



**RMHC**®

Southwestern Ontario

*Celebrating 35 Years*

# 2019 ANNUAL REPORT

## KEEPING FAMILIES CLOSE





## Messages from the Executive Leaders

2019 was a mission driven year for Ronald McDonald House Charities Southwestern Ontario (RMHC-SWO). Continued investments and improvements to all three of our programs helped to enhance family experiences and invest in key program elements. We continued to serve more families with 4,605 unique families benefiting from our three programs - an increase of 2 % over the previous year.

We know a good night's rest is vital for families in order to stay strong for their sick children. Renovations to bedrooms at RMH Windsor and the RM Family Room London increased sleeping capacity, allowing more families to stay together and close to their hospitalized child. For those families staying bedside to their seriously ill child, our **Cart with a Heart Program** in Windsor and London continued to bring support and information about our services directly to caregivers. While some parents called us "home-away-from-home" just once, others used our programs several times throughout their child's medical journey. **We were able to support 867 NEW families in our two Houses, with a longest consecutive family stay of 272 nights in London and 87 nights in Windsor.**

Two of the largest projects we completed last year were the renovation of RMH London's main lobby, and refresh of our seven-year-old RM Family Room inside London Children's Hospital. Our lobby renovations added a heated vestibule to our main entrance, and relocated our volunteer greeting desk front and center demonstrating the importance of volunteers in welcoming guests. **A new digital donor wall was installed in the lobby to recognize this incredible donor community, and features some wonderful photos of the families benefiting from your generous support.** Community support is integral in securing the operating funds necessary to make program improvements; last year we were fortunate to have over 265 community third party events raise support for RMHC-SWO. We held our 34<sup>th</sup> Annual Curling Bonspiel, 36<sup>th</sup> Annual Golf Classic, and the Red Shoe Society hosted three incredible events. The success of these events are thanks in part to the great participation from alumni families and community partners.

Increasing community awareness for the Chapter was achieved throughout the year, with our first ever **Show Your Stripes Campaign** in the Fall being a prime example. A television ad and four new program videos shared on social media informed the public of our services and invited them to purchase our specially branded socks, hats, and scarfs to show their stripes for RMHC-SWO. The holiday season then kicked-off with **Illuminate the Houses**, followed by two McDelivery commercials aired in December featuring two RMH London families. We saw the support of our McDonald's community through their active participation in McHappy Day, the McDonald's Thunder Bay Golf Tournament, the Oxford Country Golf Classic, and the 2<sup>nd</sup> Annual Big Red Shoe Run in Windsor-Essex. **A big thank you to the McDonald's Owner Operators and crew across the region for demonstrating incredible commitment to families.**



Our Volunteers – the heart of our Houses – continue to help us care for families every day. When you enter an RMHC-SWO program or attend an event, you will meet one of the thousands of volunteers who give their time to make a positive impact on RMH families. Also, to the staff who give their all everyday, thank you for making a difference.

Please enjoy this report and all the wonderful elements that make Ronald McDonald House Charities Southwestern Ontario special for so many families from across Ontario. Thanks to you, our programs provide a soft place to land at the end of a long hospital day, and a place where memories are made.

With Gratitude,

*Tracey Keighley-Clarke*

Chief Executive Officer

*Harry Van Bavel*

Board President

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## Our Impact

**4,605**

**FAMILIES SERVED** BY  
RMHC SOUTHWESTERN  
ONTARIO PROGRAMS<sup>1</sup>

**16,534**

**NIGHTS OF COMFORT**  
THROUGH OUR HOUSES &  
FAMILY ROOM<sup>1</sup>

**272**

**NIGHTS WAS THE LONGEST  
CONSECUTIVE STAY**  
BY A SINGLE FAMILY<sup>1</sup>

**281**

**COMMUNITIES SERVED**  
WITH FIVE FAMILIES FROM OUT  
OF COUNTRY<sup>1</sup>

**\$244/DAY**

**SAVED BY A FAMILY**  
STAYING AT RMH ON THE  
COST OF MEALS, LODGING  
AND TRAVEL<sup>2</sup>

Stella  
Family stayed at RMHC-SWO in 2011

References

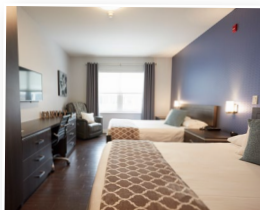
1. GRMHIS Reporting 2019

2. RBC Economic Impact Study V2.0

# Our Accomplishments

## Enhanced Program and Services

- Completed the Expansion Projection document and submitted to Global Field Advisor
- Developed a referral algorithm for London and changed referral criteria to 40 km from 30 km
- Modified fire door in Windsor to ensure compliance with Fire Safety Standards and promote rest for families



- Refreshed the remaining 12 of 34 guest bedrooms in RMH London with new paint, mattresses, and new furnishings promoting rest and relaxation for families



- Completed an extensive front lobby renovation and refresh
- Added a canopy and water features in the RMH London courtyard to enhance volunteer and guest experience



- Introduced a Hairdresser Service to compliment the Barber Service
- Refreshed the London Family Room; added trundle beds to double sleeping capacity of each room



- Applied for and received RBC Wellness Grant, Year Three
- Initiated the "Quilts from the Heart" program
- Increased Pet Therapy to two days per week

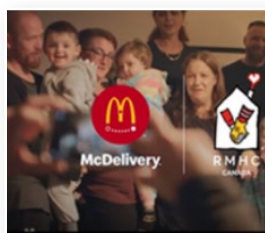
## Achieve Organizational Excellence

- Achieved Canadian Code for Volunteer Involvement designation
- Designated "Employee Recommended Workplace" in 2019
- 100% of Chapter Staff trained in all mandatory Ontario training programs
- Collaborated on Abuse policy with all Chapters across Canada and all staff and regular volunteers completed an annual declaration



## Strengthen Strategic Relationships and Mobilize Support

- Maintained employee payroll giving above 80%
- Increased volunteer capacity from 1:77 Staff to volunteer ratio in 2018 to 1:134 ratio in 2019
- Grew community third party event support by 6% for a total of \$578,984
- Seasonal holiday campaign successfully raised \$107,767 and reconnected 141 lapsed donors with our mission
- Launched [Show Your Stripes](#) initiative with White Oaks Mall raising \$39,537
- Developed and launched 4 awareness videos featuring all programs
- Secured 11 new room sponsors
- Selected by RMHC Canada to participate in McDelivery video for December - these videos reached over 8 million views
- Introduced thank you phone calls to donors by staff and board members- 26% of holiday donation donors thanked





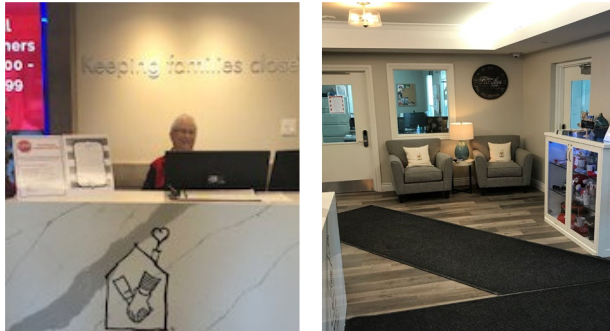
# Operation Program Refresh

## RMH London Lobby Renovations

Renovating the RMH London lobby added space, security, and practicality for families, volunteers and visitors. A heated sidewalk and vestibule helps keep things warm in the colder months while providing more security with a two door entrance. Our volunteers are also front and centre so they can keep track of those coming in and out of the House and a digital donor wall helps thank supporters in an economically responsible way.

