

**Ronald McDonald House Charities
of South Florida, Inc.**

Financial Statements

December 31, 2015 and 2014

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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 financial statements of Ronald McDonald House Charities of South Florida, Inc. (a nonprofit organization), which comprise the statements of financial position at December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

In our opinion, the 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, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Fort Lauderdale, Florida
August 8, 2016

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

	December 31,	
	2015	2014
<u>ASSETS</u>		
Cash and cash equivalents	\$ 3,472,170	\$ 3,464,406
Cash - restricted	48,831	34,130
Accounts receivable	423,253	297,431
Prepaid expenses	53,821	46,588
Investments, at fair value	1,465,581	1,288,335
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	2,068,094	2,296,945
Assets restricted for permanent endowment	804,949	622,895
Total Assets	\$ 8,423,969	\$ 8,138,000
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable and accrued expenses	\$ 98,348	\$ 140,863
Grants payable	60,000	0
Total Liabilities	158,348	140,863
NET ASSETS		
Unrestricted	7,197,230	7,132,487
Temporarily restricted	263,442	241,755
Permanently restricted	804,949	622,895
Total Net Assets	8,265,621	7,997,137
Total Liabilities and Net Assets	\$ 8,423,969	\$ 8,138,000

The accompanying notes are an integral part of the financial statements.

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

	Years Ended	
	December 31,	
	2015	2014
UNRESTRICTED NET ASSETS		
Public Support and Revenue		
Gross proceeds from special fund-raising events	\$ 258,683	\$ 339,630
Less direct benefit costs	(110,183)	(164,895)
Net proceeds from special fund-raising events	148,500	174,735
Donations	2,082,337	1,873,084
Guest donations	149,971	93,734
Loss on disposal of assets	(65,892)	(1,605)
Investment return	105,426	8,779
Other	24,188	51,005
	2,444,530	2,199,732
Net Assets Released from Restrictions		
Restrictions satisfied by payments	205,787	73,681
Total Public Support and Revenue	2,650,317	2,273,413
EXPENSES		
Program Services	1,889,740	1,681,815
Supporting Services		
Management and general	181,083	226,197
Fund-raising	374,258	345,303
Unallocated payments to RMHC Global	140,493	164,723
Total Supporting Services	695,834	736,223
Total Expenses	2,585,574	2,418,038
CHANGES IN UNRESTRICTED NET ASSETS	64,743	(144,625)
UNRESTRICTED NET ASSETS, JANUARY 1	7,132,487	7,277,112
UNRESTRICTED NET ASSETS, DECEMBER 31	\$ 7,197,230	\$ 7,132,487

The accompanying notes are an integral part of the financial statements.

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

	Years Ended	
	December 31,	
	2015	2014
TEMPORARILY RESTRICTED		
NET ASSETS		
Public Support and Revenue		
Contributions	\$ 201,749	\$ 59,263
Investment return	25,725	25,119
Net Assets Released from Restrictions	(205,787)	(73,681)
 CHANGES IN TEMPORARILY		
RESTRICTED NET ASSETS	21,687	10,701
 TEMPORARILY RESTRICTED		
NET ASSETS, JANUARY 1	241,755	231,054
 TEMPORARILY RESTRICTED		
NET ASSETS, DECEMBER 31	\$ 263,442	\$ 241,755

The accompanying notes are an integral part of the financial statements.

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

	Years Ended	
	December 31,	
	2015	2014
PERMANENTLY RESTRICTED NET ASSETS		
Public Support and Revenue		
Investment return (negative return)	\$ 182,054	\$ (24,805)
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS	182,054	(24,805)
PERMANENTLY RESTRICTED NET ASSETS, JANUARY 1	622,895	647,700
PERMANENTLY RESTRICTED NET ASSETS, DECEMBER 31	\$ 804,949	\$ 622,895

The accompanying notes are an integral part of the financial statements.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2015

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund-Raising</u>	<u>Total</u>
Salaries and related expenses	\$ 335,334	\$ 34,337	\$ 155,457	\$ 525,128
Rent expense	148,292	2,597	2,346	153,235
Repairs and maintenance	232,211	4,201	2,922	239,334
Insurance	61,144	895	664	62,703
Utilities	103,440	1,736	1,250	106,426
Supplies	420,732	0	0	420,732
Professional fees	0	69,135	0	69,135
Travel and entertainment fees	12,182	11,091	0	23,273
Office expense	13,872	16,354	0	30,226
Promotion	4,737	4,418	21,253	30,408
Chapter grants	316,240	0	0	316,240
Advertising	0	0	36,000	36,000
Canister expense	0	0	127,163	127,163
Miscellaneous	4,022	19,626	24,032	47,680
Total Expenses before Depreciation	<u>1,652,206</u>	<u>164,390</u>	<u>371,087</u>	<u>2,187,683</u>
Depreciation and amortization	<u>237,534</u>	<u>16,693</u>	<u>3,171</u>	<u>257,398</u>
Total Expenses	<u><u>\$ 1,889,740</u></u>	<u><u>\$ 181,083</u></u>	<u><u>\$ 374,258</u></u>	2,445,081
Unallocated payments to RMHC Global				<u>140,493</u>
				<u><u>\$ 2,585,574</u></u>

