

**Ronald McDonald House Southwestern Ontario  
Financial Statements**

*December 31, 2025*

**Ronald McDonald House Southwestern Ontario**  
**Table of Contents**

*For the year ended December 31, 2025*

---

	<b>Page</b>
<b>Independent Auditor's Report</b>	
<b>Financial Statements</b>	
Statement of Financial Position.....	1
Statement of Operations and Changes in Fund Balances.....	2
Schedule 1 – Statement of Functional Expenses 2025.....	3
Schedule 2 – Statement of Functional Expenses 2024.....	4
Statement of Cash Flows.....	5
<b>Notes to the Financial Statements.....</b>	<b>6 - 13</b>

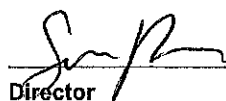
---

**Ronald McDonald House Southwestern Ontario  
Statement of Financial Position**

*As at December 31, 2025*

	<i>General Fund</i>	<i>Capital Fund</i>	<i>Restricted Fund</i>	<i>Total 2025</i>	<i>Total 2024</i>
<b>Assets</b>					
<b>Current</b>					
Cash and cash equivalents (note 10)	\$ 977,862	\$ -	\$ 5,733,106	\$ 6,710,968	\$ 4,117,804
Accounts receivable (notes 4 and 11)	992,794	-	-	992,794	365,911
Prepaid expenses and other assets	71,997	-	-	71,997	54,580
Short-term investments (notes 3 and 10)	945,890	-	-	945,890	1,653,340
	<b>2,988,543</b>	<b>-</b>	<b>5,733,106</b>	<b>8,721,649</b>	<b>6,191,635</b>
<b>Long-term assets</b>					
Investments (notes 3 and 10)	9,796,633	-	-	9,796,633	8,369,812
Capital assets (note 5)	-	6,618,334	-	6,618,334	6,698,528
Intangible assets (note 6)	-	81,233	-	81,233	9,810
Cash surrender value of life insurance	15,330	-	-	15,330	15,330
	<b>\$ 12,800,506</b>	<b>\$ 6,699,567</b>	<b>\$ 5,733,106</b>	<b>\$ 25,233,179</b>	<b>\$ 21,285,115</b>
<b>Liabilities</b>					
<b>Current</b>					
Accounts payable and accrued liabilities (note 8)	\$ 356,726	\$ -	\$ -	\$ 356,726	\$ 250,178
<b>Commitments (note 9)</b>					
<b>Fund balances</b>					
Fund balance, end of year (note 12)	\$ 12,443,780	\$ 6,699,567	\$ 5,733,106	\$ 24,876,453	\$ 21,034,937
	<b>\$ 12,800,506</b>	<b>\$ 6,699,567</b>	<b>\$ 5,733,106</b>	<b>\$ 25,233,179</b>	<b>\$ 21,285,115</b>

