

**RONALD MCDONALD HOUSE LOUISVILLE, INC.  
(FORMERLY KNOWN AS RONALD MCDONALD HOUSE  
CHARITIES OF KENTUCKIANA, INC.) AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**YEARS ENDED DECEMBER 31, 2025 AND 2024**

**RONALD MCDONALD HOUSE LOUISVILLE, INC. (FORMERLY KNOWN AS RONALD  
MCDONALD HOUSE CHARITIES OF KENTUCKIANA, INC.) AND AFFILIATES  
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YEARS ENDED DECEMBER 31, 2025 AND 2024**

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Independent Auditors' Report

To the Board of Directors of  
Ronald McDonald House Louisville, Inc.  
(Formerly known as Ronald McDonald House Charities of  
Kentuckiana, Inc.) and Affiliates

**Opinion**

We have audited the accompanying consolidated financial statements of Ronald McDonald House Louisville, Inc. (formerly known as Ronald McDonald House Charities of Kentuckiana, Inc.) and Affiliates, which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ronald McDonald House Louisville, Inc. and Affiliates as of December 31, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Ronald McDonald House Louisville, Inc. and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ronald McDonald House Louisville, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

**Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ronald McDonald House Louisville, Inc. and Affiliates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ronald McDonald House Louisville, Inc. and Affiliates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Report on Supplementary Information**

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

*Novogradac & Company LLP*

Dover, Ohio  
June 22, 2026

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2025 AND 2024**

<b>ASSETS</b>	2025	2024
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,642,651	\$ 2,060,656
Accounts Receivable	62,167	40,035
Contributions Receivable, Net	90,000	90,000
Prepaid Expenses	69,553	83,613
Inventories	5,032	9,205
Total Current Assets	1,869,403	2,283,509
<b>NONCURRENT ASSETS</b>		
Contributions Receivable, Net	337,520	469,180
Investments	11,271,972	9,413,950
Property and Equipment, Net	18,233,007	18,363,211
Other Assets	19,154	24,672
Total Noncurrent Assets	29,861,653	28,271,013
Total Assets	\$ 31,731,056	\$ 30,554,522
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 160,892	\$ 220,367
Unearned Revenue	16,706	20,680
Total Current Liabilities	177,598	241,047
<b>NET ASSETS</b>		
Without Donor Restrictions		
Controlling Interest	30,321,784	27,189,383
Noncontrolling Interest	-	1,899,223
	30,321,784	29,088,606
With Donor Restrictions		
Total Net Assets	1,231,674	1,224,869
	31,553,458	30,313,475
Total Liabilities and Net Assets	\$ 31,731,056	\$ 30,554,522

See accompanying Notes to Consolidated Financial Statements.

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND OTHER SUPPORT</b>						
Contributions	\$ 3,074,939	\$ 22,763	\$ 3,097,702	\$ 2,770,141	\$ 413,290	\$ 3,183,431
Special Events Revenue	953,373	-	953,373	989,672	-	989,672
Room Donations	479,070	-	479,070	324,090	-	324,090
Other Income	2,392	-	2,392	20,355	-	20,355
Net Assets Released from Restrictions	118,377	(118,377)	-	20,684	(20,684)	-
Total Revenues and Other Support	<u>4,628,151</u>	<u>(95,614)</u>	<u>4,532,537</u>	<u>4,124,942</u>	<u>392,606</u>	<u>4,517,548</u>
<b>EXPENSES</b>						
Program Services	3,011,423	-	3,011,423	2,704,551	-	2,704,551
Cost of Direct Benefits to Donors	288,433	-	288,433	301,165	-	301,165
Management and General Administration	599,056	-	599,056	499,482	-	499,482
Fundraising	564,113	-	564,113	533,219	-	533,219
Total Expenses	<u>4,463,025</u>	<u>-</u>	<u>4,463,025</u>	<u>4,038,417</u>	<u>-</u>	<u>4,038,417</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>						
	165,126	(95,614)	69,512	86,525	392,606	479,131
<b>Investment Income, Net</b>	<u>1,153,366</u>	<u>102,419</u>	<u>1,255,785</u>	<u>916,327</u>	<u>83,520</u>	<u>999,847</u>
<b>CHANGE IN NET ASSETS</b>	1,318,492	6,805	1,325,297	1,002,852	476,126	1,478,978
<b>Less: Noncontrolling interest in RMHCK Real Estate, LLC income</b>	<u>2,820</u>	<u>-</u>	<u>2,820</u>	<u>(110,505)</u>	<u>-</u>	<u>(110,505)</u>
<b>CHANGE IN NET ASSETS ATTRIBUTABLE TO CONTROLLING INTEREST</b>	1,321,312	6,805	1,328,117	892,347	476,126	1,368,473
Distribution to Enhanced Capital HTC Fund III	(93,003)	-	(93,003)	-	-	-
Priority return to Enhanced Capital HTC Fund III	(6,442)	-	(6,442)	(40,689)	-	(40,689)
Noncontrolling interest in RMHCK Real Estate, LLC income	11,311	-	11,311	110,505	-	110,505
Net Assets - Beginning of Year	<u>29,088,606</u>	<u>1,224,869</u>	<u>30,313,475</u>	<u>28,126,443</u>	<u>748,743</u>	<u>28,875,186</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 30,321,784</u>	<u>\$ 1,231,674</u>	<u>\$ 31,553,458</u>	<u>\$ 29,088,606</u>	<u>\$ 1,224,869</u>	<u>\$ 30,313,475</u>

See accompanying Notes to Consolidated Financial Statements.