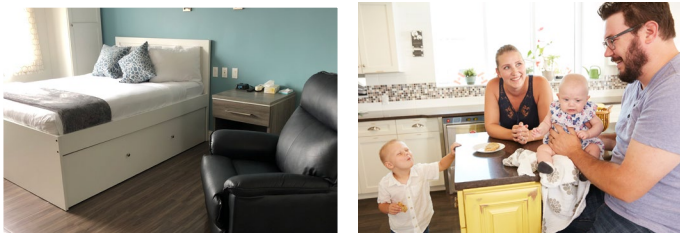


*Before &  
After*



## RMH Windsor Updates

RMH Windsor bedrooms were refreshed with new mattresses, bedding and black-out curtains. The RMH Windsor Day Pass Program was also extended with longer operating hours, giving families who aren't staying at the House more time to utilize amenities like the kitchen, laundry, nap rooms, and showers.

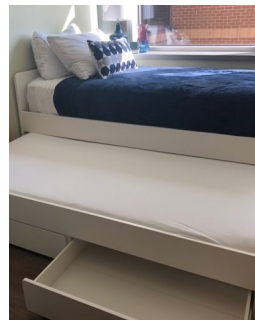


## RMH Family Room Renovations

After opening in 2012, our RM Family Room inside London Children's Hospital was in need of updates to adapt to the ever-changing needs of families with seriously ill children. Increased seating capacity in the common space, trundle beds allowing more family members to stay overnight, and new furniture and decor make the space truly feel like home while improving functionality.



More space for volunteers provides opportunity to **better welcome families and support their needs** while they stay bedside with their seriously ill child.



Special thanks to our **Renovation Sponsor, McKenzie Lake Lawyers LLP**, for helping to provide the monetary support necessary for these renovations.



**MCKENZIE LAKE  
LAWYERS**



**Thank you to all of our RM Family Room Refresh Gift-in-Kind Donors:**

Bernardo Group Ltd.  
BrandSource - Sealy Canada  
Centreville Construction  
Corian Solid Surface  
Curney Mechanical  
ECO Architectural Glass  
IKEA Canada  
Image Graphics & Signs

Jack Astor's Bar and Grill  
London Health Sciences Centre  
ProAble Hardware  
Sealy Canada  
Turnay Electrical Specialties  
Urban Barn  
VanderSchaaf Countertops

# Our Signature Events

## 36<sup>th</sup> Annual Golf Classic

Our cornerstone tradition continued this past year! We pulled in a favour from Mother Nature who gave us an absolutely beautiful day for all of our guests to hit the links for a memorable game of golf. Thank you to all our sponsors, donors, and both new and returning players for joining the 36<sup>th</sup> Annual RMH Golf Classic in August. Together, you raised an incredible \$129,880.01 (net) - an amazing gift, which will keep countless families close when they need it most.



## 34<sup>th</sup> Annual Curling Bonspiel

The Curling Bonspiel has been a cherished part of our culture at RMHC-SWO for decades and the 34<sup>th</sup> year was no exception. Returning players, new friends, sponsors and RMHC families were all main ingredients for another successful curling event! Their determination and passion saw this spectacular day, raise more than \$46,000.00 (net) - the highest revenue in our bonspiel history.



## 3<sup>rd</sup> Annual Illuminate the Houses

Lighting Ronald McDonald House London and Windsor for the holiday season has become a "just like home" tradition we like to give families who can't be home for the holidays. With hot cocoa, warm blankets and CTV London's Julie Atchison joining the evening, we kicked off the holidays with the support of our communities. RMH London was included in the CTV news article "Best London-Area Christmas Light Displays".



## Red Shoe Society London



From stunning attire to unforgettable themes, London's Red Shoe Society (RSS) pulled out all the stops as they spread the word about RMHC-SWO. In 2019, RSS London Signature Events, Scarlet Ball 007 and Fall Ball NYFW - After Party, raised \$135,508.37(net) to keep families close.

## Red Shoe Society Windsor-Essex



Red Shoe Society Windsor/Essex, strengthened successful partnerships while introducing new local businesses to the RMH mission. New events, volunteer initiatives and awareness-raising programs in the community continue to make an impact on RMHC-SWO. We look forward to seeing what 2020 brings!



# Our Communities, Our Families

Keeping families close with the **average length of stay at RMHC-SWO in 2019 being 15 nights\***, and the **longest stay being 272 nights.<sup>1</sup>** Six of our families used both London and Windsor Houses during their child's medical journey. Families calling us "home-away-from-home" traveled from:



Windsor-Essex  
Grey Bruce  
Oxford-Elgin  
Sarnia-Lambton  
Huron Perth  
Chatham-Kent



Northern Ontario  
Out of Province  
Out of Country



“The love and support of family is a vital part in a child's emotional well-being and aids their physical recovery. I don't know how we would have made it through without our family being together.”

-Howe Family

The RM Family Room London saw over 49,000 visits by caregivers with children receiving medical treatment at London Children's Hospital.<sup>2</sup> This space remains vital to family centered care by providing a home-like environment for families down the hall from their child's hospital room. In 2019, we saw an increase in the services used.



**384 naps** taken in three available sleep rooms<sup>2</sup>

**1,934 loads of laundry** done to keep necessities & favourite blankies clean<sup>2</sup>

**1,886 showers** taken by caregivers in need of a refresh<sup>2</sup>

**Show Your Stripes** invited communities across Southwestern Ontario to join in raising awareness for their local families calling RMHC Southwestern Ontario home while staying close to their seriously ill children. **We were thrilled to partner with our friends at White Oaks Mall in a community-wide campaign** that rallied individuals, families, and businesses to show their stripes. New videos highlighted the programs and services offered to families when calling RMHC-SWO "home-away-from-home".



Show  Your  
**STRIPES**



\*1 and 2 night stays removed  
Reference: 1.GRMHS Reporting 2019 2.RM Family Room Census Reporting

# Our Volunteers

Over four thousand volunteer roles filled totaling over thirty one thousand and six hundred hours given. As volunteer support grows, so does the support provided to families.