The accompanying notes are an integral part of the financial statements.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
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
Miscellaneous	1,896	17,011	21,928	40,835
Total Expenses before Depreciation	1,440,155	164,816	342,106	1,947,077
Depreciation and amortization	241,660	61,381	3,197	306,238
Total Expenses	<u>\$ 1,681,815</u>	<u>\$ 226,197</u>	<u>\$ 345,303</u>	2,253,315
Unallocated payments to RMHC Global				<u>164,723</u>
				<u>\$ 2,418,038</u>

The accompanying notes are an integral part of the financial statements.

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

	Years Ended December 31,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 268,484	\$ (158,729)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	257,398	306,238
Loss on disposal of assets	65,892	1,605
In-kind contributions of property and equipment	(67,920)	(42,750)
Realized and unrealized (gain) loss on investments	(260,743)	41,068
Change in operating assets and liabilities		
Accounts receivable	(125,822)	(87,079)
Prepaid expenses	(7,233)	(4,163)
Accounts payable and accrued expenses	(42,515)	37,816
Deferred revenue	0	(75)
Grants payable	60,000	0
Net Cash Provided by Operating Activities	147,541	93,931
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of investments	0	1,029,338
Proceeds from the sale of property and equipment	0	4,988
Purchase of property and equipment	(26,519)	(69,730)
Purchase of investments	(98,557)	(1,084,096)
Net Cash Used in Investing Activities	(125,076)	(119,500)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	22,465	(25,569)
CASH AND CASH EQUIVALENTS, JANUARY 1	3,498,536	3,524,105
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 3,521,001	\$ 3,498,536
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
NON-CASH INVESTING ACTIVITIES		
In-kind contributions of property and equipment	\$ 67,920	\$ 42,750

The accompanying notes are an integral part of the financial statements.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 1 Nature and Purpose of the Organization

Ronald McDonald House Charities of South Florida, Inc. (the “Organization”) is comprised of three divisions: Ronald McDonald House – Miami Division, Ronald McDonald House – Ft. Lauderdale Division, and RMHC Division. 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 RMHC Division provides grants to other local and national charities benefiting children.

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

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.

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 FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 2 Summary of Significant Accounting Policies (Continued)

Revenue and Expense Recognition

Revenue from donations, 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. Donor-restricted contributions and support are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. 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, 2015, the Organization’s cash accounts exceeded federally insured limits by \$131,929. Accounts held at SIPC insured brokerage firms are insured up to \$500,000. The Organization’s accounts exceeded SIPC insured limits at December 31, 2015 by \$2,685,049.

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.

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.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 2 Summary of Significant Accounting Policies (Continued)

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.

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 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 financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 2 Summary of Significant Accounting Policies (Continued)

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 activities 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 as of December 31, 2015 and 2014.

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 statements of activity because the criterion for recognition has not been satisfied.

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 statements of activities 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 activities. Donated materials and services for miscellaneous fund-raisers were charged to "miscellaneous" under fund-raising on the statements of functional expenses.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 2 Summary of Significant Accounting Policies (Continued)

Contributed Services and Materials (Continued)

	Years Ended December 31,	
	2015	2014
RMHC Division	\$ 56,924	\$ 76,689
Ft. Lauderdale House	286,563	223,115
Miami House	256,338	246,546
	\$ 599,825	\$ 546,350

Income Taxes

No provision for income taxes has been made in the 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.

As of December 31, 2015 and 2014, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Organization's tax years 2012 and forward remain open for examination by federal and state taxing authorities.

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 financial statements through August 8, 2016, the date the financial statements were available to be issued. No events or transactions occurred subsequent to this date that would require recognition or disclosure in the financial statements.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

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 as of December 31, 2015 and 2014.