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2025**

	Program Services				Management and General	Fundraising	Cost of Direct Benefits to Donors	Total
	Ronald McDonald House	Ronald McDonald Family Room	Eliminations	Total				
Salaries	\$ 1,189,151	\$ -	\$ -	\$ 1,189,151	\$ 274,420	\$ 365,893	\$ -	\$ 1,829,464
Employee Benefits	141,841	-	-	141,841	85,589	17,117	-	244,547
Payroll Taxes	99,973	-	-	99,973	21,122	19,713	-	140,808
Total Salaries and Related Expenses	1,430,965	-	-	1,430,965	381,131	402,723	-	2,214,819
Amortization	-	-	-	-	346	-	-	346
Ancillary	7,649	-	-	7,649	-	7,648	-	15,297
Board Expense	1,834	-	-	1,834	1,222	-	-	3,056
Capital Campaign	-	-	-	-	-	3,657	-	3,657
Cleaning Services and Supplies	296,127	-	-	296,127	-	-	-	296,127
Depreciation	604,136	-	(2,698)	601,438	1,416	1,416	-	604,270
Direct Mail	57,280	-	-	57,280	-	101,835	-	159,115
Family Room Expense	-	6,358	-	6,358	-	-	-	6,358
Fundraising Events	-	-	-	-	-	18,150	288,433	306,583
Insurance	68,000	-	-	68,000	3,580	-	-	71,580
Interest	562,951	-	(557,780)	5,171	-	-	-	5,171
Maintenance and Repairs	279,645	-	-	279,645	-	-	-	279,645
Office Supplies	10,058	-	-	10,058	7,539	7,538	-	25,135
Other expenses	-	-	-	-	63,272	-	-	63,272
Postage	2,813	-	-	2,813	471	1,405	-	4,689
Printing and Publishing	48,991	-	-	48,991	7,539	18,843	-	75,373
Professional Fees	-	-	-	-	84,810	-	-	84,810
Rent	1,170,902	-	(1,170,902)	-	-	-	-	-
Rental Supplies	-	-	-	-	2,480	-	-	2,480
Technology	30,221	-	-	30,221	30,221	-	-	60,442
Telephone	28,437	-	-	28,437	597	898	-	29,932
Travel, Meals, and Entertainment	7,643	-	-	7,643	7,650	-	-	15,293
Utilities	128,793	-	-	128,793	6,782	-	-	135,575
Volunteer Resources and Recognition	-	-	-	-	-	-	-	-
Total Expenses	\$ 4,736,445	\$ 6,358	\$ (1,731,380)	\$ 3,011,423	\$ 599,056	\$ 564,113	\$ 288,433	\$ 4,463,025

See accompanying Notes to Consolidated Financial Statements.

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

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

See accompanying Notes to Consolidated Financial Statements.

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 1,325,297	\$ 1,478,978
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	604,120	582,835
Net Realized and Unrealized gains on Investments	(983,891)	(802,044)
Contributions Restricted for Long-Term Purposes	(22,763)	(413,290)
Changes in Discount of Pledges Receivable	10,206	28,974
(Increase) Decrease in Assets:		
Accounts Receivable	(22,132)	27,763
Contributions Receivable	121,454	616,909
Inventories	4,173	3,438
Prepaid Expenses	14,060	13,030
Other Assets	5,532	2,072
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(59,475)	(16,237)
Unearned Revenue	(3,974)	(16,680)
Net Cash Provided by Operating Activities	992,607	1,505,748
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(460,044)	(329,471)
Purchases of Investments	(874,131)	(488,755)
Proceeds (losses) from Sale of Investments	245	4,214
Net Cash Used in Investing Activities	(1,333,930)	(814,012)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contributions Restricted for Long-Term Purposes	22,763	413,290
Distributions	(99,445)	(40,689)
Net Cash Provided by (Used in) Financing Activities	(76,682)	372,601
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(418,005)	1,064,337
Cash and Cash Equivalents - Beginning of Year	2,060,656	996,319
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,642,651	\$ 2,060,656
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Acquisition of noncontrolling interest in RMHCK Real Estate, LLC	\$ 1,811,089	\$ -

See accompanying Notes to Consolidated Financial Statements.