RMH London expanded its Barber Shop program by adding a Hair Salon. Since starting in September 2019, 23 people used the service.<sup>1</sup>



An estimated 50, 873 individual meals were prepared and served to families from our kitchen volunteers across the Chapter.<sup>4</sup>



Pet Therapy was our busiest family activity at RMH London with over 791 visits from guest families.<sup>1</sup>

"Volunteers do not necessarily have the time; they just have the heart." –  
**Elizabeth Andrew**



The **RM Family Room London** served over **4,500 pots of coffee** to families using the room and Cart with a Heart program.<sup>3</sup>

**Cart with A Heart** at both the RM Family Room London and RMH Windsor **brought comfort to 12,800 caregivers** staying bedside to their seriously ill children.<sup>4</sup>

The **Day Pass Program** at RMH Windsor provided **access to Houses amenities to 858 families**, allowing them to use spaces like the kitchen, nap rooms and showers while at the hospital.<sup>2</sup>

“Sometimes the simplest things bring the most comfort. It feels rewarding to know you're helping families when they need it most.”

- Claudette, Volunteer



With the help of our Volunteer Christmas Store Committee, holidays at the Houses brought just like home traditions to families. During the month of December:



RMH London served **76 families with gifts**<sup>1</sup>

**57 families at RMH Windsor received gifts**<sup>2</sup>



**38 Letters to Santa** were sent from kids staying RMH London!<sup>1</sup>





## Applauding Our Volunteers

"The volunteers welcoming me with a smile every time I came through the door made me feel at home. The amazing groups that came in to cook meals and bake goodies brought a sense of comfort. Many of them would sit down, talk with me, and listen because they were truly interested in our family's journey."

-Alicia  
Family stayed at RMHC-SWO in 2015



# Celebrating 35 Years

From supportive volunteers, to dedicated staff and appreciative families, RMHC-SWO has many reasons to be thankful. We followed up with some past McHappy Day Advocate Families to learn their reason for holding RMH close to their hearts, even after returning home.



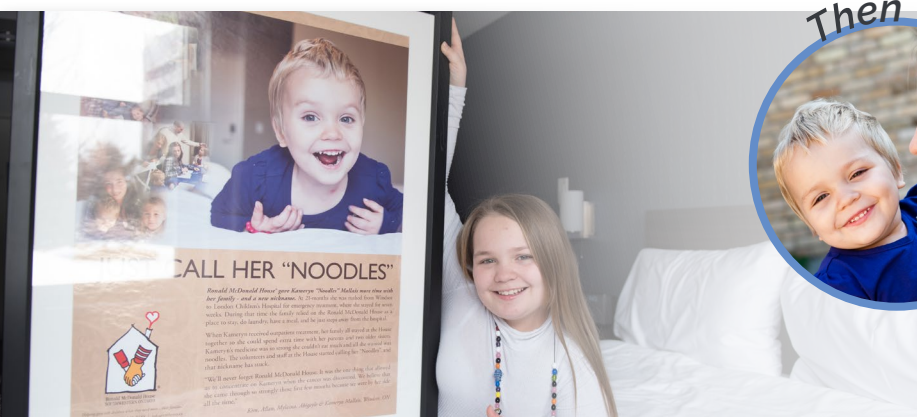
## BRANDON'S REASON: A BEST FRIEND BY MY SIDE



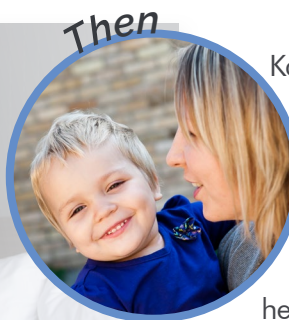
Then

For Brandon, having his twin brother Tyler close meant he had the comfort of his best friend. The McDonald family has called us their "home-away-from-home" for 100 nights since 2011 and have fond memories of exploring the House and playing games together. Today, both boys find themselves preparing for their Grade 8 Graduation.

*"Staying at the House means we have somewhere to take a break, get a good night sleep, and enjoy a homemade meal while being close to Brandon."*  
- Brandon's mom



## KAMERYN'S REASON: A SPACE TO BELONG



Then

Kameryn has been cancer free and in remission for seven years since her diagnosis in 2010, just before her second birthday. Her family found friendship and support at the House during their long journey with Kameryn. Looking back on her experience, Kameryn is looking forward to learning how she can help other kids just like her one day.

*"I want to help other children. I want them to know how important it is to never give up and to always keep trying."*  
- Kameryn



## TAYLOR'S REASON: A BRIGHT FUTURE



Then

A diagnosis of Osteosarcoma shortly before her 16th birthday changed the way Taylor viewed the world. The support she received while her family stayed close for 69 nights led to a new outlook on life. Now, four years after her final chemotherapy treatment, Taylor is enrolled in nursing college.

*"I was inspired by the nurses and care my family received. I realized I wanted to care for others who are in difficult situations like I was."*  
- Taylor



## Our Donors

RMHC-SWO is thankful for our generous and valued donor partners!

RMHC-SWO Programs are created as a part of the community. We rely on the support of many donors, partners and individuals to help the families of seriously ill children. Thank you to our friends who:

- Donate items from our Wish List,
- Host fundraisers on our behalf,
- Sponsor or participate in our events,
- Make contributions to support our programs  
*and much, much more*



Harper & Olivia  
Family's first stay in 2011

## Our Founding and Forever Partner



Our local McDonald's Owner / Operators have been keeping families close since the very beginning by generously opening their hearts and providing invaluable support to RMHC-SWO.

Each year, RMHC-SWO receives 25-30 percent of our annual operating budget from McDonald's. This funding comes from a portion of every Happy Meal and RMHC Cookie purchased, collection of donations through coin boxes and cashless giving options and fundraising efforts from McHappy Day. Thank you to every crew members, Owner/Operator and corporate employee for your tireless efforts to support our families.

## RMHC Canada Partners



RMHC Canada helps to support all 15 Houses across Canada. Their partnerships help to provide funding vital for keeping families close across the country.



## Local Partners \$10,000

**BellMedia**

canada **life** | Stronger Communities Together™

Cocktails & Candy Canes Fundraising Event

**Courtesy**  
Ford | LINCOLN

The Hotchkiss Family Foundation

**JOHN AARTS GROUP**

**LEGATE** | PERSONAL INJURY LAWYERS  
& ASSOCIATES LLP

Let's Move! Tavistock Run

**THE LINCOLN MOTOR COMPANY**

LJK Drew Doughty AAA Int'l Hockey Tournament

**London and District LDCFCA**  
Concrete Forming Contractors Association

**LONDON BRIDGE**  
CHILD CARE SERVICES INC.

**LONDON KNIGHTS ALUMNI Foundation**

**MCKENZIE LAKE**  
LAWYERS

**NOFRILLS**

Optimist Club of Brussels

**OAKRIDGE OPTIMISTS**  
Over 60 Years of bringing out the best in Youth Since 1957

Roger Salter Memorial Golf Tournament

**SUNPARLOUR RODEO**

**100% CANADIAN**  
Sutton Group Preferred Realty Inc., Brokerage

**TRICAR**

**TRUCKING for Kids**  
LONDON, ONTARIO

Unifor Local 2458 Canada

**M**  
Vincent Massey Secondary School

**WHITE OAKS**  
m a l l

Zach D'Souza Smiles 4 Miles Soccer Tournament

## Local Partners \$5,000 - \$9,999

Bowling Benefit for RMHC-SWO  
Canadian Jewellery Group  
Chatters  
CIBC Private Wealth Management  
Cohen Highley LLP  
Darrell Ellwood Memorial  
Economical Mutual Insurance Company  
Fore Our Families  
Froesey's Show & Shine  
Georgijev Financial Group  
Goderich Sunset Golf Club Annual Charity Golf Tournament  
Hiram Walker & Sons  
Kevin Siddall Baseball Tournament – Windsor Starts Baseball Club