Approved on behalf of the Board

  
Director

  
Director

*The accompanying notes are an integral part of these financial statements*

**Ronald McDonald House Southwestern Ontario**  
**Statement of Operations and Changes in Fund Balances**

For the year ended December 31, 2025

	General Fund		Capital Fund		Restricted Fund		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
<b>Revenue</b>								
Contributions (note 11)	\$ 2,468,458	\$ 2,638,953	\$ -	\$ -	\$ 3,187,260	\$ 1,593,649	\$ 5,655,718	\$ 4,232,602
Fundraising activities	2,382,751	1,929,608	-	-	-	-	2,382,751	1,929,608
Grants (note 11)	1,106,064	661,805	-	-	8,000	-	1,114,064	661,805
Guest room accommodations	125,073	135,638	-	-	-	-	125,073	135,638
Other	1,693	4,928	-	-	-	-	1,693	4,928
<b>Total Revenue</b>	<b>6,084,039</b>	<b>5,370,932</b>	<b>-</b>	<b>-</b>	<b>3,195,260</b>	<b>1,593,649</b>	<b>9,279,299</b>	<b>6,964,581</b>
<b>Expenses</b>								
Program services	3,185,670	2,990,585	528,030	479,581	327,648	-	4,041,348	3,470,166
Fundraising (note 12)	1,472,981	844,824	-	-	348,316	-	1,821,297	844,824
Management and general	470,373	470,962	-	-	-	-	470,373	470,962
<b>Total Expenses (schedules 1 and 2)</b>	<b>5,129,024</b>	<b>4,306,371</b>	<b>528,030</b>	<b>479,581</b>	<b>675,964</b>	<b>-</b>	<b>6,333,018</b>	<b>4,785,952</b>
<b>Excess (deficiency) of operating revenue over expenses</b>	<b>955,015</b>	<b>1,064,561</b>	<b>(528,030)</b>	<b>(479,581)</b>	<b>2,519,296</b>	<b>1,593,649</b>	<b>2,946,281</b>	<b>2,178,629</b>
Investment income (note 3)	895,235	1,222,954	-	-	-	-	895,235	1,222,954
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 1,850,250</b>	<b>\$ 2,287,515</b>	<b>\$ (528,030)</b>	<b>\$ (479,581)</b>	<b>\$ 2,519,296</b>	<b>\$ 1,593,649</b>	<b>\$ 3,841,516</b>	<b>\$ 3,401,583</b>
<b>Fund balance, beginning of year</b>	<b>10,718,963</b>	<b>9,204,204</b>	<b>6,708,338</b>	<b>6,611,774</b>	<b>3,607,636</b>	<b>1,817,376</b>	<b>21,034,937</b>	<b>17,633,354</b>
Transfers between funds (note 7)	(125,433)	(772,756)	519,259	576,145	(393,826)	196,611	-	-
<b>Fund balance, end of year</b>	<b>\$ 12,443,780</b>	<b>\$ 10,718,963</b>	<b>\$ 6,699,567</b>	<b>\$ 6,708,338</b>	<b>\$ 5,733,106</b>	<b>\$ 3,607,636</b>	<b>\$ 24,876,453</b>	<b>\$ 21,034,937</b>

The accompanying notes are an integral part of these financial statements

# Ronald McDonald House Southwestern Ontario

## Schedule 1 - Statement of Functional Expenses

For the year ended December 31, 2025

	Ronald McDonald House (London)	Ronald McDonald House (Windsor)	Ronald McDonald Family Room	Total Program Services	Management and General	Fundraising	Total Support Services	Total Expenses
Advertising and promotion	\$ 881	\$ 499	\$ 283	\$ 1,663	\$ 159	\$ 610,712	\$ 610,871	\$ 612,534
Amortization	496,930	25,153	5,947	528,030	-	-	-	528,030
Community relations	-	-	-	-	-	205,410	205,410	205,410
Direct mail	-	-	-	-	275	2,747	3,022	3,022
Donor recognition	-	-	-	-	-	36,237	36,237	36,237
Family support services and supplies	236,995	80,307	57,301	374,603	-	-	-	374,603
Insurance	5,841	3,306	1,874	11,021	1,057	3,019	4,076	15,097
Investment management fees	-	-	-	-	50,654	-	50,654	50,654
IT Support	20,795	11,771	6,670	39,236	3,762	10,750	14,512	53,748
Maintenance and repairs	352,242	131,002	59	483,303	-	16,919	16,919	500,222
Education, training and meetings	50,826	28,769	16,303	95,898	9,196	8,075	17,271	113,169
Office supplies	32,333	18,292	10,366	60,991	123,214	15,279	138,493	199,484
Postage and courier	-	-	-	-	8,138	3,055	11,193	11,193
Professional fees	-	-	-	-	37,417	77,894	115,311	115,311
Salaries	1,217,986	689,426	390,675	2,298,087	220,364	629,613	849,977	3,148,064
Travel, meals and entertainment	-	-	-	-	12,721	194,982	207,703	207,703
Utilities	116,890	7,401	3,095	127,386	1,746	4,988	6,734	134,120
Volunteer recognition	13,620	4,317	3,193	21,130	1,670	1,617	3,287	24,417
<b>Total Expenses</b>	<b>\$ 2,545,339</b>	<b>\$ 1,000,243</b>	<b>\$ 495,766</b>	<b>\$ 4,041,348</b>	<b>\$ 470,373</b>	<b>\$ 1,821,297</b>	<b>\$ 2,291,670</b>	<b>\$ 6,333,018</b>

