>				
LIABILITIES				
Accounts payable and accrued expenses	\$ 16,110	\$ 15,678	\$ 20,469	\$ 13,029
Deferred revenue	0	0	0	0
Interdivision	0	0	2,154,809	1,934,646
	16,110	15,678	2,175,278	1,947,675
NET ASSETS (DEFICIT)				
Unrestricted	21,597	389,893	(552,120)	(298,161)
Temporarily restricted	207,624	184,549	0	0
Permanently restricted	617,895	642,700	0	0
	847,116	1,217,142	(552,120)	(298,161)
Total Liabilities and Net Assets	\$ 863,226	\$ 1,232,820	\$ 1,623,158	\$ 1,649,514

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF ACTIVITIES
DECEMBER 31, 2014 AND 2013

	Combined Total		Combined Interdivision Eliminations		RMHC Division	
	2014	2013	2014	2013	2014	2013
UNRESTRICTED NET ASSETS						
Public Support and Revenue						
Gross proceeds from special fund-raising events	\$ 339,630	\$ 491,127	\$ 0	\$ 0	\$ 338,684	\$ 485,276
Less direct benefit costs	(164,895)	(200,080)	0	0	(164,895)	(200,080)
Net proceeds from special fund-raising events	174,735	291,047	0	0	173,789	285,196
Contributions	1,873,084	2,057,650	(130,284)	(126,323)	1,158,432	1,341,524
Guest contributions	93,734	95,779	0	0	0	0
Investment return	8,779	14,397	0	0	8,779	14,397
Other	51,005	35,551	0	0	42,545	26,951
	<u>2,201,337</u>	<u>2,494,424</u>	<u>(130,284)</u>	<u>(126,323)</u>	<u>1,383,545</u>	<u>1,668,068</u>
Net Assets Released from Restrictions						
Restrictions satisfied by payments	73,681	91,026	0	0	37,623	44,930
Total Public Support and Revenue	<u>2,275,018</u>	<u>2,585,450</u>	<u>(130,284)</u>	<u>(126,323)</u>	<u>1,421,168</u>	<u>1,712,998</u>
EXPENSES						
Program Services	<u>1,683,420</u>	<u>1,556,704</u>	<u>(130,284)</u>	<u>(126,323)</u>	<u>343,621</u>	<u>318,409</u>
Supporting Services						
Management and general	226,197	248,040	0	0	156,679	152,941
Fund-raising	345,303	334,185	0	0	278,515	272,967
Unallocated payments to RMHC National	164,723	166,991	0	0	164,723	166,991
Total Supporting Services	<u>736,223</u>	<u>749,216</u>	<u>0</u>	<u>0</u>	<u>599,917</u>	<u>592,899</u>
Total Expenses	<u>2,419,643</u>	<u>2,305,920</u>	<u>(130,284)</u>	<u>(126,323)</u>	<u>943,538</u>	<u>911,308</u>
CHANGE IN UNRESTRICTED NET ASSETS	(144,625)	279,530	0	0	477,630	801,690
UNRESTRICTED NET ASSETS, JANUARY 1	<u>7,277,112</u>	<u>6,997,582</u>	<u>0</u>	<u>0</u>	<u>7,185,380</u>	<u>6,383,690</u>
UNRESTRICTED NET ASSETS, DECEMBER 31	<u>\$ 7,132,487</u>	<u>\$ 7,277,112</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,663,010</u>	<u>\$ 7,185,380</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF ACTIVITIES (Continued)
DECEMBER 31, 2014 AND 2013