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Ronald McDonald House of Kentuckiana, Inc. (“RMHL”) is a Kentucky nonprofit charitable corporation. On January 15, 2026, Ronald McDonald House Charities of Kentuckiana, Inc. changed its name to Ronald McDonald House Louisville, Inc. (“RHML”). The accompanying financial statements reflect the Organization under its new name. The mission of Ronald McDonald House (“RMH”) is to provide essential services that remove barriers, strengthen families, and promote healing when children need healthcare. Collectively, RMH and its network of local chapters ascribe to four core values: they lead with compassion, they are deeply respectful, they act with integrity and they are firmly committed.

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

**Ronald McDonald House (the “House”)**

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

**Ronald McDonald House Family Room (the “Family Rooms”)**

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

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

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

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

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

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

**Consolidation Policy**

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

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

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

RMHCK Real Estate Member, Inc. is structured as a wholly owned subsidiary of RMHL. RMHL Real Estate, LLC was owned 99% by RMHL and 1% by RMHCK Real Estate Member, Inc. In connection with the financing of the renovation and expansion of its facilities, effective February 20, 2019, RMHL exchanged its 99% ownership in RMHCK Real Estate, LLC, for an agreed upon capital commitment of \$2,325,077 from an investment member (Enhanced Capital HTC Fund III, LLC).

On February 26, 2025, RMHCK Real Estate Member, Inc. increased its ownership interest in RMHCK Real Estate, LLC to 100%. The additional interest was acquired through the investment member exercising its membership interest redemption option pursuant to the terms of the operating agreement of RMHCK Real Estate, LLC, in exchange for the redemption option price of \$99,445.

Because RMHL maintained control of RMHCK Real Estate, LLC both before and after the transaction, the increase in ownership interest was accounted for as an equity transaction in accordance with ASC 810 – Consolidation, as applicable to not-for-profit entities. Accordingly, no gain or loss was recognized in the statement of activities as a result of this transaction.

The carrying amount of the noncontrolling interest was adjusted to reflect the change in ownership, and the difference between the consideration transferred and the carrying value of the noncontrolling interest acquired was recorded as an adjustment to net assets without donor restrictions.

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

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

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

**Basis of Presentation**

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

**Measure of Operations**

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

**Estimates**

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

**Cash Equivalents**

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

**Accounts Receivable**

RMHL considers accounts receivable fully collectible. Accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to activities when that determination is made. No amounts were charged to activities in 2025 or 2024. There were no amounts determined to be uncollectible for the years ended December 31, 2025 and 2024.

**Contributions Receivable**

Contributions receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Contributions receivable are written off when deemed uncollectible. There were no amounts determined to be uncollectible for the years ended December 31, 2025 or 2024.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Inventories**

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

**Investments and Investment Income**

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

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

**Property and Equipment**

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

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

**Impairment of Long-Lived Assets**

RMHL evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amount of such assets may not be fully recoverable. RMHL evaluates the recoverability of long-lived assets by measuring the carrying amount of such assets against the estimated undiscounted future cash flows associated with them. At the time such evaluation indicates that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying value of such assets, the assets are adjusted to their fair values. RMHL determined that no impairment loss needs to be recognized for applicable assets for the years ended December 31, 2025 and 2024.

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

**Donated Assets, Property and Equipment, and Services**

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

Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by RMHL. RMHL also receives donated services from other contributors and volunteers that are not measurable, and therefore, are excluded from the consolidated financial statements.

**Net Assets**

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

**Without Donor Restrictions**

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

**With Donor Restrictions**

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

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

**Revenue Recognition**

**Contributions and Grants**

Unconditional promises to give are recognized as revenue in the period the promise was made. Contributions, grants, and bequests are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. RMHL reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

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

**Special Events Revenue**

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

**Functional Expenses**

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

**Advertising**

RMHL expenses advertising costs as they are incurred. RMHL advertises through the use of newsletters, direct mail appeals, RMHL web site, and McDonald's Co-op by means of donation boxes placed in all stores. Advertising expense was \$16,460 and \$12,908 for the years ended December 31, 2025 and 2024, respectively.

**Income Tax Status**

RMHL is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). However, income, if any, from certain activities not directly related to RMHL's tax-exempt purpose is subject to taxation as unrelated business income. In addition, RMHL qualifies for the charitable contribution deduction under IRC Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under IRC Section 509(a)(2). RMHL is also exempt from state and local tax pursuant to state and local tax code. RMHL believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements.

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

**Income Tax Status (continued)**

RMHCK Real Estate, LLC was treated as a partnership for income tax purposes until it became a disregarded entity on February 26, 2025. RMHCK Real Estate Member, Inc. elected to be treated as a separate corporation for income tax purposes and includes the assets, liabilities, and members' equity of RMHCK Real Estate, LLC as of December 31, 2025 and the operations for the period February 26, 2025 to December 31, 2025.

**Reclassifications**

Certain reclassifications have been made to the prior year consolidated financial statements to conform to the current year presentation.

