Ronald McDonald House Canada / Maison Ronald McDonald Canada

Financial statements
December 31, 2025

Shape the future
with confidence

Independent auditor's report

To the Members of
Ronald McDonald House Canada / Maison Ronald McDonald Canada

Opinion

We have audited the financial statements of the **Ronald McDonald House Canada / Maison Ronald McDonald Canada** ["RMH Canada"], which comprise the statement of financial position as at December 31, 2025, and the statement of operations and changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of RMH Canada as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

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 RMH Canada 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 the 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 RMH Canada'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 RMH Canada or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing RMH Canada'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.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RMH Canada's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on RMH Canada's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause RMH Canada to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
June 15, 2026

Ronald McDonald House Canada / Maison Ronald McDonald Canada

Statement of financial position

As at December 31

	2025	2024
	$	$
Assets		
Current		
Cash	**6,574,810**	6,238,965
Due from related parties *[note 8]*	**1,051,508**	1,010,387
Other receivables *[note 5]*	**401,360**	741,193
Cash surrender value of life insurance policies	**45,583**	43,214
Total current assets	**8,073,261**	8,033,759
Investments, at fair value *[note 3]*	**47,390,051**	42,362,819
Donation boxes, net *[note 4]*	**179,365**	191,657
	55,642,677	50,588,235
Liabilities and fund balances		
Current		
Accounts payable and accrued liabilities *[note 8]*	**2,585,927**	1,489,354
Grants payable *[note 6]*	**1,574,810**	1,200,320
Total current liabilities	**4,160,737**	2,689,674
Fund balances		
General fund	**51,386,068**	47,627,242
Restricted fund	**95,872**	271,319
Total fund balances	**51,481,940**	47,898,561
	55,642,677	50,588,235

See accompanying notes

On behalf of the Board:

DocuSigned by:
Ross Betteridge
BD66EFB68876455...
Director

Signed by:
Susan E. Tawes
A2C484D53E0B492...
Director

Ronald McDonald House Canada / Maison Ronald McDonald Canada

Statement of operations and changes in fund balances

Year ended December 31

	General		Restricted		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
	$	$	$	$	$	$
Revenue *[note 8]*						
Contributions	**14,500,427**	12,589,070	**—**	—	**14,500,427**	12,589,070
Special events	**384,016**	321,316	**—**	—	**384,016**	321,316
Directed donations	**—**	—	**5,636,022**	5,475,955	**5,636,022**	5,475,955
Ronald McDonald House global grants	**—**	—	**1,087,655**	2,602	**1,087,655**	2,602
Other income	**—**	—	**150,000**	250,000	**150,000**	250,000
	14,884,443	12,910,386	**6,873,677**	5,728,557	**21,758,120**	18,638,943
Expenses *[note 8]*						
Program – grants *[note 6]*	**13,534,867**	11,310,317	**1,114,148**	360,000	**14,649,015**	11,670,317
Cost of direct benefits to donors	**—**	173	**—**	—	**—**	173
Management and general administration	**1,995,456**	1,765,878	**298,954**	106,138	**2,294,410**	1,872,016
Fundraising	**619,946**	634,724	**849,101**	811,348	**1,469,047**	1,446,072
Directed donations	**—**	—	**4,786,921**	4,664,607	**4,786,921**	4,664,607
	16,150,269	13,711,092	**7,049,124**	5,942,093	**23,199,393**	19,653,185
Change in fund balances from operations	**(1,265,826)**	(800,706)	**(175,447)**	(213,536)	**(1,441,273)**	(1,014,242)
Investment income, net	**5,024,652**	5,779,169	**—**	—	**5,024,652**	5,779,169
Change in fund balances	**3,758,826**	4,978,463	**(175,447)**	(213,536)	**3,583,379**	4,764,927
Fund balances, beginning of year	**47,627,242**	42,648,779	**271,319**	484,855	**47,898,561**	43,133,634
Fund balances, end of year	**51,386,068**	47,627,242	**95,872**	271,319	**51,481,940**	47,898,561

See accompanying notes

Ronald McDonald House Canada / Maison Ronald McDonald Canada

Statement of cash flows

Year ended December 31

	2025	2024
	$	$
Operating activities		
Change in fund balances	**3,583,379**	4,764,927
Add (deduct) items not involving cash		
Amortization of donation boxes	**44,906**	40,845
Net donation box write-off	**1,920**	4,298
Unrealized gains on investments and reinvested realized gains	**(1,621,724)**	(2,985,856)
	2,008,481	1,824,214
Changes in non-cash working capital balances related to operations		
Due from related parties and other receivables	**298,713**	1,272,977
Cash surrender value of life insurance policies	**(2,368)**	(2,441)
Accounts payable and accrued liabilities	**1,096,573**	(911,272)
Grants payable	**374,489**	64,075
Cash provided by operating activities	**3,775,888**	2,247,553
Investing activities		
Net reinvestment of investment proceeds	**(3,405,509)**	(2,520,822)
Acquisition of donation boxes	**(34,534)**	(56,438)
Cash used in investing activities	**(3,440,043)**	(2,577,260)
Net increase (decrease) in cash during the year	**335,845**	(329,707)
Cash, beginning of year	**6,238,965**	6,568,672
Cash, end of year	**6,574,810**	6,238,965