Investments at Fair Value as of December 31, 2015				
	Level 1	Level 2	Level 3	Total
Cash	\$ 5,000	\$ 0	\$ 0	\$ 5,000
Equity security	1,293,279	0	0	1,293,279
Mutual funds	1,052,327	0	0	1,052,327
	\$ 2,350,606	\$ 0	\$ 0	\$ 2,350,606

Investments at Fair Value as of December 31, 2014				
	Level 1	Level 2	Level 3	Total
Cash	\$ 5,000	\$ 0	\$ 0	\$ 5,000
Equity security	954,803	0	0	954,803
Mutual funds	1,031,503	0	0	1,031,503
	\$ 1,991,306	\$ 0	\$ 0	\$ 1,991,306

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

	December 31,	
	2015	2014
Unrestricted		
Equity securities	\$ 413,253	\$ 256,832
Mutual funds	1,052,328	1,031,503
	\$ 1,465,581	\$ 1,288,335
Temporarily restricted		
Equity securities	\$ 80,076	\$ 80,076
	\$ 80,076	\$ 80,076
Permanently restricted		
Cash	\$ 5,000	\$ 5,000
Equity securities	799,949	617,895
	\$ 804,949	\$ 622,895

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 3 Investments (Continued)

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

	Year Ended December 31, 2015		
	Unrestricted	Restricted	Total
Net unrealized gain	\$ 78,689	\$ 182,054	\$ 260,743
Interest and dividend income	26,737	25,725	52,462
Total investment return	\$ 105,426	\$ 207,779	\$ 313,205

	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

NOTE 4 Buildings, Building Improvements and Equipment

	December 31,	
	2015	2014
Miami House and improvements	\$ 2,610,609	\$ 2,595,896
Ft. Lauderdale House and improvements	2,083,816	2,098,316
Furniture and equipment	1,156,968	1,233,282
Vehicles	60,848	60,848
	5,912,241	5,988,342
Less accumulated depreciation	3,844,147	3,691,397
	\$ 2,068,094	\$ 2,296,945

Depreciation expense totaled \$257,398 and \$306,238 for the years ended December 31, 2015 and 2014, respectively.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 5 Temporarily Restricted Net Assets

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

	December 31,	
	2015	2014
Ronald McDonald House – Miami		
House operations – J. Kroc bequest	\$ 204,058	\$ 188,714
Restricted for purpose	10,553	18,910
 RMHC Division		
Hispanic Student Scholarship Program	48,331	33,631
Future Achiever Scholarship Program	500	500
	\$ 263,442	\$ 241,755

During the years ended December 31, 2015 and 2014, net assets were released from donor restrictions as follows:

	December 31,	
	2015	2014
Ronald McDonald House – Miami		
House operations – J. Kroc bequest	\$ 10,282	\$ 14,773
Restricted for purpose	9,196	21,285
 Ronald McDonald House – Ft. Lauderdale		
Restricted for purpose	6,280	0
 RMHC Division		
Hispanic Student Scholarship Program	11,000	11,000
Future Achiever Scholarship Program	10,000	10,000
Restricted for purpose	159,029	16,623
	\$ 205,787	\$ 73,681

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

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 (“House”). 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

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, 2015	\$ 0	\$ 204,058	\$ 804,949	\$ 1,009,007
December 31, 2014	\$ 0	\$ 188,714	\$ 622,895	\$ 811,609

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2015 AND 2014

NOTE 6 Endowments (Continued)

Following are the changes in the endowment net assets for the years ended December 31, 2015 and 2014:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</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	188,714	622,895	811,609
Investment income	25,625	182,054	207,679
Released from restrictions	<u>(10,281)</u>	<u>0</u>	<u>(10,281)</u>
Endowment net assets at December 31, 2015	<u>\$ 204,058</u>	<u>\$ 804,949</u>	<u>\$ 1,009,007</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, 2015 and 2014.

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 \$69,725 and \$66,432 for the years ended December 31, 2015 and 2014, respectively.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.

NOTES TO FINANCIAL STATEMENTS (Continued)

DECEMBER 31, 2015 AND 2014

NOTE 7 Land Leases (Continued)

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. The Organization records rent at its net realizable value estimated by management to be \$83,510 and \$80,067 for the years ended December 31, 2015 and 2014, respectively.

NOTE 8 Commitments – RMHC-Global

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

During 2015 and 2014, the Organization's expense to the National Organization was \$140,493 and \$164,723, respectively. At December 31, 2015 and 2014, Ronald McDonald House Charities of South Florida had \$27,312 and \$33,780, respectively, payable to RMHC-Global and \$20,032 and \$18,152, respectively, receivable from RMHC-Global.