The accompanying notes are an integral part of these financial statements

# Ronald McDonald House Southwestern Ontario

## Schedule 2 - Statement of Functional Expenses

For the year ended December 31, 2024

	Ronald McDonald House (London)	Ronald McDonald House (Windsor)	Ronald McDonald Family Room	Total Program Services	Management and General	Fundraising	Total Support Services	Total Expenses
Advertising and promotion	\$ 1,510	\$ 855	\$ 484	\$ 2,849	\$ 1,615	\$ 90,980	\$ 92,595	\$ 95,444
Amortization	453,308	21,249	5,024	479,581	-	-	-	479,581
Community relations	-	-	-	-	-	25,253	25,253	25,253
Direct mail	-	-	-	-	120	11,821	11,941	11,941
Donor recognition	-	-	-	-	-	46,510	46,510	46,510
Family support services and supplies	292,206	58,077	23,262	373,545	-	-	-	373,545
Insurance	5,996	3,394	1,923	11,313	1,085	3,100	4,185	15,498
Investment management fees	-	-	-	-	73,109	-	73,109	73,109
IT Support	16,439	9,305	5,273	31,017	2,974	8,498	11,472	42,489
Maintenance and repairs	335,924	129,160	-	465,084	-	3,934	3,934	469,018
Education, training and meetings	42,687	24,162	13,692	80,541	7,723	19,995	27,718	108,259
Office supplies	24,021	13,597	7,705	45,323	123,814	12,825	136,639	181,962
Postage and courier	-	-	-	-	6,297	4,211	10,508	10,508
Professional fees	-	-	-	-	21,415	63,566	84,981	84,981
Salaries	978,178	553,686	313,755	1,845,619	176,977	505,649	682,626	2,528,245
Travel, meals and entertainment	-	-	-	-	50,311	41,024	91,335	91,335
Utilities	102,968	10,374	2,741	116,083	1,546	4,417	5,963	122,046
Volunteer recognition	11,707	4,793	2,711	19,211	3,976	3,041	7,017	26,228
<b>Total Expenses</b>	<b>\$ 2,264,944</b>	<b>\$ 828,652</b>	<b>\$ 376,570</b>	<b>\$ 3,470,166</b>	<b>\$ 470,962</b>	<b>\$ 844,824</b>	<b>\$ 1,315,786</b>	<b>\$ 4,785,952</b>

The accompanying notes are an integral part of these financial statements

# Ronald McDonald House Southwestern Ontario Statement of Cash Flows

*For the year ended December 31, 2025*

	2025	2024
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenues over expenses on fund operations	\$ 3,841,516	\$ 3,401,583
Items not affecting cash		
Amortization	528,030	479,581
Unrealized gain on investments	(439,173)	(179,514)
	3,930,373	3,701,650
Changes in working capital accounts		
Increase in accounts receivable	(626,883)	(32,312)
Increase in prepaid expenses and other assets	(17,417)	(1,345)
Increase in accounts payable and accrued liabilities	106,546	68,487
	3,392,619	3,736,480
<b>Investing</b>		
Net change in investments	(280,198)	(1,038,358)
Purchases of capital assets	(402,880)	(574,444)
Purchases of intangible assets	(116,377)	(1,701)
	(799,455)	(1,614,503)
<b>Increase in cash resources</b>	<b>2,593,164</b>	<b>2,121,977</b>
<b>Cash resources, beginning of year</b>	<b>4,117,804</b>	<b>1,995,827</b>
<b>Cash resources, end of year</b>	<b>\$ 6,710,968</b>	<b>\$ 4,117,804</b>
<b>Cash resources are comprised of:</b>		
General Fund	\$ 977,862	\$ 510,168
Restricted Fund	5,733,106	3,607,636
	<b>\$ 6,710,968</b>	<b>\$ 4,117,804</b>