Jake's Bowling Social  
Johnstone & Cowling LLP  
Lerners LLP  
Let's Dance! For RMH  
London Knights Hockey Club  
Maple City Slo-Pitch Tournament: Diamond Division  
Maureen Burke - Illuminate the House  
McCormick Canada: Clubhouse Division  
Orange Rock Developments  
Play4Brae - Wallaceburg Minor Hockey Association  
Richter Asmussen Financial Group

Sobeys Chatham  
Sobeys North London  
Tom & Jerry's Golf Tournament  
Tuukka Cup 3 on 3 Road Hockey Tournament





## Operations Partners

### Agropur

- Provides a selection of bread products and baked goods

### Best Western Lamplighter Inn

- Supports Hotels with Heart program

### BrandSource

- Donates in-House electronics

### Canus

- Provides hand soaps, lotions and other care products

### Coca Cola

- Provides product and drink machines for both Houses

### EcoLab

- Provides sanitizer and laundry detergent to both Houses

### Google

- Provides connection for families with helpful Google products

### Holiday Inn Express

- Supports Hotel with Heart program

### Kruger

- Donates paper products, like toilet paper, Kleenex & paper towels

### La-Z-Boy

- Furnishings for both Houses

### London Hospital Linen

- Provides sheet cleaning services for RMH London

### Mars Wrigley

- Donates candy product for families over Halloween

### Mother Parker's

- Provides coffee, tea and hot chocolate

### Payworks

- Donates software package to Chapter

### Saputo Dairy Products Canada G.P.

- Provides daily milk essentials from chocolate milk to creamers to RMH Windsor

### Thirty One Gifts

- Donates RMHC branded totes used as welcome bags for families

### Triple D Electric

- Provide electrical services for the renovation of the RMH London lobby

### Urban Barn

- Donates home decor items to help furnish family spaces

## Payroll Giving

A payroll deduction plan is an easy and seamless way to make a big difference by donating a set amount from each pay cheque. Thank you to the many employers who participate in a payroll giving program.

### Thank you to our 2019 Payroll Donors:

Cargill Value Added Protein

CIBC Canada

Damar Security Systems

McDonald's Restaurants of London, Car-Jon Family Restaurants

McDonalds's Restaurants of Exeter, Kincardine & Goderich

Nestle Canada Inc

Ronald McDonald House Charities Southwestern Ontario

Royal Bank of Canada

Spriet Associates

## Adopt-A-Room Program

The Adopt-a-Room program presents the opportunity for donors to support one of the 44 rooms in the Ronald McDonald House London and Windsor or the RM Family Room London. Adopting a room helps ensure our ongoing financial viability and enables these rooms to be kept in excellent condition for all the families that come to stay.

### Thank you to our 2019 Room Sponsors

A.P. Plasman - Windsor Plant 1

A.P. Plasman Tecumseh Plant

Active Industrial Solutions

The Bank of Nova Scotia

The Bouck Family

Fight Like Mason Foundation

Go Platinum Realty Inc.

Hospice of Windsor

In Honour of Chrissy McNeil

In Honour of Darlene Circelli

Kaiser Aluminum

McKenzie Lake Lawyers LLP

Optimist Club of Oakridge Acres

Reliance Home Comfort

Reno Pros Windsor Inc.

The Shamrock Club

Soccer Dogs in Honour of Tyson S.

Sun Parlour Rodeo

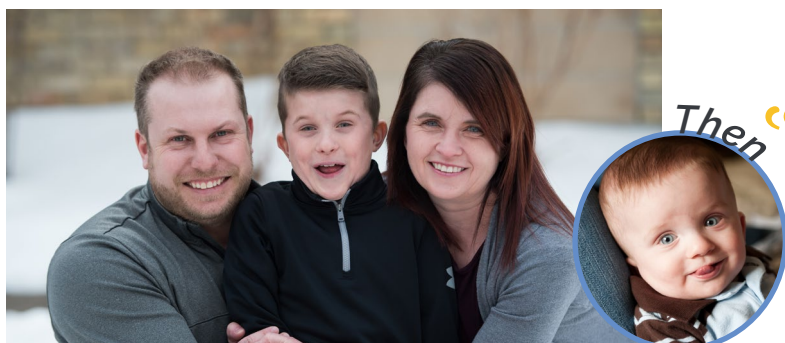
The Thompson Family

Trucking for Kids

Trust Company

Wayne Toyota in Honour of Melaina Marostica

Zach D'Souza Smiles4Miles



Then

Thank you for your support. Our son was born prematurely and we spent 114 days at Ronald McDonald House. We will forever be grateful for the home-away-from-home during a difficult time. Your support makes all the difference. 🙏

-The Konecny Family

# Financial Report

2019 was a year of growth and change for RMHC-SWO. With the support from the community, donors and friends of the Chapter we were able to expand our programs and support the increasing demand for our services.

## Financial Position as at December 31, 2019

	2019	2018
<b>Assets</b>	<b>\$15,088,716</b>	<b>\$14,583,304</b>
<b>Liabilities</b>	<b>\$173,814</b>	<b>\$192,743</b>
<b>Fund Balances</b>	<b>\$14,914,902</b>	<b>\$14,390,561</b>

Operating bank accounts were higher than normal level with a balance of \$792,605 at the end of the year, representing approximately 4 months of operating expenses. Investments were \$6,528,166, an increase of 6% from 2018, causing an unrealized gain at year end of \$179,700 and returns for the year of 7.994% compared to (2.999)% in 2018 and 6.099% in 2017.

The investments were allocated into the following funds:

- Capital asset fund of \$1,494,949:
  - o Received \$33,609 of contributions, a \$302,047 transfer in from the General fund, earned \$54,696 in investment income and spent \$335,656 on capital expenditures.
  - o Expenditures primarily went to room refreshes for the final 12 rooms at the London House and renovation to the front lobby including a video donor wall.
- General fund of \$5,033,217:
  - o RMHC Canada recommends this balance be two times our program expenses. We met this target in 2019.