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 financial statements of Ronald McDonald House Charities of South Florida, Inc. at and for the years ended December 31, 2015 and 2014, and have issued our report thereon dated August 8, 2016, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Daszkal Bolton LLP

Fort Lauderdale, Florida
August 8, 2016

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014

<u>ASSETS</u>	<u>Total</u>		<u>Interdivision Eliminations</u>		<u>RMHC Division</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 3,472,170	\$ 3,464,406	\$ 0	\$ 0	\$ 3,456,297	\$ 3,447,860
Cash-restricted	48,831	34,130	0	0	48,831	34,130
Accounts receivable	423,253	297,431	0	0	388,532	290,765
Prepaid expenses	53,821	46,588	0	0	53,821	46,588
Investments, at fair value	1,465,581	1,288,335	0	0	1,465,581	1,288,335
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	2,068,094	2,296,945	0	0	16,801	21,904
Interdivision	0	0	(2,455,623)	(2,154,809)	3,149,174	2,671,843
Assets restricted for permanent endowment	804,949	622,895	0	0	5,000	5,000
Total Assets	<u>\$ 8,423,969</u>	<u>\$ 8,138,000</u>	<u>\$ (2,455,623)</u>	<u>\$ (2,154,809)</u>	<u>\$ 8,584,037</u>	<u>\$ 7,806,425</u>
<u>LIABILITIES AND NET ASSETS</u>						
LIABILITIES						
Accounts payable and accrued expenses	\$ 98,348	\$ 140,863	\$ 0	\$ 0	\$ 73,719	\$ 104,284
Grants payable	60,000	0	0	0	60,000	0
Interdivision	0	0	(2,455,623)	(2,154,809)	0	0
Total Liabilities	<u>158,348</u>	<u>140,863</u>	<u>(2,455,623)</u>	<u>(2,154,809)</u>	<u>133,719</u>	<u>104,284</u>
NET ASSETS (DEFICIT)						
Unrestricted	7,197,230	7,132,487	0	0	8,396,487	7,663,010
Temporarily restricted	263,442	241,755	0	0	48,831	34,131
Permanently restricted	804,949	622,895	0	0	5,000	5,000
Total Net Assets (Deficit)	<u>8,265,621</u>	<u>7,997,137</u>	<u>0</u>	<u>0</u>	<u>8,450,318</u>	<u>7,702,141</u>
Total Liabilities and Net Assets	<u>\$ 8,423,969</u>	<u>\$ 8,138,000</u>	<u>\$ (2,455,623)</u>	<u>\$ (2,154,809)</u>	<u>\$ 8,584,037</u>	<u>\$ 7,806,425</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF FINANCIAL POSITION (Continued)
DECEMBER 31, 2015 AND 2014

<u>ASSETS</u>	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 11,288	\$ 12,106	\$ 4,585	\$ 4,440
Cash-restricted	0	0	0	0
Accounts receivable	28,581	2,465	6,140	4,201
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	489,803	665,518	1,561,490	1,609,523
Interdivision	(693,551)	(517,034)	0	0
Assets restricted for permanent endowment	799,949	617,895	0	0
Total Assets	<u>\$ 718,346</u>	<u>\$ 863,226</u>	<u>\$ 1,577,209</u>	<u>\$ 1,623,158</u>
<u>LIABILITIES AND NET ASSETS</u>				
LIABILITIES				
Accounts payable and accrued expenses	\$ 16,759	\$ 16,110	\$ 7,870	\$ 20,469
Grants payable	0	0	0	0
Interdivision	0	0	2,455,623	2,154,809
Total Liabilities	<u>16,759</u>	<u>16,110</u>	<u>2,463,493</u>	<u>2,175,278</u>
NET ASSETS (DEFICIT)				
Unrestricted	(312,973)	21,597	(886,284)	(552,120)
Temporarily restricted	214,611	207,624	0	0
Permanently restricted	799,949	617,895	0	0
Total Net Assets (Deficit)	<u>701,587</u>	<u>847,116</u>	<u>(886,284)</u>	<u>(552,120)</u>
Total Liabilities and Net Assets	<u>\$ 718,346</u>	<u>\$ 863,226</u>	<u>\$ 1,577,209</u>	<u>\$ 1,623,158</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF ACTIVITIES
DECEMBER 31, 2015 AND 2014