*The accompanying notes are an integral part of these financial statements*

# Ronald McDonald House Southwestern Ontario

## Notes to the Financial Statements

For the year ended December 31, 2025

---

### 1. Purpose of the organization

#### Organization

Ronald McDonald House Southwestern Ontario "the Organization" is an Ontario not-for-profit, charitable corporation formed in 1985. During the year, the Organization changed its legal name from "Ronald McDonald House Charities of Southwestern Ontario" to "Ronald McDonald House Southwestern Ontario". The Organization supports families with children who are ill or injured by providing essential services that remove barriers, strengthen families, and promote healing while their child receives medical care. With a vision of a world where every family has what they need for the best health outcomes, the Organization helps ease emotional and financial burdens during difficult times. The wraparound services provided by the Organization also reduce hospital lengths of stay, providing relief to Ontario's paediatric healthcare system.

Across Canada, the Organization is one of 12 Chapters working in close partnership with RMHC Canada, Canada's national RMHC foundation. RMHC Canada's focus is to enable funding from McDonald's Restaurants of Canada and other corporate donors to support, in part, the building and operations of Ronald McDonald Houses and Ronald McDonald Family Rooms across the country.

As the local RMHC Chapter for families across Southwestern and Northern Ontario, the Organization serves families from 235 communities through three core programs. *Ronald McDonald House London*, a 40-bedroom House located steps away from Children's Hospital, London Health Sciences Centre, provides overnight accommodations, nutritious meals, and psycho-social support for families while their child receives medical treatment. *Ronald McDonald House Windsor*, a 6-bedroom House inside Windsor Regional Hospital – Metropolitan Campus and Canada's first RMHC House located within a hospital, allows families to stay overnight or access the Day Pass Program. The *Ronald McDonald Family Room* at Children's Hospital, London Health Sciences Centre, provides a quiet space inside the hospital where families can rest and recharge, featuring 3 sleep rooms for day and overnight use.

In addition to these facilities, The *Cart with a Heart Program* in both London and Windsor brings snacks, beverages, and comfort items directly to families at their child's bedside. Through these programs, the Organization enables family-centered care, bridges access to quality healthcare, and strengthens families when they need it most.

### 2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### Fund accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts are maintained in accordance with the principles of Fund Accounting. Under these policies, the following funds are used:

(i) General Fund

The General fund reports unrestricted resources available for general operating activities.

(ii) Capital Asset Fund

The Capital Asset fund reports the Organization's capital asset activities.

(iii) Restricted Fund

The Restricted fund consists of externally restricted revenues from fundraising activities and donations that are to be used in accordance with restrictions placed by the donors.

**Ronald McDonald House Southwestern Ontario**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

---

**2. Significant accounting policies (continued from previous page)**

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions.

Contributions, grants, and bequests are recorded in the appropriate funds when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted contributions are recognized as revenue in the General fund when initially recorded in the accounts. Externally restricted contributions are recorded in the Restricted fund when initially recognized in the accounts.

Revenue from fundraising is recognized as revenue in the corresponding fund as appropriate in the year received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Guest room accommodations are recognized when the services have been provided and payments have been received. Revenue from room payments is recognized as revenue in the General fund when the amount has been received.