## Revenues and Expenses from January 1 to December 31, 2019

	2019	2018
<b>Revenues and other support</b>	<b>\$3,323,319</b>	<b>\$3,026,079</b>
<b>Investment income (loss), net</b>	<b>\$494,376</b>	<b>(\$198,455)</b>
<b>Expenses</b>	<b>\$3,293,354</b>	<b>\$3,218,124</b>
<b>Excess (deficiency) revenue over expenses</b>	<b>\$524,341</b>	<b>(\$390,500)</b>

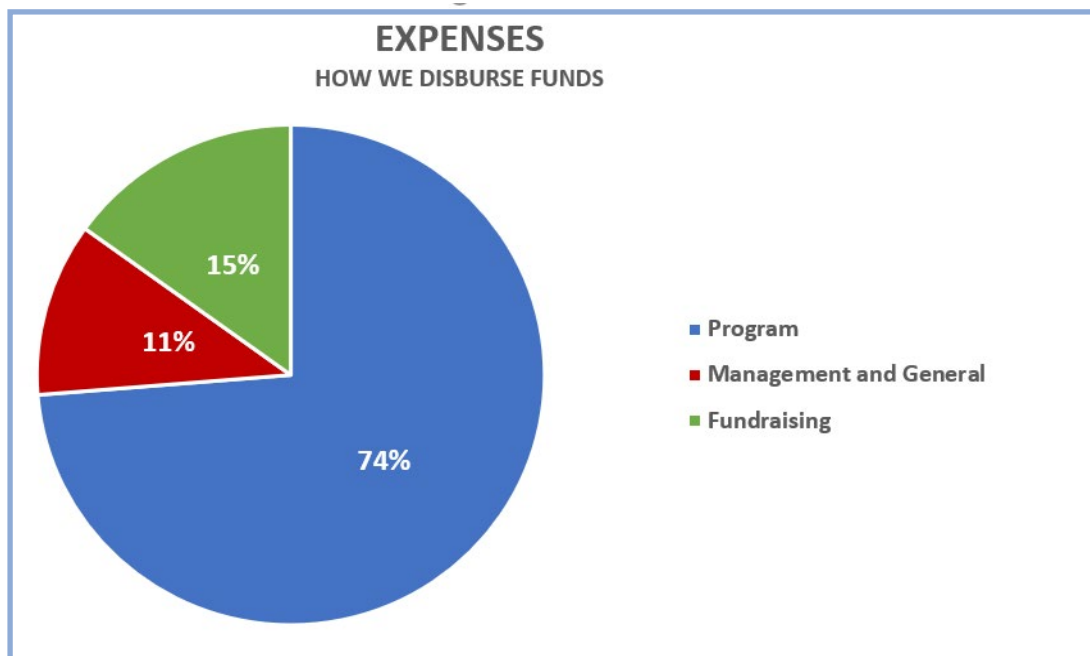
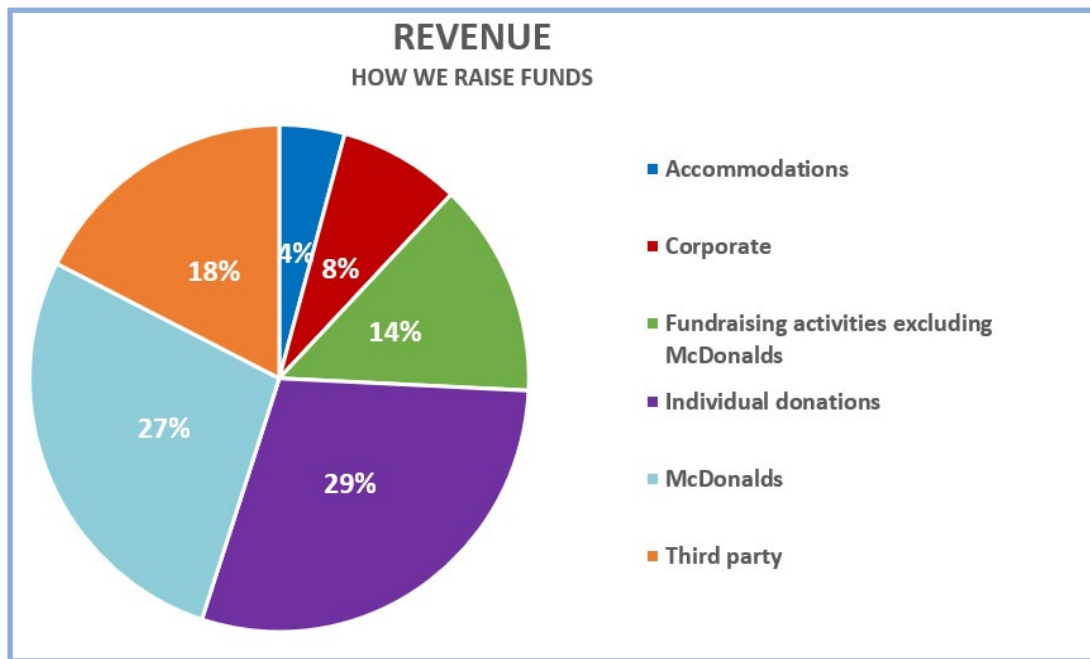
### *General Fund*

Revenues and expenses have both increased since 2018 due to the generosity of individuals, the recruitment of key talent and the launch of new fundraising campaigns including "Show Your Stripes".

### *Capital Asset Fund*

There was a deficiency at the end of 2019 of \$410,206 due to amortization of capital assets of \$498,511. To provide for the sustainability of our Houses, \$302,047 was transferred from the General fund to the Capital Asset fund.





The financial information provided above is in a condensed format. The complete audited financial statements are in the Appendix below.

Thank you to all the staff, Board members and volunteers who made this possible and for their ongoing support and commitment to our mission.

Respectfully submitted,

**Amanda Mulder, CPA, CA**

Treasurer and Board Member



## Board of Directors 2019

### Officers

Harry Van Bavel, President  
Lou Anne Farrell, Past President  
Anne McNeil, Vice President  
Carl Edwards, Vice President  
John Simioni, Director  
Amanda Mulder, Treasurer

### Directors

Dave Fulton  
Dave Strano  
David Musy  
Derek Lall  
Jon Williams  
Kelly Finlayson  
Laura Emmett  
Nicole Harris  
Patricia Hoffer  
Rob Reid



**Ronald McDonald  
House Charities®**  
Southwestern Ontario

741 Base Line Road East, London ON, N6C 2R6  
519-685-3232 | [www.rmhc-swo.ca](http://www.rmhc-swo.ca) | [info@rmhc-swo.ca](mailto:info@rmhc-swo.ca)

   @RMHCSWO



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES®  
SOUTHWESTERN ONTARIO)**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**  
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Chartered Professional Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Southwestern Ontario Childrens Care Inc.