	Total		Interdivision Eliminations		RMHC Division	
	2015	2014	2015	2014	2015	2014
UNRESTRICTED NET ASSETS						
Public Support and Revenue						
Gross proceeds from special fund-raising events	\$ 258,683	\$ 339,630	\$ 0	\$ 0	\$ 254,219	\$ 338,684
Less direct benefit costs	(110,183)	(164,895)	0	0	(110,183)	(164,895)
Net proceeds from special fund-raising events	148,500	174,735	0	0	144,036	173,789
Donations	2,082,337	1,873,084	(158,122)	(130,284)	1,363,097	1,158,432
Guest donations	149,971	93,734	0	0	0	0
(Loss) gain on disposal of assets	(65,892)	(1,605)	0	0	0	0
Investment return	105,426	8,779	0	0	105,426	8,779
Other	24,188	51,005	0	0	17,141	42,545
	<u>2,444,530</u>	<u>2,199,732</u>	<u>(158,122)</u>	<u>(130,284)</u>	<u>1,629,700</u>	<u>1,383,545</u>
Net Assets Released from Restrictions						
Restrictions satisfied by payments	205,787	73,681	0	0	180,029	37,623
Total Public Support and Revenue	<u>2,650,317</u>	<u>2,273,413</u>	<u>(158,122)</u>	<u>(130,284)</u>	<u>1,809,729</u>	<u>1,421,168</u>
EXPENSES						
Program Services	1,889,740	1,681,815	(158,122)	(130,284)	543,742	343,621
Supporting Services						
Management and general	181,083	226,197	0	0	101,814	156,679
Fund-raising	374,258	345,303	0	0	290,203	278,515
Unallocated payments to RMHC Global	140,493	164,723	0	0	140,493	164,723
Total Supporting Services	<u>695,834</u>	<u>736,223</u>	<u>0</u>	<u>0</u>	<u>532,510</u>	<u>599,917</u>
Total Expenses	<u>2,585,574</u>	<u>2,418,038</u>	<u>(158,122)</u>	<u>(130,284)</u>	<u>1,076,252</u>	<u>943,538</u>
CHANGE IN						
UNRESTRICTED NET ASSETS	64,743	(144,625)	0	0	733,477	477,630
UNRESTRICTED NET ASSETS (DEFICIT), JANUARY 1	<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>
UNRESTRICTED NET ASSETS (DEFICIT), DECEMBER 31	<u>\$ 7,197,230</u>	<u>\$ 7,132,487</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,396,487</u>	<u>\$ 7,663,010</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF ACTIVITIES (Continued)
DECEMBER 31, 2015 AND 2014

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
UNRESTRICTED NET ASSETS				
Public Support and Revenue				
Gross proceeds from special fund-raising events	\$ 2,426	\$ 100	\$ 2,038	\$ 846
Less direct benefit costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net proceeds from special fund-raising events	2,426	100	2,038	846
Donations	429,185	419,989	448,177	424,947
Guest donations	122,864	67,164	27,107	26,570
(Loss) gain on sale of assets	(46,017)	2,771	(19,875)	(4,376)
Investment return	0	0	0	0
Other	3,885	5,238	3,162	3,222
	<u>512,343</u>	<u>495,262</u>	<u>460,609</u>	<u>451,209</u>
Net Assets Released from Restrictions				
Restrictions satisfied by payments	19,478	36,058	6,280	0
Total Public Support and Revenue	<u>531,821</u>	<u>531,320</u>	<u>466,889</u>	<u>451,209</u>
EXPENSES				
Program Services	<u>776,464</u>	<u>813,408</u>	<u>727,656</u>	<u>655,070</u>
Supporting Services				
Management and general	41,046	41,391	38,223	28,127
Fund-raising	48,881	44,817	35,174	21,971
Unallocated payments to RMHC Global	0	0	0	0
Total Supporting Services	<u>89,927</u>	<u>86,208</u>	<u>73,397</u>	<u>50,098</u>
Total Expenses	<u>866,391</u>	<u>899,616</u>	<u>801,053</u>	<u>705,168</u>
CHANGES IN UNRESTRICTED NET ASSETS	(334,570)	(368,296)	(334,164)	(253,959)
UNRESTRICTED NET ASSETS (DEFICIT), JANUARY 1	<u>21,597</u>	<u>389,893</u>	<u>(552,120)</u>	<u>(298,161)</u>
UNRESTRICTED NET ASSETS (DEFICIT), DECEMBER 31	<u>\$ (312,973)</u>	<u>\$ 21,597</u>	<u>\$ (886,284)</u>	<u>\$ (552,120)</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF ACTIVITIES (Continued)
DECEMBER 31, 2015 AND 2014