Investment income (loss) consists of interest, dividends, income distributions from pooled funds, and unrealized gains and losses. Investment income and losses earned on Restricted fund or Capital Asset fund resources that must be spent on donor-restricted activities is recognized as revenue of the respective fund.

Other revenue consists of merchandise sales, which are recorded when received.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and support services benefited.

Foreign Currency Translation

Transactions denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the transaction date. Monetary assets and liabilities are translated into Canadian dollars at exchange rates in effect at the dates of the statement of financial position. Non-monetary assets and liabilities are translated at the historical exchange rate.

Capital assets

Purchased capital assets are recorded at acquisition cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is calculated using the straight line method at the following annual rates.

Automobiles	5 years
Building - Ronald McDonald House London	40 years
Computer hardware	3 years
Computer software	3 years
Furniture, fixtures, equipment	5 years
Leasehold – Ronald McDonald Family Room	10 years
Leasehold – Ronald McDonald House Windsor	10 years
Parking lot	10 years

Assets not yet in use are not amortized until they are put into use.

**Ronald McDonald House Southwestern Ontario**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

---

**2. Significant accounting policies (continued from previous page)**

Impairment of long-lived assets

Long-lived assets are tested for impairment when events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its residual value.

Intangible assets

Website upgrades are recorded at cost and amortized over their estimated useful lives of 3 years.

Program media are recorded at cost and amortized over their estimated useful lives of 3 years.

Intangible assets are tested for impairment only when an event or circumstance occurs indicating that the fair value may be lower than their carrying amount.

Contributed materials and services

Donated materials and services are recorded in the financial statements at fair market value when the fair market value can be reasonably estimated. Gifts in kind for the year amounted to \$1,036 (2024 - \$9,410). Directors and volunteers offer their time to assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires directors and management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. By their nature, these estimates are subject to measurement uncertainty. These estimates are reviewed periodically and adjustments are made to income in the year which they become known. Actual results may vary from these estimates.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

*Arm's length financial instruments*

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

**Ronald McDonald House Southwestern Ontario**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

---

**2. Significant accounting policies (continued from previous page)**

*Related party financial instruments*

The Organization initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Organization may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenues over expenses.

*Financial asset impairment*

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group, there are numerous assets affected by the same factors, or no asset is individually significant. Management considers whether the issuer is having significant financial difficulty, whether there has been a breach in contract, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

**Ronald McDonald House Southwestern Ontario**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

**2. Significant accounting policies (continued from previous page)**

Government assistance

Government assistance is recognized where there is reasonable assurance that the Organization has complied and will continue to comply with all conditions of the assistance. Government assistance toward current expenditures is recognized in income for the period as revenue.

Customer's accounting for cloud computing arrangement

The Organization has applied the simplification approach to account for expenditures in a cloud computing arrangement. Under the simplification approach, the Foundation recognizes expenditures related to the elements in the cloud computing arrangement as an expense as incurred. In the current year, expenses of \$89,083 (2024 - \$67,705) have been recognized in management and general expenses.

**3. Investments**

Investments in pooled funds have been allocated among the asset classes based on the underlying investments held in the pooled funds. Rates of return on fixed income investments range from 3.20% to 4.95% (2024 – 2.75% to 4.95%). Short-term investments are those maturing within the next fiscal year. Long-term investments include equities being held for growth and fixed income investments maturing between 2026 and 2034.

	2025	2024
Investment income consists of the following:		
Interest, dividends and other	\$ 468,753	\$ 330,678
Realized (loss) gain on sale of investments	(12,691)	712,762
	456,062	1,043,440
Unrealized gain (loss) on investments	537,221	(49,019)
Foreign exchange (loss) gain	(98,048)	228,533
	439,173	179,514
<b>Total investment income</b>	<b>\$ 895,235</b>	<b>\$ 1,222,954</b>

**4. Accounts receivable**

Accounts receivable is comprised of the following:

	2025	2024
Contributions receivable	\$ 545,051	\$ -
Due from RMH Canada	347,286	284,359
HST rebate receivable	100,457	81,552
	<b>\$ 992,794</b>	<b>\$ 365,911</b>

**Ronald McDonald House Southwestern Ontario**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

**5. Capital assets**

	2025		2024	
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net</i>	<i>Net</i>
Automobiles	\$ 31,638	\$ 31,638	\$ -	\$ -
Buildings – Ronald McDonald House London	10,222,027	3,923,030	6,298,997	6,214,215
Computer hardware	279,338	240,140	39,198	46,798
Computer software	49,126	49,126	-	259
Furniture, fixtures, equipment	1,267,905	1,084,968	182,937	208,834
Leasehold – Ronald McDonald Family Room	303,827	291,487	12,340	14,874
Leasehold – Ronald McDonald House Windsor	1,259,835	1,187,779	72,056	198,040
Parking lot	27,024	14,218	12,806	15,508
	<b>\$ 13,440,720</b>	<b>\$ 6,822,386</b>	<b>\$ 6,618,334</b>	<b>\$ 6,698,528</b>

Included in Buildings are \$527,713 (2024 - \$219,099) of capital additions not yet in use which are not being amortized. Amortization of \$483,075 (2024 - \$473,701) was recorded on the capital assets for the year.

**6. Intangible assets**

	2025		2024	
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net</i>	<i>Net</i>
Website	\$ 18,487	\$ 14,839	\$ 3,648	\$ 9,810
Program media	116,377	38,792	77,585	-
	<b>\$ 134,864</b>	<b>\$ 53,631</b>	<b>\$ 81,233</b>	<b>\$ 9,810</b>

Intangible assets consist of website development costs and upgrades and program media for the capital campaign. Amortization of \$44,955 (2024 - \$5,879) was recorded on the intangible assets for the year.

**7. Interfund transfers**

The Organization transfers funds to the capital asset fund to fund purchases of capital assets. During the year, \$NIL (2024 - \$3,389) of capital asset purchases were funded by the restricted fund, and \$519,259 (2024 - \$572,756) of capital and intangible asset purchases were funded through the general fund. During the year, the Organization also transferred \$393,826 from the unrestricted fund to the restricted fund (2024 - \$200,000). These transfers were approved by the Board of Directors.

**8. Accounts payable and accrued liabilities**

Accounts payable and accrued liabilities includes \$7,294 of payroll related remittances to the government (2024 - \$5,517).

**9. Commitments**

The Organization entered into a lease agreement with the London Health Sciences Centre ("the London hospital") whereby the Organization would lease from the London hospital certain land owned by the hospital. The initial term of the lease ends on July 31, 2083, with an aggregate annual base rent of \$1.

**Ronald McDonald House Southwestern Ontario**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

---

**9. Commitments (continued from previous page)**

The Organization also entered into another lease agreement to support the Family Room with the London hospital whereby the Organization leases space within the hospital for \$NIL consideration. The initial term of the lease ends on March 31<sup>st</sup>, 2028.

The Organization entered into a lease agreement with the Windsor Regional Hospital ("the Windsor hospital") whereby the Organization would lease from the Windsor hospital certain portions of the building owned by the hospital for \$NIL consideration. The Organization is responsible for property insurance and repairs and maintenance costs. The initial term of the lease ends in May 2026.

The Organization has entered into a lease agreement with Blackbaud Inc. whereby the Organization is leasing their software services. The Organization is required to pay \$13,479 in 2026, \$14,557 in 2027, and \$14,316 in 2028. The lease term ends November 28, 2028.

The Organization has entered into a lease agreement with Finch Chevrolet Cadillac Buick GMC Ltd. whereby the Organization is leasing a vehicle. The Organization is required to pay \$597 per month. The lease term ends July 31, 2027.

The Organization has entered into an agreement with Wellth Management Inc., whereby the Organization is to receive consulting services. The Organization is required to pay \$10,000 per month. The agreement ends March 14, 2026.