### Qualified Opinion

We have audited the accompanying financial statements of Southwestern Ontario Childrens Care Inc., which comprise of the statement of financial position as at December 31, 2019, the statement of operations and changes in fund balances, statements of functional expenses, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Southwestern Ontario Childrens Care Inc. as at December 31, 2019, and its financial performance and its cash flows for the year ended December 31, 2019 in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activity, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of donation and fundraising revenues, in the fiscal year ending December 31, 2019 and the fiscal year ending December 31, 2018 was limited to the amounts recorded in the records of the organization. Accordingly, we are unable to determine whether any adjustments for unrecorded amounts might be necessary to revenues, excess (deficiency) of revenues over expenditures and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on Davis Martindale LLP's website at: [https://www.davismartindale.com/auditors\\_report](https://www.davismartindale.com/auditors_report). This description forms part of our auditor's report.

London, Ontario  
April 6, 2020

*Davis Martindale LLP*

Chartered Professional Accountants  
Licensed Public Accountants



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**STATEMENT OF FINANCIAL POSITION**

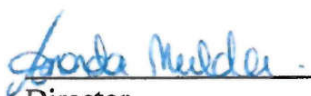
**AS AT DECEMBER 31, 2019**

<b>ASSETS</b>		
	<b>2019</b>	<b>2018</b>
<b>Current Assets</b>		
Cash	\$ 808,780	\$ 423,416
Accounts receivable	106,685	224,668
Prepaid expenses and other assets	<u>19,930</u>	<u>13,257</u>
	935,395	661,341
<b>Investments (note 3)</b>	6,528,166	6,133,953
<b>Capital assets, net (note 4)</b>	<u>7,625,155</u>	<u>7,788,010</u>
	<u>\$ 15,088,716</u>	<u>\$ 14,583,304</u>

**LIABILITIES AND FUND BALANCES**

<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 165,387	\$ 164,118
Government remittances payable	1,892	1,720
Deferred contributions (note 5)	<u>6,535</u>	<u>26,905</u>
	173,814	192,743
<b>Commitments (note 7)</b>		
<b>Fund Balances</b>		
General fund	5,794,798	5,162,298
Capital asset fund (note 8)	<u>9,120,104</u>	<u>9,228,263</u>
	<u>14,914,902</u>	<u>14,390,561</u>
	<u>\$ 15,088,716</u>	<u>\$ 14,583,304</u>

**Approved on Behalf of the Board**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

*The attached Independent Auditor's Report and notes form an  
integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>General</u>		<u>Capital Asset</u>		<u>Total</u>
	2019	2018	2019	2018	2018
<b>Revenues and Other Support</b>					
Contributions	\$ 1,782,212	\$ 1,441,962	\$ 33,609	\$ 144,166	\$ 1,815,821
Fundraising activities (note 10)	990,276	944,113	-	-	990,276
RMH room donations/fees	510,258	488,843	-	-	510,258
Other revenues	<u>6,964</u>	<u>6,995</u>	<u>-</u>	<u>-</u>	<u>6,964</u>
	3,289,710	2,881,913	33,609	144,166	3,323,319
					3,026,079
<b>Expenses</b>					
Program Services	1,929,593	1,959,356	498,511	536,526	2,428,104
Management and General	369,555	307,902	-	-	369,555
Fundraising	<u>495,695</u>	<u>414,340</u>	<u>-</u>	<u>-</u>	<u>495,695</u>
	<u>2,794,843</u>	<u>2,681,598</u>	<u>498,511</u>	<u>536,526</u>	<u>3,293,354</u>
					3,218,124
<b>Excess (deficiency) of operating revenues over expenses</b>					
Investment income (loss), net (note 3)	494,867	200,315	(464,902)	(392,360)	29,965
	<u>439,680</u>	<u>(202,260)</u>	<u>54,696</u>	<u>3,805</u>	<u>494,376</u>
					(198,455)
<b>Excess (deficiency) of revenues over expenses</b>	<u>\$ 934,547</u>	<u>\$ (1,945)</u>	<u>\$ (410,206)</u>	<u>\$ (388,555)</u>	<u>\$ 524,341</u>
Fund Balances, beginning of year	5,162,298	5,464,096	9,228,263	9,316,965	14,390,561
Excess of revenues over expenses	934,547	(1,945)	(410,206)	(388,555)	524,341
Transfers between funds (note 9)	<u>(302,047)</u>	<u>(299,853)</u>	<u>302,047</u>	<u>299,853</u>	<u>-</u>
					-
<b>Fund balances, end of year</b>	<u>\$ 5,794,798</u>	<u>\$ 5,162,298</u>	<u>\$ 9,120,104</u>	<u>\$ 9,228,263</u>	<u>\$ 14,914,902</u>
					\$ 14,390,561

*The attached Independent Auditor's Report and notes form an integral part of these audited financial statements.*





**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**SCHEDULE 1 - STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Ronald McDonald House (London)	Ronald McDonald House (Windsor)	Ronald McDonald Family Room	Total Program Services	Supporting Services Management and General	Fundraising	Total Expenses
Salaries	\$ 609,196	\$ 375,097	\$ 107,881	\$ 1,092,174	\$ 218,589	\$ 389,940	\$ 1,700,703
Amortization of capital assets	320,956	149,307	28,248	498,511	-	-	498,511
Advertising	-	-	-	-	13,238	73,045	86,283
Education, training and meetings	9,988	7,738	-	17,726	8,586	5,122	31,434
Family support services and supplies	130,574	98,566	11,033	240,173	-	-	240,173
Maintenance and repairs	298,578	-	-	298,578	-	-	298,578
Office supplies	-	-	-	-	31,854	20,245	52,099
Professional fees	-	-	-	-	74,809	-	74,809
Travel, meal and entertainment costs	11,098	9,957	-	21,055	22,479	7,343	50,877
Utilities	91,642	882	-	92,524	-	-	92,524
Volunteer resources and recognition	8,634	4,317	8,634	21,585	-	-	21,585
Other - overflow accommodations	145,778	-	-	145,778	-	-	145,778
<b>Total Expenses</b>	<b>\$ 1,626,444</b>	<b>\$ 645,864</b>	<b>\$ 155,796</b>	<b>\$ 2,428,104</b>	<b>\$ 369,555</b>	<b>\$ 495,695</b>	<b>\$ 3,293,354</b>

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**SCHEDULE 2 - STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Ronald McDonald House (London)	Ronald McDonald House (Windsor)	Ronald McDonald Family Room	Total Program Services	Supporting Services Management and General	Fundraising	Total Expenses
Salaries	\$ 656,790	\$ 366,405	\$ 92,171	\$ 1,115,366	\$ 160,922	\$ 362,742	\$ 1,639,030
Amortization of capital assets	363,682	144,996	27,848	536,526	-	-	536,526
Advertising	-	-	-	-	19,006	18,120	37,126
Education, training and meetings	13,328	7,190	1,418	21,936	8,086	7,128	37,150
Family support services and supplies	175,185	30,166	24,267	229,618	-	-	229,618
Maintenance and repairs	313,881	-	-	313,881	-	-	313,881
Office supplies	-	-	-	-	28,892	16,967	45,859
Professional fees	-	-	-	-	68,359	-	68,359
Travel, meal and entertainment costs	14,456	9,445	1,418	25,319	22,637	9,383	57,339
Utilities	97,215	320	-	97,535	-	-	97,535
Volunteer resources and recognition	8,047	4,023	8,046	20,116	-	-	20,116
Other - overflow accommodations	135,585	-	-	135,585	-	-	135,585
<b>Total Expenses</b>	<b>\$ 1,778,169</b>	<b>\$ 562,545</b>	<b>\$ 155,168</b>	<b>\$ 2,495,882</b>	<b>\$ 307,902</b>	<b>\$ 414,340</b>	<b>\$ 3,218,124</b>