	<u>Total</u>		<u>Interdivision Eliminations</u>		<u>RMHC Division</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
TEMPORARILY RESTRICTED NET ASSETS						
Public Support and Revenue						
Contributions	\$ 201,749	\$ 59,263	\$ 0	\$ 0	\$ 194,629	\$ 24,563
Investment return	25,725	25,119	0	0	100	686
Net assets released from restrictions	<u>(205,787)</u>	<u>(73,681)</u>	<u>0</u>	<u>0</u>	<u>(180,029)</u>	<u>(37,623)</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	21,687	10,701	0	0	14,700	(12,374)
TEMPORARILY RESTRICTED NET ASSETS, JANUARY 1	<u>241,755</u>	<u>231,054</u>	<u>0</u>	<u>0</u>	<u>34,131</u>	<u>46,505</u>
TEMPORARILY RESTRICTED NET ASSETS, DECEMBER 31	<u><u>\$ 263,442</u></u>	<u><u>\$ 241,755</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 48,831</u></u>	<u><u>\$ 34,131</u></u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF ACTIVITIES (Continued)
DECEMBER 31, 2015 AND 2014

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2015	2014	2015	2014
TEMPORARILY RESTRICTED NET ASSETS				
Public Support and Revenue				
Contributions	\$ 840	\$ 34,700	\$ 6,280	\$ 0
Investment return	25,625	24,433	0	0
Net assets released from restrictions	<u>(19,478)</u>	<u>(36,058)</u>	<u>(6,280)</u>	<u>0</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	6,987	23,075	0	0
TEMPORARILY RESTRICTED NET ASSETS, JANUARY 1	<u>207,624</u>	<u>184,549</u>	<u>0</u>	<u>0</u>
TEMPORARILY RESTRICTED NET ASSETS, DECEMBER 31	<u><u>\$ 214,611</u></u>	<u><u>\$ 207,624</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF ACTIVITIES (Continued)
DECEMBER 31, 2015 AND 2014

	<u>Total</u>		<u>Interdivision Eliminations</u>		<u>RMHC Division</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
PERMANENTLY RESTRICTED NET ASSETS						
Public Support and Revenue						
Investment return (negative return)	\$ 182,054	\$ (24,805)	\$ 0	\$ 0	\$ 0	\$ 0
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	182,054	(24,805)	0	0	0	0
PERMANENTLY RESTRICTED NET ASSETS, JANUARY 1	<u>622,895</u>	<u>647,700</u>	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>
PERMANENTLY RESTRICTED NET ASSETS, DECEMBER 31	<u>\$ 804,949</u>	<u>\$ 622,895</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF ACTIVITIES (Continued)
DECEMBER 31, 2015 AND 2014

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2015	2014	2015	2014
PERMANENTLY RESTRICTED NET ASSETS				
Public Support and Revenue				
Investment return (negative return)	\$ 182,054	\$ (24,805)	\$ 0	\$ 0
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS	182,054	(24,805)	0	0
PERMANENTLY RESTRICTED NET ASSETS, JANUARY 1	<u>617,895</u>	<u>642,700</u>	<u>0</u>	<u>0</u>
PERMANENTLY RESTRICTED NET ASSETS, DECEMBER 31	<u>\$ 799,949</u>	<u>\$ 617,895</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF PROGRAM SERVICES EXPENSES
DECEMBER 31, 2015 AND 2014

	Total		Interdivision Eliminations		RMHC Division	
	2015	2014	2015	2014	2015	2014
Program Services						
Salaries and related expenses	\$ 335,334	\$ 381,110	\$ 0	\$ 0	\$ 34,387	\$ 28,886
Rent expense	148,292	144,015	0	0	0	0
Repairs and maintenance	232,211	203,403	0	0	0	0
Insurance	61,144	57,966	0	0	4,202	3,919
Utilities	103,440	93,069	0	0	0	0
Supplies	420,732	377,414	0	0	0	0
Travel and entertainment fees	12,182	7,987	0	0	12,182	7,987
Office expense	13,872	10,236	0	0	13,872	10,236
Promotion	4,737	3,091	0	0	4,737	2,341
Chapter grants	316,240	159,968	0	0	316,240	159,968
Contributions	0	0	(158,122)	(130,284)	158,122	130,284
Miscellaneous	4,022	1,896	0	0	0	0
Total Expenses before Depreciation	1,652,206	1,440,155	(158,122)	(130,284)	543,742	343,621
Depreciation and amortization	237,534	241,660	0	0	0	0
Total Expenses	\$ 1,889,740	\$ 1,681,815	\$ (158,122)	\$ (130,284)	\$ 543,742	\$ 343,621

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF PROGRAM SERVICES EXPENSES (Continued)
DECEMBER 31, 2015 AND 2014

