



# RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018





## REPORT OF INDEPENDENT AUDITOR

The Board of Directors and Management  
Ronald McDonald House Charities of Central Florida, Inc.  
Orlando, Florida

We have audited the accompanying financial statements of Ronald McDonald House Charities of Central Florida, Inc. ("the Organization"), which consist of the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ronald McDonald House Charities of Central Florida, Inc. as of December 31, 2019 and 2018, the changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Batt's Morrison Wales & Lee, P.A.*

BATT'S MORRISON WALES & LEE, P.A.

Orlando, Florida  
April 24, 2020

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**RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.**  
STATEMENTS OF FINANCIAL POSITION

**ASSETS**

	December 31,	
	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 761,675	\$ 1,097,354
Assets restricted for long-term purposes	781,915	2,155,510
Investments	508,757	425,711
Other assets	320,081	229,330
Property and equipment, net	12,747,625	11,662,070
Promised use of contributed land	460,492	479,461
<b>Total assets</b>	<b>\$ 15,580,545</b>	<b>\$ 16,049,436</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 197,582	\$ 124,922
Note payable	1,220,000	1,320,000
<b>Total liabilities</b>	<b>1,417,582</b>	<b>1,444,922</b>
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	1,335,301	1,563,191
Designated for the J. Darrell Kelley endowment fund	21,919	18,649
Net investment in property and equipment	11,527,625	10,342,070
Total net assets without donor restrictions	12,884,845	11,923,910
With donor restrictions	1,278,118	2,680,604
<b>Total net assets</b>	<b>14,162,963</b>	<b>14,604,514</b>
<b>Total liabilities and net assets</b>	<b>\$ 15,580,545</b>	<b>\$ 16,049,436</b>

The Accompanying Notes are an Integral  
Part of These Financial Statements

**RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.**  
STATEMENTS OF ACTIVITIES

	For The Year Ended December 31, 2019			For The Year Ended December 31, 2018
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS</b>				
Contributions without donor restrictions	\$ 1,646,509	\$ —	\$ 1,646,509	\$ 1,670,254
Contributions with donor restrictions	—	257,938	257,938	1,953,887
Special events revenue	872,569	—	872,569	901,780
Noncash contributions	769,527	—	769,527	841,092
Auxiliary and other activities	206,325	—	206,325	92,709
Net assets released from restrictions	1,660,424	(1,660,424)	—	—
<b>Total public support and revenue and net assets released from restrictions</b>	<b>5,155,354</b>	<b>(1,402,486)</b>	<b>3,752,868</b>	<b>5,459,722</b>
<b>Expenses</b>				
Program activities				
House operations	3,166,369	—	3,166,369	3,067,355
Total program activities	3,166,369	—	3,166,369	3,067,355
Supporting activities				
Fundraising	581,293	—	581,293	504,412
Cost of direct benefits to donors	288,730	—	288,730	159,264
General and administrative	158,027	—	158,027	144,800
Total supporting activities	1,028,050	—	1,028,050	808,476
<b>Total expenses</b>	<b>4,194,419</b>	<b>—</b>	<b>4,194,419</b>	<b>3,875,831</b>
<b>Change in net assets without donor restrictions</b>	<b>960,935</b>	<b>—</b>	<b>960,935</b>	<b>(3,236)</b>
<b>Change in net assets with donor restrictions</b>	<b>—</b>	<b>(1,402,486)</b>	<b>(1,402,486)</b>	<b>1,587,127</b>
<b>CHANGE IN NET ASSETS</b>	<b>960,935</b>	<b>(1,402,486)</b>	<b>(441,551)</b>	<b>1,583,891</b>
<b>NET ASSETS - Beginning of year</b>	<b>11,923,910</b>	<b>2,680,604</b>	<b>14,604,514</b>	<b>13,020,623</b>
<b>NET ASSETS - End of year</b>	<b>\$ 12,884,845</b>	<b>\$ 1,278,118</b>	<b>\$ 14,162,963</b>	<b>\$ 14,604,514</b>