**NOTE 2 LIQUIDITY**

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Financial assets, at year-end	\$ 13,404,310	\$ 12,073,821
Less: those unavailable for general expenditures within one year, due to:		
Contributions receivable, long-term	(337,520)	(469,180)
Contractual or donor-imposed restrictions:		
Kroc and Arentsen endowment funds	(600,000)	(600,000)
Board designated capital project funds	(5,405,245)	(4,273,952)
<b>Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year</b>	<b>\$ 7,061,545</b>	<b>\$ 6,730,689</b>
Cash and Cash Equivalents	\$ 1,642,651	\$ 2,060,656
Accounts Receivable	62,167	40,035
Contributions Receivable, Net	427,520	559,180
Investments	11,271,972	9,413,950
<b>Financial Assets at Year-End</b>	<b>\$ 13,404,310</b>	<b>\$ 12,073,821</b>

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
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**NOTE 3 CONTRIBUTIONS RECEIVABLE**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Amounts due in:		
Less than one year	\$ 90,000	\$ 90,000
One to five years	360,000	411,866
More than five years	-	90,000
Total	450,000	591,866
Unamortized Discount	22,480	32,686
<b>Net Contributions Receivable</b>	<b>\$ 427,520</b>	<b>\$ 559,180</b>

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

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**NOTE 4 INVESTMENTS**

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

Investments consisted of the following at December 31, 2025:

	<u>Fair Value</u>	<u>Cost</u>	<u>Cumulative Unrealized Gain (Loss)</u>
<b>Undesignated</b>			
Operating Reserve Fund			
Cash equivalents	\$ 284,201	\$ 284,201	\$ -
Common stock	2,279,167	1,366,665	912,502
Exchange traded funds	246,984	199,054	47,930
Mutual funds			
Index funds	70,018	65,503	4,515
Domestic equity	1,118,477	1,092,718	25,758
International equity	378,241	316,146	62,095
Bond funds	703,706	688,167	15,539
<b>Total Undesignated Investments</b>	<u>\$ 5,080,794</u>	<u>\$ 4,012,455</u>	<u>\$ 1,068,338</u>
<b>Designated</b>			
Capital Project Fund			
Cash equivalents	\$ 89,952	\$ 89,952	\$ -
Common stock	2,398,180	1,569,321	828,859
Exchange traded funds	350,799	281,114	69,685
Mutual funds			
Domestic equity	1,222,644	1,205,564	17,080
International equity	421,735	361,500	60,235
Bond funds	921,935	909,316	12,619
<b>Total Designated Investments</b>	<u>\$ 5,405,245</u>	<u>\$ 4,416,767</u>	<u>\$ 988,478</u>

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 4 INVESTMENTS (CONTINUED)**

Investments consisted of the following at December 31, 2025 (continued):

	<u>Fair Value</u>	<u>Cost</u>	<u>Cumulative Unrealized Gain (Loss)</u>
<b>Retention Plan Account</b>			
Cash equivalents	\$ 1,224	\$ 1,224	\$ -
<b>Total Retention Plan Account</b>	<u>\$ 1,224</u>	<u>\$ 1,224</u>	<u>\$ -</u>
<b>Kroc Restricted Fund</b>			
Cash equivalents	\$ 16,941	\$ 16,941	\$ -
Exchange traded funds	102,267	84,105	18,162
Mutual funds			
Index funds	106,246	33,501	72,745
Domestic equity	339,725	317,459	22,266
International equity	47,698	40,308	7,390
<b>Total Kroc Restricted Fund</b>	<u>\$ 612,877</u>	<u>\$ 492,314</u>	<u>\$ 120,563</u>
<b>Janet Arentsen Endowment Fund</b>			
Cash equivalents	\$ 6,053	\$ 6,053	\$ -
Exchange traded funds	35,050	28,785	6,265
Mutual funds			
Index funds	37,375	19,008	18,367
Domestic equity	77,639	69,776	7,864
International equity	15,715	14,139	1,575
<b>Total Janet Arentsen Endowment Fund</b>	<u>\$ 171,832</u>	<u>\$ 137,761</u>	<u>\$ 34,071</u>
<b>Total Restricted Investments</b>	<u>\$ 784,709</u>	<u>\$ 630,075</u>	<u>\$ 154,634</u>
<b>Total Investments</b>	<u>\$ 11,271,972</u>	<u>\$ 9,060,521</u>	<u>\$ 2,211,450</u>

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
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**NOTE 4 INVESTMENTS (CONTINUED)**

Investments consisted of the following at December 31, 2024:

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

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
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**NOTE 4 INVESTMENTS (CONTINUED)**

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

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

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

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

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

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**NOTE 4 INVESTMENTS (CONTINUED)**

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

Fair value of assets measured on a recurring basis as of December 31, 2025 is as follows:

	<b>Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash equivalents	\$ 398,371	\$ 398,371	\$ -	\$ -
Exchange traded funds	735,100	735,100	-	-
Common stock	4,677,347	4,677,347	-	-
Mutual funds				
Index funds	213,640	213,640	-	-
Domestic equity	2,758,485	2,758,485	-	-
International equity	863,389	863,389	-	-
Bond funds	1,625,641	1,625,641	-	-
	<u>\$ 11,271,972</u>	<u>\$ 11,271,973</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

The carrying amounts of all other assets and liabilities reflected in the consolidated statements of financial position for RMHL's financial instruments approximates their respective fair value due to the short-term maturities of those instruments. There have been no changes in valuation techniques and related inputs in 2025 or 2024.