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2014	2013	2014	2013
UNRESTRICTED NET ASSETS				
Public Support and Revenue				
Gross proceeds from special fund-raising events	\$ 100	\$ 2,565	\$ 846	\$ 3,286
Less direct benefit costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net proceeds from special fund-raising events	100	2,565	846	3,286
Contributions	419,989	452,849	424,947	389,600
Guest contributions	67,164	66,867	26,570	28,912
Investment return	0	0	0	0
Other	5,238	4,569	3,222	4,031
	<u>492,491</u>	<u>526,850</u>	<u>455,585</u>	<u>425,829</u>
Net Assets Released from Restrictions				
Restrictions satisfied by payments	36,058	46,096	0	0
Total Public Support and Revenue	<u>528,549</u>	<u>572,946</u>	<u>455,585</u>	<u>425,829</u>
EXPENSES				
Program Services	<u>810,637</u>	<u>696,893</u>	<u>659,446</u>	<u>667,725</u>
Supporting Services				
Management and general	41,391	39,231	28,127	55,868
Fund-raising	44,817	37,276	21,971	23,942
Unallocated payments to RMHC National	0	0	0	0
Total Supporting Services	<u>86,208</u>	<u>76,507</u>	<u>50,098</u>	<u>79,810</u>
Total Expenses	<u>896,845</u>	<u>773,400</u>	<u>709,544</u>	<u>747,535</u>
CHANGES IN				
UNRESTRICTED NET ASSETS	(368,296)	(200,454)	(253,959)	(321,706)
UNRESTRICTED NET ASSETS (DEFICIT), JANUARY 1	<u>389,893</u>	<u>590,347</u>	<u>(298,161)</u>	<u>23,545</u>
UNRESTRICTED NET ASSETS (DEFICIT), DECEMBER 31	<u>\$ 21,597</u>	<u>\$ 389,893</u>	<u>\$ (552,120)</u>	<u>\$ (298,161)</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF ACTIVITIES(Continued)
DECEMBER 31, 2014 AND 2013

	Combined Total		Combined Interdivision Eliminations		RMHC Division	
	2014	2013	2014	2013	2014	2013
TEMPORARILY RESTRICTED NET ASSETS						
Public Support and Revenue						
Contributions	\$ 59,263	\$ 68,198	\$ 0	\$ 0	\$ 24,563	\$ 30,340
Investment return	25,119	23,296	0	0	686	55
Net assets released from restrictions	<u>(73,681)</u>	<u>(91,026)</u>	<u>0</u>	<u>0</u>	<u>(37,623)</u>	<u>(44,930)</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	10,701	468	0	0	(12,374)	(14,535)
TEMPORARILY RESTRICTED NET ASSETS, JANUARY 1	<u>231,054</u>	<u>230,586</u>	<u>0</u>	<u>0</u>	<u>46,505</u>	<u>61,040</u>
TEMPORARILY RESTRICTED NET ASSETS, DECEMBER 31	<u>\$ 241,755</u>	<u>\$ 231,054</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 34,131</u>	<u>\$ 46,505</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF ACTIVITIES(Continued)
DECEMBER 31, 2014 AND 2013

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
TEMPORARILY RESTRICTED NET ASSETS				
Public Support and Revenue				
Contributions	\$ 34,700	\$ 37,858	\$ 0	\$ 0
Investment return	24,433	23,241	0	0
Net assets released from restrictions	<u>(36,058)</u>	<u>(46,096)</u>	<u>0</u>	<u>0</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	23,075	15,003	0	0
TEMPORARILY RESTRICTED NET ASSETS, JANUARY 1	<u>184,549</u>	<u>169,546</u>	<u>0</u>	<u>0</u>
TEMPORARILY RESTRICTED NET ASSETS, DECEMBER 31	<u>\$ 207,624</u>	<u>\$ 184,549</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF ACTIVITIES (Continued)
DECEMBER 31, 2014 AND 2013

	<u>Combined Total</u>		<u>Combined Interdivision Eliminations</u>		<u>RMHC Division</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
PERMANENTLY RESTRICTED NET ASSETS						
Public Support and Revenue						
Investment return (loss)	\$ (24,805)	\$ 65,694	\$ 0	\$ 0	\$ 0	\$ 0
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	(24,805)	65,694	0	0	0	0
PERMANENTLY RESTRICTED NET ASSETS, JANUARY 1	<u>647,700</u>	<u>582,006</u>	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>
PERMANENTLY RESTRICTED NET ASSETS, DECEMBER 31	<u>\$ 622,895</u>	<u>\$ 647,700</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF ACTIVITIES(Continued)
DECEMBER 31, 2014 AND 2013