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**RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.**  
STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,	
	2019	2018
<b>OPERATING CASH FLOWS</b>		
Cash received from contributions	\$ 1,648,790	\$ 2,036,152
Cash received from special events	872,569	901,780
Cash received from auxiliary and other activities	119,615	117,075
Cash paid for operating activities and costs	(2,872,065)	(2,668,859)
Interest paid	(50,729)	(56,801)
<b>Net operating cash flows</b>	<b>(281,820)</b>	<b>329,347</b>
<b>INVESTING CASH FLOWS</b>		
Net sales (purchases) of investments	3,664	(1,219)
Net purchases of and improvements to property and equipment	(1,586,775)	(89,866)
Net release of assets restricted for long-term purposes	119,374	153,098
<b>Net investing cash flows</b>	<b>(1,463,737)</b>	<b>62,013</b>
<b>FINANCING CASH FLOWS</b>		
Contributions restricted for long-term purposes	255,657	1,587,989
Repayments of note payable	(100,000)	(300,000)
<b>Net financing cash flows</b>	<b>155,657</b>	<b>1,287,989</b>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>	<b>(1,589,900)</b>	<b>1,679,349</b>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - Beginning of year</b>	<b>3,083,149</b>	<b>1,403,800</b>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - End of year</b>	<b>\$ 1,493,249</b>	<b>\$ 3,083,149</b>
<b>REPORTED IN THE STATEMENTS OF FINANCIAL POSITION AS FOLLOWS</b>		
Cash and cash equivalents	\$ 761,675	\$ 1,097,354
Restricted cash included in "Assets restricted for long-term purposes"	731,574	1,985,795
<b>Total cash, cash equivalents, and restricted cash</b>	<b>\$ 1,493,249</b>	<b>\$ 3,083,149</b>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET OPERATING CASH FLOWS</b>		
Change in net assets	\$ (441,551)	\$ 1,583,891
Adjustments to reconcile change in net assets to net operating cash flows		
Net (gain) loss on investments	(86,710)	24,366
Noncash contributions of property and equipment	—	(169,107)
Contributions restricted for long-term purposes	(255,657)	(1,587,989)
Depreciation	501,220	484,160
Change in other assets	(90,751)	(98,720)
Change in promised use of contributed land	18,969	19,546
Change in accounts payable and accrued expenses	72,660	73,200
<b>Net operating cash flows</b>	<b>\$ (281,820)</b>	<b>\$ 329,347</b>

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**RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For The Year Ended December 31, 2019

	Program activities	Supporting activities				Total expenses
	House operations	Fundraising	Cost of direct benefits to donors	General and administrative	Total supporting activities	
Salaries, wages, and payroll taxes	\$ 1,150,100	\$ 231,683	\$ —	\$ 93,175	\$ 324,858	\$ 1,474,958
House supplies	705,803	—	—	—	—	705,803
Depreciation	501,220	—	—	—	—	501,220
Cost of direct benefits to donors	—	—	288,730	—	288,730	288,730
Printing and publishing	8,582	219,166	—	—	219,166	227,748
Repairs and maintenance	171,028	—	—	—	—	171,028
Utilities	147,307	—	—	—	—	147,307
Office space	105,159	27,258	—	8,296	35,554	140,713
Professional fees and contract services	31,346	11,390	—	22,316	33,706	65,052
Other house and room management - other supplies	63,944	—	—	—	—	63,944
Insurance	62,740	—	—	—	—	62,740
Miscellaneous	5,516	45,583	—	—	45,583	51,099
Interest	50,729	—	—	—	—	50,729
Cleaning service and supplies	42,084	—	—	—	—	42,084
Linens and laundry	41,619	—	—	—	—	41,619
Telephone	35,044	—	—	1,844	1,844	36,888
Donor recognition and communications	—	23,983	—	—	23,983	23,983
Bank charges and credit card fees	—	15	—	18,323	18,338	18,338
Public relations	4,218	12,913	—	—	12,913	17,131
Auto expense	16,369	—	—	—	—	16,369
Travel	4,884	4,884	—	4,884	9,768	14,652
Volunteers	8,721	—	—	—	—	8,721
Postage	3,865	4,418	—	—	4,418	8,283
Marketing supplies	—	—	—	5,207	5,207	5,207
Taxes and licenses	1,608	—	—	2,863	2,863	4,471
Meetings, trainings, and seminars	2,612	—	—	1,119	1,119	3,731
Dues and subscriptions	1,669	—	—	—	—	1,669
House programs	202	—	—	—	—	202
<b>Total</b>	<b>\$ 3,166,369</b>	<b>\$ 581,293</b>	<b>\$ 288,730</b>	<b>\$ 158,027</b>	<b>\$ 1,028,050</b>	<b>\$ 4,194,419</b>

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# RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended December 31, 2018