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**NOTE 4 INVESTMENTS (CONTINUED)**

Total investment income is comprised of the following:

	<b>Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest and dividend income	\$ 321,667	\$ 240,485
Net realized and unrealized gains on investments reported at fair value	983,891	802,044
Less investment related expenses	(49,773)	(42,682)
Total	<b>\$ 1,255,785</b>	<b>\$ 999,847</b>

**NOTE 5 PROPERTY AND EQUIPMENT**

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Land	\$ 510,000	\$ 510,000
Buildings and Improvements	20,647,566	20,199,692
Furniture and equipment	699,398	687,228
Total, at Cost	21,856,964	21,396,920
Less accumulated depreciation	(3,623,957)	(3,033,709)
<b>Net Property and Equipment</b>	<b>\$ 18,233,007</b>	<b>\$ 18,363,211</b>

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
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**NOTE 6 ENDOWMENT FUNDS**

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

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

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

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

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

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
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**NOTE 6 ENDOWMENT FUNDS (CONTINUED)**

Changes in board-designated and donor-restricted endowment during the years ended December 31, 2025 and 2024 are as follows:

	<b>Board- Designated Endowment (Net Assets without Donor Restrictions)</b>	<b>Donor- Restricted Endowment (Net Assets with Donor Restrictions)</b>
<b>Balance at January 1, 2024</b>	\$ 3,136,036	\$ 748,743
Investment income	103,578	83,520
Net appreciation	339,811	-
Amounts appropriated for expenditure	-	(7,394)
Contributions	694,239	-
<b>Total Change in Endowment</b>	1,137,628	76,126
 <b>Balance at December 31, 2024</b>	 4,273,664	 824,869
Investment income	151,920	30,865
Net appreciation	457,378	75,347
Amounts appropriated for expenditure	(374,421)	(105,087)
Contributions	896,704	351
<b>Total Change in Endowment</b>	1,131,581	1,476
 <b>Balance at December 31, 2025</b>	 \$ 5,405,245	 \$ 826,345

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

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
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**NOTE 6 ENDOWMENT FUNDS (CONTINUED)**

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

**NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS**

RMHL receives certain contributions for which the use is restricted by the donor or is subject to a time restriction. For the years ended December 31, 2025 and 2024, the activity in net assets with donor restrictions consisted of the following:

	<b>Balance December 31, 2024</b>	<b>Restricted Contributions and Grants</b>	<b>Net Assets Released from Restrictions</b>	<b>Balance December 31, 2025</b>
<i>Controlling Interest:</i>				
Restricted for Specific Purpose				
Debt relief and building renovations	\$ 400,000	\$ 22,763	\$ (13,290)	\$ 409,473
Kroc and Arentsen Endowments				
Investment in perpetuity	600,000	-	-	600,000
Unappropriated endowment earnings	224,869	102,419	(105,087)	222,201
<i>Noncontrolling Interest</i>				
	-	-	-	-
	<u>\$ 1,224,869</u>	<u>\$ 125,182</u>	<u>\$ (118,377)</u>	<u>\$ 1,231,674</u>

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**NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

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

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 8 NET ASSETS WITHOUT DONOR RESTRICTIONS**

For the years ended December 31, 2025 and 2024, the activity in net assets without donor restrictions consisted of the following:

	<b>Balance December 31, 2024</b>	<b>Unrestricted Distributions</b>	<b>Change in Net Assets</b>	<b>Transfer of Interest</b>	<b>Balance December 31, 2025</b>
<i>Controlling Interest:</i>	\$ 27,189,383	\$ -	\$ 1,321,312	\$ 1,811,089	\$ 30,321,784
<i>Noncontrolling Interest</i>	1,899,223	(99,445)	11,311	(1,811,089)	-
	<u>\$ 29,088,606</u>	<u>\$ (99,445)</u>	<u>\$ 1,332,623</u>	<u>\$ -</u>	<u>\$ 30,321,784</u>

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

**NOTE 9 DONATED GOODS AND SERVICES**

Donated goods and services consisted of the following for the year ended December 31, 2025:

	<b>Program Services</b>	<b>Management and General Administration</b>	<b>Fundraising</b>	<b>Total</b>
Cleaning service and supplies	\$ 142,350	\$ -	\$ -	\$ 142,350
Printing and publishing	-	-	5,270	5,270
	<u>\$ 142,350</u>	<u>\$ -</u>	<u>\$ 5,270</u>	<u>\$ 147,620</u>

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

	<b>Program Services</b>	<b>Management and General Administration</b>	<b>Fundraising</b>	<b>Total</b>
Cleaning service and supplies	\$ 150,091	\$ -	\$ -	\$ 150,091
Printing and publishing	-	-	1,178	1,178
	<u>\$ 150,091</u>	<u>\$ -</u>	<u>\$ 1,178</u>	<u>\$ 151,269</u>

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 10 RETIREMENT PLAN**

RMHL has a simple IRA retirement plan. RMHL matches 100% of employee contributions up to three percent of their compensation. RMHL made contributions of \$42,891 and \$27,865 for the years ended December 31, 2025 and 2024, respectively. The contributions are included in employee benefits on the consolidated statements of functional expenses.