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2015	2014	2015	2014
Program Services				
Salaries and related expenses	\$ 122,859	\$ 173,229	\$ 178,088	\$ 178,995
Rent expense	67,486	63,948	80,806	80,067
Repairs and maintenance	122,817	128,350	109,394	75,053
Insurance	22,118	20,832	34,824	33,215
Utilities	46,692	49,235	56,748	43,834
Supplies	236,689	223,146	184,043	154,268
Travel and entertainment fees	0	0	0	0
Office expense	0	0	0	0
Promotion	0	750	0	0
Chapter grants	0	0	0	0
Contributions	0	0	0	0
Miscellaneous	4,022	1,896	0	0
	<u>622,683</u>	<u>661,386</u>	<u>643,903</u>	<u>565,432</u>
Total Expenses before Depreciation				
Depreciation and amortization	<u>153,781</u>	<u>152,022</u>	<u>83,753</u>	<u>89,638</u>
Total Expenses	<u>\$ 776,464</u>	<u>\$ 813,408</u>	<u>\$ 727,656</u>	<u>\$ 655,070</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF MANAGEMENT AND GENERAL EXPENSES
DECEMBER 31, 2015 AND 2014

	<u>Total</u>		<u>Interdivision Eliminations</u>		<u>RMHC Division</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Management and General						
Salaries and related expenses	\$ 34,337	\$ 27,601	\$ 0	\$ 0	\$ 8,591	\$ 8,834
Rent expense	2,597	497	0	0	0	0
Repairs and maintenance	4,201	4,259	0	0	0	0
Insurance	895	847	0	0	0	0
Utilities	1,736	1,684	0	0	0	0
Professional fees	69,135	79,991	0	0	47,115	58,091
Travel and entertainment fees	11,091	14,824	0	0	11,091	14,824
Office expense	16,354	16,066	0	0	0	38
Promotion	4,418	2,036	0	0	4,418	2,036
Miscellaneous	19,626	17,011	0	0	18,679	16,256
	<u>164,390</u>	<u>164,816</u>	<u>0</u>	<u>0</u>	<u>89,894</u>	<u>100,079</u>
Total Expenses before Depreciation						
Depreciation and amortization	<u>16,693</u>	<u>61,381</u>	<u>0</u>	<u>0</u>	<u>11,920</u>	<u>56,600</u>
Total Expenses	<u>\$ 181,083</u>	<u>\$ 226,197</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 101,814</u>	<u>\$ 156,679</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF MANAGEMENT AND GENERAL EXPENSES (Continued)
DECEMBER 31, 2015 AND 2014

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2015	2014	2015	2014
	2015	2014	2015	2014
Management and General				
Salaries and related expenses	\$ 10,633	\$ 11,056	\$ 15,113	\$ 7,711
Rent expense	517	497	2,080	0
Repairs and maintenance	3,198	3,342	1,003	917
Insurance	576	543	319	304
Utilities	1,216	1,282	520	402
Professional fees	11,010	10,950	11,010	10,950
Travel and entertainment fees	0	0	0	0
Office expense	9,891	9,762	6,463	6,266
Promotion	0	0	0	0
Miscellaneous	0	0	947	755
Total Expenses before Depreciation	37,041	37,432	37,455	27,305
Depreciation and amortization	4,005	3,959	768	822
Total Expenses	<u>\$ 41,046</u>	<u>\$ 41,391</u>	<u>\$ 38,223</u>	<u>\$ 28,127</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF FUND-RAISING EXPENSES
DECEMBER 31, 2015 AND 2014

	<u>Total</u>		<u>Interdivision Eliminations</u>		<u>RMHC Division</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Fund-Raising						
Salaries and related expenses	\$ 155,457	\$ 115,431	\$ 0	\$ 0	\$ 82,146	\$ 58,702
Rent expense	2,346	1,987	0	0	0	0
Repairs and maintenance	2,922	2,922	0	0	0	0
Insurance	664	630	0	0	0	0
Utilities	1,250	1,171	0	0	0	0
Promotion	21,253	13,909	0	0	21,253	13,909
Advertising	36,000	36,000	0	0	36,000	36,000
Canister expense	127,163	148,128	0	0	127,163	148,128
Miscellaneous	24,032	21,928	0	0	23,641	21,776
	<u>371,087</u>	<u>342,106</u>	<u>0</u>	<u>0</u>	<u>290,203</u>	<u>278,515</u>
Total Expenses before Depreciation						
Depreciation and amortization	3,171	3,197	0	0	0	0
	<u>3,171</u>	<u>3,197</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>\$ 374,258</u>	<u>\$ 345,303</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 290,203</u>	<u>\$ 278,515</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF FUND-RAISING EXPENSES (Continued)
DECEMBER 31, 2015 AND 2014