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019	2018
<b>Operating Activities</b>		
Excess (deficiency) of revenues over expenses for the year		
General fund	\$ 934,547	\$ (1,945)
Capital asset fund	<u>(410,206)</u>	<u>(388,555)</u>
	524,341	(390,500)
Add (deduct) items not involving cash		
Amortization of capital assets	498,511	536,526
Realized loss (gain) on sale of investments	(95,629)	86,494
Unrealized loss (gain) on investments	<u>(247,429)</u>	<u>218,995</u>
	679,794	451,515
Net change in non-cash working capital balances related to operations:		
Accounts receivable	117,983	(72,974)
Prepaid expenses and other assets	(6,673)	4,893
Accounts payable and accrued liabilities	1,269	(27,544)
Government remittances payable	172	(18,017)
Deferred contributions	<u>(20,370)</u>	<u>14,950</u>
<b>Cash Provided by Operating Activities</b>	772,175	352,823
<b>Cash Flows from Investing Activities</b>		
Net change in investments	390,118	(474,115)
Purchases of capital assets	<u>(335,656)</u>	<u>(488,158)</u>
<b>Net Cash Provided by (Used In) Investing Activities</b>	<u>54,462</u>	<u>(962,273)</u>
<b>Net Increase (Decrease) in Cash During the Year</b>	826,637	(609,450)
<b>Cash, Beginning of Year</b>	<u>691,809</u>	<u>1,301,259</u>
<b>Cash, End of Year</b>	<u><u>\$ 1,518,446</u></u>	<u><u>\$ 691,809</u></u>
<b>Cash is Comprised as Follows:</b>		
Operating cash	\$ 808,780	\$ 423,416
Investment cash (note 3)	<u>709,666</u>	<u>268,393</u>
	<u><u>\$ 1,518,446</u></u>	<u><u>\$ 691,809</u></u>

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**1. Nature of the Organization**

**Organization**

Southwestern Ontario Childrens Care Inc. ("the Organization") (o/a Ronald McDonald House Charities® Southwestern Ontario) is an Ontario not-for-profit, charitable corporation formed in 1985. The mission of Ronald McDonald House Charities (RMHC) is to create, find and support programs that directly improve the health and well-being of children and their families. RMHC and the network of local Chapters, of which there are 12 in Canada, ascribe to five core values: we are focused on the critical needs of children, we lead with compassion, we celebrate the diversity of our people and our programs, we value our heritage and we operate with accountability and transparency.

In Canada, 12 Regional RMHC Chapters work collaboratively through the support of RMHC Canada, Canada's national RMHC foundation, which is focused on contributing funding from McDonald's Restaurants of Canada and other donors, to support the building and operations of Ronald McDonald Houses, Family Rooms and Ronald McDonald Care Mobiles to help enable the support of families with sick children. The 12 Canadian Chapters operate 15 houses, 16 family rooms and one Care Mobile across Canada.

We fulfill our 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 the Organization, represent the core functions of Ronald McDonald House Charities:

**Ronald McDonald House(s) - London and Windsor**

When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. The Organization helps families stay close to their ill or injured child through the Ronald McDonald House - London and Ronald McDonald House Family Room located in London on the Site of London Health Sciences Centre-Childrens Hospital and Windsor, Canada's first house with a hospital located inside Windsor Regional Hospital, which provide temporary lodging, meals, programming, 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.

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integral part of these audited financial statements.*





**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**1. Nature of the Organization (continued)**

**Ronald McDonald Family Room**

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 Family Room in Children's Hospital - London Health Sciences Centre 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 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. At Ronald McDonald House Windsor, the Day Pass Program allows families access to the house during daytime hours to provide families with the benefits of a Family Room Structure. Both London and Windsor also operate hospitality cart programs that connect with families at their child's bedside. The *Cart with a Heart Program* brings the family room to the families and helps to educate and engage them in the services offered by Ronald McDonald House Programs.

**2. Significant Accounting Policies**

These financial statements are prepared in accordance with Part III of the Chartered Professional Accountants of Canada ("CPA Canada") Handbook - Accounting Standards for Not-for-Profit Organization, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

**(a) Use of estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the statement of financial position date, and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**(b) 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 principles, the accounts of the Organization have been classified into the following funds:

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

The Capital Asset fund reports resources that are restricted to the Organization's capital asset purchases, replacements, or maintenance initiatives.

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**2. Significant Accounting Policies (continued)**

**(c) 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 or Capital Asset 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.

Fees are recognized when the services have been provided. Revenue from room payments is recognized as revenue in the General fund on an accrual basis when the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income (loss) consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses. Investment income 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. General investment income earned on Restricted fund, Capital Asset fund, and General fund resources is recognized as revenue of the General fund. Investment losses are allocated in a manner consistent with investment income.

**(d) 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 supporting services benefited.

**(e) 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 historic rate.

**(f) Financial instruments**

Investments are recorded at fair value. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Other financial instruments, including accounts receivable, accounts payable and accrued liabilities, and government remittances payable are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

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integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**2. Significant Accounting Policies (continued)**

**(g) Contributed materials and services**

Donated materials and services are recorded in the financial statements at fair market value when fair market value can be reasonably estimated. Because of the difficulty in determining the fair value of volunteer time, these services are not recognized in the financial statements.

**(h) Capital assets**

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

Automobiles	5 years
Building	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

**(i) 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.

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integral part of these audited financial statements.*





**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**3. Investments**

Investments in pooled funds have been allocated among the asset classes based on the underlying investments held in the pooled funds.