**NOTE 11 SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 22, 2026, which is the date the financial statements were available to be issued. Management has determined that there are no subsequent events to be disclosed in accordance with U.S. GAAP.

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**December 31, 2025**

<b>ASSETS</b>	Ronald McDonald House Louisville, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 1,636,984	\$ 5,667	\$ -	\$ -	\$ 1,642,651
Accounts Receivable	62,167	-	-	-	62,167
Deferred Rent Receivable	-	839,702	-	(839,702)	-
Contributions Receivable, Net	90,000	-	-	-	90,000
Due from Related Parties	568,230	1,105,464	-	(1,673,694)	-
Prepaid Expenses	69,553	-	-	-	69,553
Inventories	5,032	-	-	-	5,032
Total Current Assets	<u>2,431,966</u>	<u>1,950,833</u>	<u>-</u>	<u>(2,513,396)</u>	<u>1,869,403</u>
<b>NONCURRENT ASSETS</b>					
Contributions Receivable, Net	337,520	-	-	-	337,520
Investments	11,271,972	-	-	-	11,271,972
Property and Equipment, Net	1,653,177	16,665,727	-	(85,897)	18,233,007
Other Assets	-	19,154	-	-	19,154
Mortgage Note Receivable	16,000,171	-	-	(16,000,171)	-
Investment in Subsidiary	77,065	-	1,963,532	(2,040,597)	-
Total Noncurrent Assets	<u>29,339,905</u>	<u>16,684,881</u>	<u>1,963,532</u>	<u>(18,126,665)</u>	<u>29,861,653</u>
Total Assets	<u>\$ 31,771,871</u>	<u>\$ 18,635,714</u>	<u>\$ 1,963,532</u>	<u>\$ (20,640,061)</u>	<u>\$ 31,731,056</u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable and Accrued Expenses	\$ 160,812	\$ 80	\$ -	\$ -	\$ 160,892
Unearned Revenue	16,706	-	-	-	16,706
Due to Related Parties	2,502,946	557,780	-	(3,060,726)	-
Total Current Liabilities	<u>2,680,464</u>	<u>557,860</u>	<u>-</u>	<u>(3,060,726)</u>	<u>177,598</u>
<b>MORTGAGE NOTE PAYABLE</b>	-	16,000,170	-	(16,000,170)	-
<b>NET ASSETS</b>					
Without Donor Restrictions					
Controlling Interest	27,859,733	2,077,684	1,963,532	(1,579,165)	30,321,784
Noncontrolling Interest	-	-	-	-	-
With Donor Restrictions					
	<u>1,231,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,231,674</u>
Total Net Assets	<u>29,091,407</u>	<u>2,077,684</u>	<u>1,963,532</u>	<u>(1,579,165)</u>	<u>31,553,458</u>
Total Liabilities and Net Assets	<u>\$ 31,771,871</u>	<u>\$ 18,635,714</u>	<u>\$ 1,963,532</u>	<u>\$ (20,640,061)</u>	<u>\$ 31,731,056</u>