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
PERMANENTLY RESTRICTED NET ASSETS				
Public Support and Revenue				
Investment return (loss)	\$ (24,805)	\$ 65,694	\$ 0	\$ 0
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS	(24,805)	65,694	0	0
PERMANENTLY RESTRICTED NET ASSETS, JANUARY 1	<u>642,700</u>	<u>577,006</u>	<u>0</u>	<u>0</u>
PERMANENTLY RESTRICTED NET ASSETS, DECEMBER 31	<u>\$ 617,895</u>	<u>\$ 642,700</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF PROGRAM SERVICE EXPENSES
DECEMBER 31, 2014 AND 2013

	Combined Total		Combined Interdivision Eliminations		RMHC Division	
	2014	2013	2014	2013	2014	2013
Program Services						
Salaries and related expenses	\$ 381,110	\$ 417,563	\$ 0	\$ 0	\$ 28,886	\$ 29,742
Rent expense	144,015	136,148	0	0	0	0
Repairs and maintenance	203,403	122,254	0	0	0	0
Insurance	57,966	64,771	0	0	3,919	6,764
Utilities	93,069	99,552	0	0	0	0
Travel and entertainment fees	7,987	7,668	0	0	7,987	7,468
Supplies	377,414	326,006	0	0	0	0
Office expense	10,236	11,874	0	0	10,236	11,874
Promotion	3,091	4,796	0	0	2,341	4,296
Chapter grants	159,968	131,910	0	0	159,968	131,910
Contributions	0	0	(130,284)	(126,323)	130,284	126,323
Loss (gain) on sale of assets	1,605	0	0	0	0	0
Miscellaneous	1,896	7,615	0	0	0	32
	<u>1,441,760</u>	<u>1,330,157</u>	<u>(130,284)</u>	<u>(126,323)</u>	<u>343,621</u>	<u>318,409</u>
Total Expenses before Depreciation						
Depreciation and amortization	<u>241,660</u>	<u>226,547</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>\$ 1,683,420</u>	<u>\$ 1,556,704</u>	<u>\$ (130,284)</u>	<u>\$ (126,323)</u>	<u>\$ 343,621</u>	<u>\$ 318,409</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF PROGRAM SERVICE EXPENSES (Continued)
DECEMBER 31, 2014 AND 2013

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2014	2013	2014	2013
Program Services				
Salaries and related expenses	\$ 173,229	\$ 210,456	\$ 178,995	\$ 177,365
Rent expense	63,948	61,287	80,067	74,861
Repairs and maintenance	128,350	67,505	75,053	54,749
Insurance	20,832	22,787	33,215	35,220
Utilities	49,235	44,204	43,834	55,348
Travel and entertainment fees	0	0	0	200
Supplies	223,146	142,169	154,268	183,837
Office expense	0	0	0	0
Promotion	750	500	0	0
Chapter grants	0	0	0	0
Contributions	0	0	0	0
Loss (gain) on sale of assets	(2,771)	0	4,376	0
Miscellaneous	1,896	7,583	0	0
	<u>658,615</u>	<u>556,491</u>	<u>569,808</u>	<u>581,580</u>
Total Expenses before Depreciation				
Depreciation and amortization	<u>152,022</u>	<u>140,402</u>	<u>89,638</u>	<u>86,145</u>
Total Expenses	<u>\$ 810,637</u>	<u>\$ 696,893</u>	<u>\$ 659,446</u>	<u>\$ 667,725</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF MANAGEMENT AND GENERAL EXPENSES
DECEMBER 31, 2014 AND 2013