	<b>2019</b>	<b>2018</b>
Investment income (expense) consists of the following:		
Interest, dividends and other	\$ 211,690	\$ 162,367
Realized gains (losses) on sale of investments	95,629	(86,494)
Management fees	<u>(60,372)</u>	<u>(55,333)</u>
	246,947	20,540
Unrealized gain (loss) on investments	282,486	(339,646)
Unrealized foreign exchange gain (loss)	<u>(35,057)</u>	<u>120,651</u>
	<u>247,429</u>	<u>(218,995)</u>
Investment income (loss), net	<u>\$ 494,376</u>	<u>\$ (198,455)</u>
General fund	<u>\$ 439,680</u>	<u>\$ (202,260)</u>
Capital asset fund	<u>\$ 54,696</u>	<u>\$ 3,805</u>

*The attached Independent Auditor's Report and notes form an  
integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**3. Investments (continued)**

Investments, all of which are recorded at fair value, have an asset mix as follows:

	<b>2019</b>			<b>2018</b>		
	General Fund	Capital Fund	Total	General Fund	Capital Fund	Total
Cash	\$ 547,154	\$ 162,512	\$ 709,666	\$ 205,374	\$ 63,019	\$ 268,393
Fixed Income						
Canadian Bonds	2,539,751	754,349	<b>3,294,100</b>	2,027,286	622,069	<b>2,649,355</b>
Equities						
Canadian	1,113,870	330,838	<b>1,444,708</b>	1,658,491	508,904	<b>2,167,395</b>
United States of America	738,984	219,491	<b>958,475</b>	698,496	214,332	<b>912,828</b>
Other international	<u>93,458</u>	<u>27,759</u>	<u>121,217</u>	<u>104,053</u>	<u>31,929</u>	<u>135,982</u>
	<u>1,946,312</u>	<u>578,088</u>	<u><b>2,524,400</b></u>	<u>2,461,040</u>	<u>755,165</u>	<u><b>3,216,205</b></u>
	<u>\$ 5,033,217</u>	<u>\$ 1,494,949</u>	<u><b>\$ 6,528,166</b></u>	<u>\$ 4,693,700</u>	<u>\$ 1,440,253</u>	<u><b>\$ 6,133,953</b></u>

*The attached Independent Auditor's Report and notes form an integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**4. Capital Assets**

Capital assets consist of the following:

		<b>2019</b>	
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>
Automobile(s)	\$ 59,349	\$ 59,349	\$ -
Building	8,725,006	2,534,940	6,190,066
Computer hardware	150,399	96,359	54,040
Computer software	47,214	46,152	1,062
Furniture, fixtures, equipment	830,390	344,963	485,427
Leasehold - Ronald McDonald Family Room	286,489	209,259	77,230
Leasehold - Ronald McDonald House Windsor	1,244,997	434,597	810,400
Parking lot	<u>10,661</u>	<u>3,731</u>	<u>6,930</u>
	<u><b>\$ 11,354,505</b></u>	<u><b>\$ 3,729,350</b></u>	<u><b>\$ 7,625,155</b></u>

		<b>2018</b>	
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>
Automobile(s)	\$ 59,349	\$ 59,349	\$ -
Building	8,579,720	2,318,637	6,261,083
Computer hardware	222,541	136,836	85,705
Computer software	47,214	37,221	9,993
Furniture, fixtures, equipment	1,621,240	1,229,054	392,186
Leasehold - Ronald McDonald Family Room	278,478	181,011	97,467
Leasehold - Ronald McDonald House Windsor	1,243,872	310,292	933,580
Parking lot	<u>10,661</u>	<u>2,665</u>	<u>7,996</u>
	<u><b>\$ 12,063,075</b></u>	<u><b>\$ 4,275,065</b></u>	<u><b>\$ 7,788,010</b></u>

**5. Deferred Contributions**

Deferred contributions represent unspent resources externally restricted for program expenses in future years for which a corresponding fund does not exist. Changes in the deferred contributions balance are as follows:

	<b>2019</b>	<b>2018</b>
Balance, beginning of the year:	\$ 26,905	\$ 11,955
Amount received during the year	6,535	26,905
Less: Amount recognized as revenue during the year	<u>(26,905)</u>	<u>(11,955)</u>
Balance, end of year	<u><b>\$ 6,535</b></u>	<u><b>\$ 26,905</b></u>

*The attached Independent Auditor's Report and notes form an integral part of these audited financial statements.*





**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**6. Financial Instruments**

The Organization is exposed to various financial risks through transactions in financial instruments.

**Credit Risk**

The Organization is exposed to credit risk in connection with its accounts receivable and its short-term and fixed income investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation. Accounts receivable is recorded net of an allowance for doubtful accounts of \$NIL (2018 - \$NIL).

**Interest Rate Risk**

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

**Liquidity Risk**

The Organization is exposed to the risk that it will encounter difficulty in meeting obligations associated with its financial liabilities. The Organization considers that it has sufficient funds available to meet its obligations as they come due.

**Currency Risk**

The organization enters into foreign currency purchase and sale transactions and has assets that are denominated in foreign currencies and thus are exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. Management does not believe they represent a significant risk to the organization. The organization does not currently use derivative instruments to reduce its exposure to foreign currency risk.

**Market Risk**

The organization's investments in publicly-traded securities exposes the organization to price risks as equity investments are subject to price changes in an open market. The organization does not use derivative financial instruments to alter the effects of this risk.

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**7. 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 \$1.00.

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 in 2021.

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. The initial term of the lease ends in May 2026.

The Organization is committed to a three year National Partnership Program Investment with RMHC Canada ending December 31, 2020 with payments of \$25,000 each year.

**8. Capital Asset Fund**

The Capital Asset fund balance consists of the following:

	<b>2019</b>	<b>2018</b>
Investments (note 3)	\$ 1,494,949	\$ 1,440,253
Capital assets (note 4)	<u>7,625,155</u>	<u>7,788,010</u>
	<u><u>\$ 9,120,104</u></u>	<u><u>\$ 9,228,263</u></u>

During the period, there were transfers made by the General fund to the Capital Asset fund in the amount of \$302,047 (2018 - \$299,853).

**9. Interfund Transfers**

Transfers between funds during the year consist of the following:

	<b>General Fund</b>		<b>Capital Asset Fund</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Other transfers approved by the Board	\$ <u>(302,047)</u>	\$ <u>(299,853)</u>	\$ <u>302,047</u>	\$ <u>299,853</u>

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**10. Events**

Revenues are generated from events organized by the Organization as well as third party events held throughout the community. The net proceeds from community sponsored events are donated to Southwestern Ontario Childrens Care Inc. Expenses incurred to run these events are the responsibility of the fundraisers and not Southwestern Ontario Childrens Care Inc.

The Organization's primary annual fundraising events are the Ronald McDonald House Charities® Southwestern Ontario Golf Classic, Curling Bonspiel, and Red Shoe Society Events.

	<b>2019</b>	<b>2018</b>
Revenues	\$ 587,667	\$ 566,102
Expenses	<u>(133,026)</u>	<u>(151,822)</u>
Net proceeds	454,641	414,280
Other events net proceeds	<u>535,635</u>	<u>529,833</u>
Total income recognized from fundraising events	<u>\$ 990,276</u>	<u>\$ 944,113</u>

**11. Related Party Transactions**

Ronald McDonald House Charities (RMHC) 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 RMHC system. Each Chapter is licensed by Ronald McDonald House Charity Global and Ronald McDonald House Charities, Inc. Canada to use RMHC 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, 2019, the Organization received from Ronald McDonald House Charities, Inc. \$535,635 (2018 - \$529,831); and the Organization received \$376,500 (2018 - \$382,083) from Ronald McDonald House Charities, Canada. Additionally, the Organization made a payment to RMHC Canada of \$25,000 for the National Partnership Program Investment. This program ends as of December 31, 2020.

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