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2025**

	Ronald McDonald House Louisville, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
<b>WITHOUT DONOR RESTRICTIONS</b>					
<b>REVENUES AND OTHER SUPPORT</b>					
Contributions	\$ 3,074,939	\$ -	\$ -	\$ -	\$ 3,074,939
Special Events Revenue	953,373	-	-	-	953,373
Room Donations	479,070	-	-	-	479,070
Interest Income	557,780	-	-	(557,780)	-
Other Income	2,392	1,170,902	(28)	(1,170,874)	2,392
Net Assets Released from Restrictions	118,377	-	-	-	118,377
Total Revenues and Other Support	<u>5,185,931</u>	<u>1,170,902</u>	<u>(28)</u>	<u>(1,728,654)</u>	<u>4,628,151</u>
<b>EXPENSES</b>					
Program Services	3,683,693	1,056,770	2,340	(1,731,380)	3,011,423
Cost of Direct Benefits to Donors	288,433	-	-	-	288,433
Management and General Administration	599,056	-	-	-	599,056
Fundraising	564,113	-	-	-	564,113
Total Expenses	<u>5,135,295</u>	<u>1,056,770</u>	<u>2,340</u>	<u>(1,731,380)</u>	<u>4,463,025</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	50,636	114,132	(2,368)	2,726	165,126
<b>Investment Income, Net</b>	<u>1,153,366</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,153,366</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	1,204,002	114,132	(2,368)	2,726	1,318,492
<b>WITH DONOR RESTRICTIONS</b>					
<b>REVENUES AND OTHER SUPPORT</b>					
Contributions	22,763	-	-	-	22,763
Net Assets Released from Restrictions	(118,377)	-	-	-	(118,377)
Total Revenues and Other Support	<u>(95,614)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(95,614)</u>
<b>Investment Income, Net</b>	<u>102,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,419</u>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>	<u>6,805</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,805</u>
<b>CONSOLIDATED CHANGE IN NET ASSETS</b>	1,210,807	114,132	(2,368)	2,726	1,325,297
<b>Less: Noncontrolling interest in RMHCK Real Estate, LLC loss</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,820</u>	<u>2,820</u>
<b>CHANGE IN NET ASSETS ATTRIBUTABLE TO CONTROLLING INTEREST</b>	1,210,807	114,132	(2,368)	5,546	1,328,117
<b>NET ASSETS - BEGINNING OF YEAR</b>	28,744,478	1,743,067	66,367	(240,437)	30,313,475
Contribution of assets from RMHL	-	-	-	-	-
Capital from Enhanced Capital HTC Fund III	-	-	-	(2,820)	(2,820)
Distributions from RMHCK Real Estate, LLC	-	(93,003)	-	-	(93,003)
Priority return from RMHCK Real Estate, LLC	-	(6,442)	-	-	(6,442)
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 29,955,285</u>	<u>\$ 1,850,757</u>	<u>\$ 63,999</u>	<u>\$ (237,711)</u>	<u>\$ 31,539,327</u>

**RONALD MCDONALD HOUSE LOUISVILLE, INC. AND AFFILIATES**  
**CONSOLIDATING STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2025**

	Ronald McDonald House Louisville, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Change in Net Assets	\$ 1,210,807	\$ 114,132	\$ (2,368)	\$ 2,726	1,325,297
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:					
Depreciation	118,580	488,388	-	(2,848)	604,120
Net Realized and Unrealized Gains on Investment	(983,891)	-	-	-	(983,891)
Contributions Restricted for Long-Term Purposes	(22,763)	-	-	-	(22,763)
Changes in Discount of Pledges Receivable	10,206	-	-	-	10,206
Equity in Net (Income) Loss of Subsidiaries	-	-	28	(28)	-
(Increase) Decrease in Assets:					
Accounts Receivable	(22,132)	-	-	-	(22,132)
Contributions Receivable	121,454	-	-	-	121,454
Inventories	4,173	-	-	-	4,173
Prepaid Expenses	14,060	-	-	-	14,060
Interest Receivable	(557,780)	-	-	557,780	-
Rent Receivable	-	(1,105,464)	-	1,105,464	-
Deferred Rent Receivable	-	(65,438)	-	65,438	-
Other Assets	-	5,532	-	-	5,532
Increase (Decrease) in Liabilities:					
Accounts Payable and Accrued Expenses	(59,475)	-	-	-	(59,475)
Unearned Revenue	(3,974)	-	-	-	(3,974)
Interest Payable	-	557,780	-	(557,780)	-
Rent Payable	1,105,464	-	-	(1,105,464)	-
Deferred Rent Payable	65,438	-	-	(65,438)	-
Net Cash Provided by Operating Activities	<u>1,000,167</u>	<u>(5,070)</u>	<u>(2,340)</u>	<u>(150)</u>	<u>992,607</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchases of Property and Equipment	(460,044)	-	-	-	(460,044)
Due from Related Parties	(2,490)	-	-	2,490	-
Purchases of Investments	(874,131)	-	-	-	(874,131)
Gain from Sale of Investments	245	-	-	-	245
Net Cash Used in Investing Activities	<u>(1,336,420)</u>	<u>-</u>	<u>-</u>	<u>2,490</u>	<u>(1,333,930)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Capital Contributions	-	-	2,490	(2,490)	-
Contributions Restricted for Long-Term Purposes	22,763	-	-	-	22,763
Distributions	-	(99,445)	-	-	(99,445)
Net Cash Provided by (Used in) Financing Activities	<u>22,763</u>	<u>(99,445)</u>	<u>2,490</u>	<u>(2,490)</u>	<u>(76,682)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(313,490)</u>	<u>(104,515)</u>	<u>150</u>	<u>(150)</u>	<u>(418,005)</u>
Cash and Cash Equivalents - Beginning of Year	<u>1,950,474</u>	<u>110,182</u>	<u>(150)</u>	<u>150</u>	<u>2,060,656</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,636,984</u>	<u>\$ 5,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,642,651</u>