	Combined Total		Combined Interdivision Eliminations		RMHC Division	
	2014	2013	2014	2013	2014	2013
Management and General						
Salaries and related expenses	\$ 27,601	\$ 24,279	\$ 0	\$ 0	\$ 8,834	\$ 8,675
Rent expense	497	30,596	0	0	0	0
Repairs and maintenance	4,259	2,260	0	0	0	0
Insurance	847	916	0	0	0	0
Utilities	1,684	1,658	0	0	0	0
Professional fees	79,991	71,919	0	0	58,091	50,019
Travel and entertainment fees	14,824	20,567	0	0	14,824	17,367
Office expense	16,066	13,833	0	0	38	0
Promotion	2,036	4,087	0	0	2,036	4,087
Miscellaneous	17,011	9,286	0	0	16,256	8,600
Total Expenses before Depreciation	164,816	179,401	0	0	100,079	88,748
Depreciation and amortization	61,381	68,639	0	0	56,600	64,193
Total Expenses	<u>\$ 226,197</u>	<u>\$ 248,040</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 156,679</u>	<u>\$ 152,941</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF MANAGEMENT AND GENERAL EXPENSES (Continued)
DECEMBER 31, 2014 AND 2013

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2014	2013	2014	2013
Management and General				
Salaries and related expenses	\$ 11,056	\$ 8,974	\$ 7,711	\$ 6,630
Rent expense	497	478	0	30,118
Repairs and maintenance	3,342	1,758	917	502
Insurance	543	593	304	323
Utilities	1,282	1,151	402	507
Professional fees	10,950	10,950	10,950	10,950
Travel and entertainment fees	0	3,200	0	0
Office expense	9,762	8,471	6,266	5,362
Promotion	0	0	0	0
Miscellaneous	0	0	755	686
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses before Depreciation	37,432	35,575	27,305	55,078
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and amortization	3,959	3,656	822	790
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 41,391</u>	<u>\$ 39,231</u>	<u>\$ 28,127</u>	<u>\$ 55,868</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF FUND-RAISING EXPENSES
DECEMBER 31, 2014 AND 2013

	Combined Total		Combined Interdivision Eliminations		RMHC Division	
	2014	2013	2014	2013	2014	2013
Fund-Raising						
Salaries and related expenses	\$ 115,431	\$ 89,821	\$ 0	\$ 0	\$ 58,702	\$ 42,499
Rent expense	1,987	2,368	0	0	0	0
Repairs and maintenance	2,922	1,557	0	0	0	0
Insurance	630	679	0	0	0	0
Utilities	1,171	1,197	0	0	0	0
Office expense	0	257	0	0	0	0
Promotion	13,909	24,462	0	0	13,909	19,462
Advertising	36,000	36,000	0	0	36,000	36,000
Canister expense	148,128	152,800	0	0	148,128	152,800
Miscellaneous	21,928	22,060	0	0	21,776	21,949
Total Expenses before Depreciation	342,106	331,201	0	0	278,515	272,710
Depreciation and amortization	3,197	2,984	0	0	0	0
Total Expenses	<u>\$ 345,303</u>	<u>\$ 334,185</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 278,515</u>	<u>\$ 272,710</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF FUND-RAISING EXPENSES(Continued)
DECEMBER 31, 2014 AND 2013

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2014	2013	2014	2013
Fund-Raising				
Salaries and related expenses	\$ 37,355	\$ 31,071	\$ 19,374	\$ 16,251
Rent expense	1,987	1,910	0	458
Repairs and maintenance	2,005	1,055	917	502
Insurance	326	356	304	323
Utilities	769	690	402	507
Office expense	0	0	0	0
Promotion	0	0	0	5,000
Advertising	0	0	0	0
Canister expense	0	0	0	0
Miscellaneous	0	0	152	111
	<u>42,442</u>	<u>35,082</u>	<u>21,149</u>	<u>23,152</u>
Total Expenses before Depreciation				
Depreciation and amortization	<u>2,375</u>	<u>2,194</u>	<u>822</u>	<u>790</u>
Total Expenses	<u>\$ 44,817</u>	<u>\$ 37,276</u>	<u>\$ 21,971</u>	<u>\$ 23,942</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF CASH FLOWS
DECEMBER 31, 2014 AND 2013