	Program activities		Supporting activities			Total expenses
	House operations	Fundraising	Cost of direct benefits to donors	General and administrative	Total supporting activities	
Salaries, wages, and payroll taxes	\$ 1,172,860	\$ 198,157	\$ —	\$ 80,365	\$ 278,522	\$ 1,451,382
House supplies	565,937	—	—	—	—	565,937
Depreciation	484,160	—	—	—	—	484,160
Repairs and maintenance	181,088	—	—	—	—	181,088
Printing and publishing	2,545	159,507	—	—	159,507	162,052
Utilities	160,305	—	—	—	—	160,305
Cost of direct benefits to donors	—	—	159,264	—	159,264	159,264
Office space	101,391	26,020	—	7,919	33,939	135,330
Insurance	72,666	—	—	—	—	72,666
Professional fees and contract services	31,404	11,081	—	21,296	32,377	63,781
Other house and room management - other supplies	57,292	—	—	—	—	57,292
Interest	56,801	—	—	—	—	56,801
Miscellaneous	10,823	45,024	—	—	45,024	55,847
Linens and laundry	52,236	—	—	—	—	52,236
Telephone	33,785	—	—	1,778	1,778	35,563
Donor recognition and communications	—	25,052	—	—	25,052	25,052
Public relations	4,645	20,340	—	—	20,340	24,985
Travel	7,759	7,759	—	7,759	15,518	23,277
Cleaning service and supplies	20,829	—	—	—	—	20,829
Auto expense	19,358	—	—	—	—	19,358
Bank charges and credit card fees	—	—	—	18,220	18,220	18,220
Volunteers	12,551	—	—	—	—	12,551
Postage	3,578	6,539	—	—	6,539	10,117
Meetings, trainings, and seminars	5,382	—	—	2,307	2,307	7,689
House programs	4,646	—	—	—	—	4,646
Uncollectible pledges	—	4,435	—	—	4,435	4,435
Marketing supplies	—	—	—	3,907	3,907	3,907
Dues and subscriptions	3,706	—	—	—	—	3,706
Taxes and licenses	1,608	—	—	1,249	1,249	2,857
Canister maintenance	—	498	—	—	498	498
Total	<u>\$ 3,067,355</u>	<u>\$ 504,412</u>	<u>\$ 159,264</u>	<u>\$ 144,800</u>	<u>\$ 808,476</u>	<u>\$ 3,875,831</u>

The Accompanying Notes are an Integral  
Part of These Financial Statements

# RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE A – NATURE OF ACTIVITIES**

Ronald McDonald House Charities of Central Florida, Inc. (“the Organization”) is a Florida not-for-profit corporation. The purpose of the Organization is to create, find, and support programs that directly improve the health and well-being of children and families. The Organization’s primary activity is the operation of three Ronald McDonald Houses (“the Houses”) in the Central Florida area. The Houses have a combined 74 bedrooms which are used to provide temporary lodging to families of seriously ill children being treated at AdventHealth for Children, Arnold Palmer Medical Center, and Nemours Children’s Hospital.

### **NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Revenue recognition**

The Organization recognizes cash contributions as revenue when the contributions are received by the Organization. Contributions received are recorded as without or with donor restrictions, depending on the existence and/or nature of any donor restrictions. 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 and reported in the statements of activities as “net assets released from restrictions.”

#### **Cash and cash equivalents**

The Organization considers investment instruments purchased or donated with original maturities of three months or less to be cash equivalents.

#### **Assets restricted for long-term purposes**

Assets restricted for long-term purposes primarily consist of cash and cash equivalents and pledges receivable and are restricted by donors for capital projects.

#### **Investments**

Investments consist of mutual funds which are carried at estimated fair value. Estimated fair value is determined based on quoted market prices.

#### **Property and equipment**

Property and equipment is stated at original cost, if purchased, or estimated fair value on the date of donation, if donated. Depreciation is provided using the straight-line method over the expected useful lives of the related assets.

#### **Net assets**

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. The J. Darrell Kelley endowment fund was established by the Board of Directors and the earnings of the fund are to be used to support the ongoing operations of the Organization. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

#### **Functional allocation of expenses**

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time.

#### **Income taxes**

The Organization is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to Florida law. The Organization is further classified as a public charity and not a private foundation for federal tax purposes. The Organization has not incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying financial statements.



# RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **New accounting pronouncement**

Financial Accounting Standards Board Accounting Standards Update (“ASU”) 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash is effective for the Organization’s financial statements for the year ended December 31, 2019. The ASU requires that restricted cash amounts be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total cash amounts shown on the statements of cash flows. The adoption of the ASU had no effect on the Organization’s net assets as of January 1, 2018 or the change in net assets presented for 2018. As required by applicable guidance, the Organization has retrospectively applied the ASU’s provisions to the 2018 statement of cash flows.

#### **Reclassifications**

Certain amounts included in the 2018 financial statements have been reclassified to conform to classifications adopted during 2019. The reclassifications had no material effect on the accompanying financial statements.

#### **Use of estimates**

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include those related to the estimated useful lives of property and equipment, and the estimated fair value of the promised use of contributed land and noncash contributions. Actual results could differ from the estimates.

### **NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available within one year of the statements of financial position for general expenditure are as follows:

	<u>December 31,</u>	
	<u>2019</u>	<u>2018</u>
Cash and cash equivalents, including cash restricted for long-term purposes	\$ 1,493,249	\$ 3,083,149
Investments	<u>508,757</u>	<u>425,711</u>
Total financial assets available	2,002,006	3,508,860
Less:		
Amounts unavailable for general expenditure within one year, due to donor-imposed restrictions	<u>(732,285)</u>	<u>(1,986,428)</u>
Net financial assets available within one year	<u>\$ 1,269,721</u>	<u>\$ 1,522,432</u>

The Organization is primarily supported by contributions. As part of the Organization’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has certain assets limited to use for donor-restricted purposes. Because a donor’s restriction requires resources to be used in a specific manner or in a future period, the Organization must maintain sufficient resources to meet its responsibilities to its donors. Thus, those financial assets may not be available for general expenditures within one year of December 31, 2019 and 2018, and are excluded from net financial assets available to meet general expenditures within one year. Management of the Organization believes the Organization has sufficient investments available for general operations that may be drawn upon in the event of unanticipated financial distress or an immediate liquidity need.

# RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE D – CONCENTRATIONS**

The Organization maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

The Organization's debt is held by one financial institution.

During 2018, approximately 31% of the Organization's contribution revenue was received from a certain organization.

### **NOTE E – ASSETS RESTRICTED FOR LONG-TERM PURPOSES**

Assets restricted for long-term purposes were restricted for capital projects and consisted of the following:

	<u>December 31,</u>	
	<u>2019</u>	<u>2018</u>
Cash	\$ 731,574	\$ 1,985,795
Pledges receivable	<u>50,341</u>	<u>169,715</u>
Total assets restricted for long-term purposes	<u>\$ 781,915</u>	<u>\$ 2,155,510</u>

### **NOTE F – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

	<u>December 31,</u>	
<u>Category</u>	<u>2019</u>	<u>2018</u>
Land	\$ 394,013	\$ 394,013
Buildings and building improvements	15,582,052	14,214,218
Furniture, fixtures, and equipment	1,888,806	1,645,540
Vehicles	91,080	91,080
Construction in progress	<u>—</u>	<u>24,325</u>
Total property and equipment	17,955,951	16,369,176
Less: Accumulated depreciation	<u>(5,208,326)</u>	<u>(4,707,106)</u>
Net property and equipment	<u>\$ 12,747,625</u>	<u>\$ 11,662,070</u>

Depreciation expense amounted to \$501,220 and \$484,160 during 2019 and 2018, respectively. The Organization's land is subject to certain restrictive covenants limiting the use of the properties as Ronald McDonald House locations.

**RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.**  
NOTES TO FINANCIAL STATEMENTS

**NOTE G – PROMISED USE OF CONTRIBUTED LAND**

During a prior year, the Organization entered into a lease agreement with The Nemours Foundation (a Florida not-for-profit organization) to lease certain real property at Nemours Children’s Hospital in Orlando, Florida for a term of 50 years. The lease expires in September 2064. The lease agreement requires nominal rent of \$10 a year which was paid in full in a prior year. The lease requires the Organization to use the property to construct and operate a Ronald McDonald House (“the House”). The Organization completed the construction of the House on the property in a prior year and uses the property for the operation of the House. The estimated fair value of the lease agreement (discounted for present value) was recognized as a contribution at the inception of the lease agreement. The estimated fair value of the leased property at December 31, 2019 and 2018 is \$460,492 and \$479,461, respectively, and is included in “promised use of contributed land” in the accompanying statements of financial position. The estimated fair value of rent annually recognized by the Organization from this agreement was \$22,200 during 2019 and 2018.