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

<b>ASSETS</b>	Ronald McDonald House Louisville, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 1,950,474	\$ 110,182	\$ -	\$ -	\$ 2,060,656
Accounts Receivable	40,035	-	-	-	40,035
Deferred Rent Receivable	-	774,264	-	(774,264)	-
Contributions Receivable, Net	90,000	-	-	-	90,000
Due from Related Parties	7,960	-	-	(7,960)	-
Prepaid Expenses	83,613	-	-	-	83,613
Inventories	9,205	-	-	-	9,205
Total Current Assets	2,181,287	884,446	-	(782,224)	2,283,509
<b>NONCURRENT ASSETS</b>					
Contributions Receivable, Net	469,180	-	-	-	469,180
Investments	9,413,950	-	-	-	9,413,950
Property and Equipment, Net	1,297,090	17,154,115	-	(87,994)	18,363,211
Other Assets	-	24,672	-	-	24,672
Mortgage Note Receivable	16,000,156	-	-	(16,000,156)	-
Investment in Subsidiary	77,065	-	74,341	(151,406)	-
Total Noncurrent Assets	27,257,441	17,178,787	74,341	(16,239,556)	28,271,013
Total Assets	\$ 29,438,728	\$ 18,063,233	\$ 74,341	\$ (17,021,780)	\$ 30,554,522
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable and Accrued Expenses	\$ 220,287	\$ 80	\$ -	\$ -	\$ 220,367
Unearned Revenue	20,680	-	-	-	20,680
Due to Related Parties	774,264	-	-	(774,264)	-
Total Current Liabilities	1,015,231	80	-	(774,264)	241,047
<b>MORTGAGE NOTE PAYABLE</b>	-	16,000,155	-	(16,000,155)	-
<b>NET ASSETS</b>					
Without Donor Restrictions					
Controlling Interest	27,198,628	2,062,998	74,341	(2,146,584)	27,189,383
Noncontrolling Interest	-	-	-	1,899,223	1,899,223
With Donor Restrictions					
Total Net Assets	1,224,869	-	-	-	1,224,869
Total Net Assets	28,423,497	2,062,998	74,341	(247,361)	30,313,475
Total Liabilities and Net Assets	\$ 29,438,728	\$ 18,063,233	\$ 74,341	\$ (17,021,780)	\$ 30,554,522

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

	Ronald McDonald House Louisville, Inc.	RMHCK Real Estate, LLC	RMHCK Real Estate Member, Inc.	Eliminations	Consolidated
<b>WITHOUT DONOR RESTRICTIONS</b>					
<b>REVENUES AND OTHER SUPPORT</b>					
Contributions	\$ 2,770,141	\$ -	\$ -	\$ -	\$ 2,770,141
Special Events Revenue	989,672	-	-	-	989,672
Room Donations	324,090	-	-	-	324,090
Interest Income	563,384	-	-	(563,384)	-
Other Income	20,355	1,170,902	1,116	(1,172,018)	20,355
Net Assets Released from Restrictions	20,684	-	-	-	20,684
Total Revenues and Other Support	<u>4,688,326</u>	<u>1,170,902</u>	<u>1,116</u>	<u>(1,735,402)</u>	<u>4,124,942</u>
<b>EXPENSES</b>					
Program Services	3,379,914	1,059,281	2,340	(1,736,984)	2,704,551
Cost of Direct Benefits to Donors	301,165	-	-	-	301,165
Management and General Administration	499,482	-	-	-	499,482
Fundraising	533,219	-	-	-	533,219
Total Expenses	<u>4,713,780</u>	<u>1,059,281</u>	<u>2,340</u>	<u>(1,736,984)</u>	<u>4,038,417</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	(25,454)	111,621	(1,224)	1,582	86,525
<b>Investment Income, Net</b>	<u>916,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>916,327</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	890,873	111,621	(1,224)	1,582	1,002,852
<b>WITH DONOR RESTRICTIONS</b>					
<b>REVENUES AND OTHER SUPPORT</b>					
Contributions	413,290	-	-	-	413,290
Net Assets Released from Restrictions	(20,684)	-	-	-	(20,684)
Total Revenues and Other Support	<u>392,606</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>392,606</u>
<b>Investment Income, Net</b>	<u>83,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,520</u>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>	476,126	-	-	-	476,126
<b>CONSOLIDATED CHANGE IN NET ASSETS</b>	1,366,999	111,621	(1,224)	1,582	1,478,978
<b>Less: Noncontrolling interest in RMHCK Real Estate, LLC loss</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(110,505)</u>	<u>(110,505)</u>
<b>CHANGE IN NET ASSETS ATTRIBUTABLE TO CONTROLLING INTEREST</b>	1,366,999	111,621	(1,224)	(108,923)	1,368,473
<b>NET ASSETS - BEGINNING OF YEAR</b>	27,377,479	1,672,135	67,591	(242,019)	28,875,186
Contribution of assets from RMHCK Real Estate Member, Inc.	-	-	-	-	-
Capital from Enhanced Capital HTC Fund III	-	-	-	110,505	110,505
Distributions from RMHCK Real Estate, LLC	-	(40,689)	-	-	(40,689)
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 28,744,478</u>	<u>\$ 1,743,067</u>	<u>\$ 66,367</u>	<u>\$ (240,437)</u>	<u>\$ 30,313,475</u>

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

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