**10. Financial instruments**

Unless otherwise noted it is management's opinion that the Organization is not exposed to significant risks. There have been no changes in the Organization's risk exposures from the prior year.

Interest rate risk

The Organization is exposed to this risk through its investment in fixed income securities and a pooled fund that holds fixed income securities as the fair value will fluctuate due to changes in market interest rates.

Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet its obligations as they become due. The Organization manages this risk by establishing budgets and maintaining sufficient funds on hand to cover its anticipated obligations.

Credit risk

The Organization is exposed to credit risk in connection with its accounts receivable and its short-term and fixed income investments due to the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation.

Currency risk

The Organization holds investments denominated in foreign currencies and thus is exposed to the risk of earnings fluctuations arising from changes in the foreign exchange rate. Management does not believe this represents a significant risk to the Organization. The Organization does not use derivative instruments to reduce its exposure to foreign currency risk. The following amounts on the statement of financial position have been translated to Canadian dollars at the year-end exchange rate and are denominated in US dollars.

	<b>2025</b>	<b>2024</b>
Cash	\$ 26,774	\$ 71,612
Investments	\$ 2,028,219	\$ 2,072,685

**Ronald McDonald House Southwestern Ontario**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

---

**10. Financial instruments (continued from previous page)**

Market risk

The Organization's investments in publicly traded securities expose the Organization to price risks as equity instruments are subject to price changes in an open market. The Organization does not use derivative financial instruments to reduce its exposure to this risk.

**11. Related party transactions**

Ronald McDonald House (RMH) is a system of independent, separately registered public benefit organizations, referred to as "Chapters" within the global organization. The Organization is an independent operating Chapter within the RMH system. Each Chapter is licensed by Ronald McDonald House Global and Ronald McDonald House Inc. Canada to use RMH related trademarks in conjunction with fundraising activities and the operation of its programs; the License Agreement also sets standards for programs, governance, finance, branding, and reporting. During the year ended December 31, 2025, the Organization received donations from local McDonalds Restaurants via RMH Canada totaling \$629,214 (2024 - \$593,529); received \$469,511 from RMH Canada and \$3,368 from RMH Global (total \$472,879) (2024 - \$465,203); and received \$267,996 (2024 - \$284,230) as part of its funding through the RMH National Partnership Program (NPP).

Additionally, the Organization made payments to RMH Canada of \$51,160 (2024 - \$52,987) for the NPP. In 2021, the decision was made to extend the NPP program for an additional 3 years due to the success of this collaborative approach for Canadian Chapters. In 2021 the NPP moved to be a self-funded model using a mission proportionate model. For the Organization, this will translate to sharing approximately 7.8% of the program costs. These transactions are in the normal course of operations and measured at the exchange amount.

**12. Restricted fund**

The Organization's restricted fund consists of the following balances at year-end:

	<b>2025</b>	<b>2024</b>
RMH London	\$ -	\$ 90,390
RMH Windsor	<b>97,651</b>	290,271
RMH Family Room – London	<b>5,285</b>	28,491
Pantry – RMH London	-	76,468
Pantry – RMH Windsor	-	9,740
Pay it Forward – RMH London	-	1,400
Fynn & Friends Den (Annual Refresh London)	<b>17,866</b>	17,866
Capital Replacement Fund	<b>1,000</b>	1,000
New Building Fund – Capital Campaign	<b>5,611,304</b>	3,092,010
	<b>\$ 5,733,106</b>	<b>\$ 3,607,636</b>

During the year, the Organization incurred costs related to a fundraising campaign undertaken to launch their capital campaign funded by the New Building Fund. Campaign costs consist primarily of strategic planning, professional fees, and promotional material.

Campaign costs are expensed as incurred and are included in fundraising in the statement of operations.

Total campaign costs recognized during the year amounted to \$348,316 (2024 - \$NIL).