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2015	2014	2015	2014
Fund-Raising				
Salaries and related expenses	\$ 41,762	\$ 37,355	\$ 31,549	\$ 19,374
Rent expense	1,722	1,987	624	
Repairs and maintenance	1,919	2,005	1,003	917
Insurance	345	326	319	304
Utilities	730	769	520	402
Promotion	0	0	0	0
Advertising	0	0	0	0
Canister expense	0	0	0	0
Miscellaneous	0	0	391	152
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses before Depreciation	46,478	42,442	34,406	21,149
Depreciation and amortization	2,403	2,375	768	822
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 48,881</u>	<u>\$ 44,817</u>	<u>\$ 35,174</u>	<u>\$ 21,971</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF CASH FLOWS
DECEMBER 31, 2015 AND 2014

	<u>Total</u>		<u>Interdivision Eliminations</u>		<u>RMHC Division</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Changes in net assets	\$ 268,484	\$ (158,729)	\$ 0	\$ 0	\$ 748,177	\$ 465,256
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities						
Depreciation and amortization	257,398	306,238	0	0	11,920	56,600
Loss (gain) on disposal of assets	65,892	1,605	0	0	0	0
In-kind contributions of property and equipment	(67,920)	(42,750)	0	0	(6,817)	0
Realized and unrealized (gain) loss on investments	(260,743)	41,068	0	0	(78,689)	16,263
Change in operating assets and liabilities						
Accounts receivable	(125,822)	(87,079)	0	0	(97,767)	(90,872)
Prepaid expenses	(7,233)	(4,163)	0	0	(7,233)	(4,163)
Accounts payable and accrued expenses	(42,515)	37,816	0	0	(30,565)	29,944
Deferred revenue	0	(75)	0	0	0	(75)
Interdivision	0	0	0	0	(477,331)	(415,134)
Grants payable	60,000	0	0	0	60,000	0
Net Cash Provided by Operating Activities	<u>147,541</u>	<u>93,931</u>	<u>0</u>	<u>0</u>	<u>121,695</u>	<u>57,819</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from the sale of investments	0	1,029,338	0	0	0	1,029,338
Proceeds from the sale of property and equipment	0	4,988	0	0	0	0
Purchase of property and equipment	(26,519)	(69,730)	0	0	0	(3,783)
Purchase of investments	(98,557)	(1,084,096)	0	0	(98,557)	(1,084,096)
Net Cash Used in Investing Activities	<u>(125,076)</u>	<u>(119,500)</u>	<u>0</u>	<u>0</u>	<u>(98,557)</u>	<u>(58,541)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	22,465	(25,569)	0	0	23,138	(722)
CASH AND CASH EQUIVALENTS, JANUARY 1	<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>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 3,521,001</u>	<u>\$ 3,498,536</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,505,128</u>	<u>\$ 3,481,990</u>

See Independent Auditors' Report and Supplementary Information.

RONALD McDONALD HOUSE CHARITIES OF SOUTH FLORIDA, INC.
SUPPLEMENTARY STATEMENTS OF CASH FLOWS (Continued)
DECEMBER 31, 2015 AND 2014

	Ronald McDonald House - Miami Division		Ronald McDonald House - Ft. Lauderdale Division	
	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Changes in net assets	\$ (145,529)	\$ (370,026)	\$ (334,164)	\$ (253,959)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities				
Depreciation and amortization	160,189	158,357	85,289	91,281
Loss (gain) on disposal of assets	46,017	(2,771)	19,875	4,376
In-kind contributions of property and equipment	(7,500)	(3,674)	(53,603)	(39,076)
Realized and unrealized (gain) loss on investments	(182,054)	24,805	0	0
Change in operating assets and liabilities				
Accounts receivable	(26,116)	4,565	(1,939)	(772)
Prepaid expenses	0	0	0	0
Accounts payable and accrued expenses	649	432	(12,599)	7,440
Deferred revenue	0	0	0	0
Interdivision	176,517	194,971	300,814	220,163
Grants payable	0	0	0	0
Net Cash Provided by Operating Activities	<u>22,173</u>	<u>6,659</u>	<u>3,673</u>	<u>29,453</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the sale of investments	0	0	0	0
Proceeds from the sale of property and equipment	0	4,988	0	0
Purchase of property and equipment	(22,991)	(38,714)	(3,528)	(27,233)
Purchase of investments	0	0	0	0
Net Cash Used in Investing Activities	<u>(22,991)</u>	<u>(33,726)</u>	<u>(3,528)</u>	<u>(27,233)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(818)	(27,067)	145	2,220
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>12,106</u>	<u>39,173</u>	<u>4,440</u>	<u>2,220</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 11,288</u>	<u>\$ 12,106</u>	<u>\$ 4,585</u>	<u>\$ 4,440</u>

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