**NOTE H – NOTE PAYABLE**

The Organization’s note payable is payable to a bank and requires monthly payments of interest at 3.99% per annum and minimum principal reductions of \$200,000 during each twelve month period. The note is secured by certain real property and matures during June 2021.

Future maturities of the note payable are as follows:

<u>Year Ending</u> <u>December 31,</u>		
2020	\$	200,000
2021		<u>1,020,000</u>
Total	\$	<u>1,220,000</u>

Interest expense amounted to \$50,729 and \$56,801 during 2019 and 2018, respectively.

**NOTE I – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets were subject to donor restrictions for the following purposes during 2019:

	<u>Balance</u> <u>January 1</u>	<u>Contributions</u>	<u>Transfers</u>	<u>Releases</u>	<u>Balance</u> <u>December 31</u>
Capital projects	\$ 1,985,795	\$ 187,955	\$ 187,077	\$ (1,629,253)	\$ 731,574
Promised use of contributed land	479,461	—	—	(18,969)	460,492
Pledges receivable for capital projects	169,715	67,703	(187,077)	—	50,341
Pledges receivable for operations	45,000	—	—	(10,000)	35,000
Other	<u>633</u>	<u>2,280</u>	<u>—</u>	<u>(2,202)</u>	<u>711</u>
Total	<u>\$ 2,680,604</u>	<u>\$ 257,938</u>	<u>\$ —</u>	<u>\$ (1,660,424)</u>	<u>\$ 1,278,118</u>

**RONALD MCDONALD HOUSE CHARITIES OF CENTRAL FLORIDA, INC.**  
NOTES TO FINANCIAL STATEMENTS

**NOTE I – NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

Net assets were subject to donor restrictions for the following purposes during 2018:

	<u>Balance</u> <u>January 1</u>	<u>Contributions</u>	<u>Transfers</u>	<u>Releases</u>	<u>Balance</u> <u>December 31</u>
Capital projects	\$ 262,414	\$ 1,587,989	\$ 459,716	\$ (324,324)	\$ 1,985,795
Promised use of contributed land	499,007	—	—	(19,546)	479,461
Pledges receivable for capital projects	290,813	338,618	(459,716)	—	169,715
Pledges receivable for operations	40,000	25,000	—	(20,000)	45,000
Other	<u>1,243</u>	<u>2,280</u>	<u>—</u>	<u>(2,890)</u>	<u>633</u>
Total	<u>\$ 1,093,477</u>	<u>\$ 1,953,887</u>	<u>\$ —</u>	<u>\$ (366,760)</u>	<u>\$ 2,680,604</u>

**NOTE J – NONCASH CONTRIBUTIONS**

The Organization receives donations of tickets from several Central Florida theme parks as well as donations of food and beverages, clothing, toys, daily living essentials, and other similar donations from individuals and corporate partners. Noncash contributions are recognized as revenue at their estimated fair value on the date the gifts are received and are recognized as expenses when the related gifts are distributed to families or as assets depending on the nature of the donation. During 2019 and 2018, the Organization recognized noncash contributions of \$769,527 and \$841,092, respectively, which are included in “noncash contributions” in the accompanying statements of activities.

**NOTE K – RETIREMENT PLAN**

The Organization maintains a 403(b) retirement plan (“the Plan”) in which employees are eligible to participate upon meeting the eligibility requirements as described in the Plan document. Eligible employees may make tax-deferred contributions to the Plan. The Plan allows for the Organization to make discretionary contributions. The Organization made contributions to the Plan of approximately \$30,000 and \$32,000 during 2019 and 2018, respectively.

**NOTE L – SUBSEQUENT EVENTS**

In January 2020, the World Health Organization (“WHO”) announced a global health emergency related to the outbreak of a virus originating in China. In March 2020, WHO elevated the classification of the outbreak to a pandemic (“the pandemic”). Management is closely monitoring the potential impact of the pandemic on the Organization’s financial condition and has implemented measures to mitigate against its impact. Such measures include reducing expenses and decreasing overall operations. Because of the unknown impact on global commerce, management is not able to estimate the effects of the pandemic on its operating results, financial condition, or liquidity for the year ending December 31, 2020.

The Organization has evaluated for possible financial statement reporting and disclosure subsequent events through April 24, 2020, the date as of which the financial statements were available to be issued.