	Combined Total		Combined Interdivision Eliminations		RMHC Division	
	2014	2013	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES						
Changes in net assets	\$ (158,729)	\$ 345,692	\$ 0	\$ 0	\$ 465,256	\$ 787,155
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities						
Depreciation and amortization	306,238	298,170	0	0	56,600	64,193
Loss on disposal of assets	1,605	0	0	0	0	0
In-kind contributions of property and equipment	(42,750)	(161,147)	0	0	0	0
Realized and unrealized (gain) loss on investments	41,068	(55,251)	0	0	16,263	10,444
Change in operating assets and liabilities			0	0	0	0
Accounts receivable	(87,079)	162,679	0	0	(90,872)	165,935
Prepaid expenses	(4,163)	(3,585)	0	0	(4,163)	(3,585)
Accounts payable and accrued expenses	37,816	10,310	0	0	29,944	8,148
Deferred revenue	(75)	75	0	0	(75)	75
Interdivision	0	0	0	0	(415,134)	(625,423)
Grants payable	0	(5,000)	0	0	0	(5,000)
Net Cash Provided by Operating Activities	<u>93,931</u>	<u>591,943</u>	<u>0</u>	<u>0</u>	<u>57,819</u>	<u>401,942</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from the sale of investments	1,029,338	0	0	0	1,029,338	0
Proceeds from the sale of property and equipment	4,988	0	0	0	0	0
Purchase of property and equipment	(69,730)	(173,627)	0	0	(3,783)	(727)
Purchase of investments	(1,084,096)	(237,214)	0	0	(1,084,096)	(237,214)
Net Cash Used in Investing Activities	<u>(119,500)</u>	<u>(410,841)</u>	<u>0</u>	<u>0</u>	<u>(58,541)</u>	<u>(237,941)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(25,569)	181,102	0	0	(722)	164,001
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>3,524,105</u>	<u>3,343,003</u>	<u>0</u>	<u>0</u>	<u>3,482,712</u>	<u>3,318,711</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 3,498,536</u>	<u>\$ 3,524,105</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,481,990</u>	<u>\$ 3,482,712</u>

See Independent Auditors' Report on Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
COMBINING STATEMENTS OF CASH FLOWS (Continued)
DECEMBER 31, 2014 AND 2013

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Changes in net assets	\$ (370,026)	\$ (119,757)	\$ (253,959)	\$ (321,706)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities				
Depreciation and amortization	158,357	146,252	91,281	87,725
Loss (gain) on disposal of assets	(2,771)	0	4,376	0
In-kind contributions of property and equipment	(3,674)	(152,234)	(39,076)	(8,913)
Realized and unrealized loss (gain) on investments	24,805	(65,695)	0	0
Change in operating assets and liabilities				
Accounts receivable	4,565	(1,174)	(772)	(2,082)
Prepaid expenses	0	0	0	0
Accounts payable and accrued expenses	432	(691)	7,440	2,853
Deferred revenue	0	0	0	0
Interdivision	194,971	383,844	220,163	241,579
Grants payable	0	0	0	0
Net Cash Provided by (Used in) Operating Activities	<u>6,659</u>	<u>190,545</u>	<u>29,453</u>	<u>(544)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the sale of investments				
Proceeds from the sale of property and equipment	4,988	0	0	0
Purchase of property and equipment	(38,714)	(170,795)	(27,233)	(2,105)
Purchase of investments	0	0	0	0
Net Cash Used in Investing Activities	<u>(33,726)</u>	<u>(170,795)</u>	<u>(27,233)</u>	<u>(2,105)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(27,067)	19,750	2,220	(2,649)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>39,173</u>	<u>19,423</u>	<u>2,220</u>	<u>4,869</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 12,106</u>	<u>\$ 39,173</u>	<u>\$ 4,440</u>	<u>\$ 2,220</u>

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