See accompanying notes

Notes to financial statements

December 31, 2025

1. Purpose of Ronald McDonald House Canada / Maison Ronald McDonald Canada

Ronald McDonald House Canada [“RMH Canada”] is a not-for-profit charitable corporation, originally incorporated in 1982 under the laws of Ontario as a corporation without share capital. In 2024, RMH Canada was continued under the *Canada Not-for-profit Corporations Act* (CNCA). The organization is registered as a public foundation under the Income Tax Act (Canada), and as such, is exempt from income taxes and authorized to issue donation receipts for income tax purposes.

RMH Canada operates an essential mission enabling access to Canada’s pediatric healthcare system. As the national foundation of support for the 12 Ronald McDonald House Regional Chapters across the country [“Chapters”], RMH Canada contributes funding from McDonald’s Restaurants of Canada Limited [“McDonald’s”], its franchisees, and other donors to support the building and operations of the independently governed Ronald McDonald Houses and Family Rooms programs.

RMH Canada commits annual operating cost grants based on the following general guidelines:

	2025 $	**2024** $
Per House	**123,650**	121,700
Per bedroom in each house [supplement]	**3,375**	3,320
First family room in a hospital	**37,700**	37,110
Second family room in the same hospital	**22,680**	22,320
24-hour family room [supplement]	**7,380**	7,265

RMH Canada also commits to capital requirements of the Houses using the following general guidelines:

	2025 $		**2024** $	
Stand-alone house	**0–500,000**	**50% plus**	0–500,000	50% plus
	500,001–1,000,000	**30% plus**	500,001–1,000,000	30% plus
	1,000,001–10,000,000	**20%**	1,000,001–10,000,000	20%
House inside a hospital	**0–1,000,000**	**50% plus**	0–1,000,000	50% plus
	1,000,001–10,000,000	**20%**	1,000,001–10,000,000	20%
Family rooms	**0–500,000**	**50% plus**	0–500,000	50% plus
	500,001–600,000	**20% plus**	500,001–600,000	20% plus
	600,001–700,000	**10%**	600,001–700,000	10%

The operating and capital funding guidelines described above represent general benchmarks used in assessing support for Chapters. Funding commitments are not automatic and are subject to approval by the Board of Directors [the “Board”], availability of resources, and specific circumstances of each project.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Not-for-Profit Organizations", which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized herein:

Fund accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to RMH Canada, the accounts are maintained in accordance with the principles of fund accounting. Under these principles, the accounts of RMH Canada have been classified into the following funds:

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

The restricted fund reports resources that are to be used for specific purposes as specified by the donor or the Board. Any funds internally restricted by the Board are recorded through a transfer to the respective fund.

Revenue recognition

RMH Canada 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. Investment income consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses. Investment income earned on restricted 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 and general fund resources are recognized as revenue of the general fund. Investment losses are allocated in a manner consistent with investment income.

Directed donations

RMH Canada reports directed donations as revenue of the restricted fund when received and expensed when disbursed. RMH Canada does not retain discretion over the use of directed donations, which are disbursed in accordance with donor instructions.

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 as at the date of the statement of financial position. Non-monetary assets and liabilities are translated into Canadian dollars at the historical rates.

Notes to financial statements

December 31, 2025

Investments

Investments are recorded at fair value. Publicly traded securities and bonds are valued based on the latest bid prices, and pooled funds are valued based on reported unit values. The cash on deposit within each long-term investment fund, which is held by the external investment manager, is considered long-term since that cash will be reinvested in the fund. Transactions are recorded on a trade date basis, and transaction costs are expensed as incurred.

The fair value of alternative investments (real estate, infrastructure, private equity or private debt), typically structured as limited partnerships, is determined by the external investment manager using accepted industry valuation methods approved by the general partner.

Cash surrender value of insurance policies

The cash surrender value represents the funds that RMH Canada will receive if the policies are terminated before they mature, or the insured event occurs.

Contributed services

McDonald's pays a substantial amount of the administrative expenses of RMH Canada. McDonald's incurs indirect costs in supporting RMH Canada, and many of its employees contribute their efforts on a voluntary basis. The value of these contributed services is not easily quantifiable and therefore is not recognized in the financial statements.

Donation boxes

RMH Canada owns donation boxes that are deployed in McDonald's restaurants. The donation boxes are recorded at cost and amortized on a straight-line basis over five years. The donation box collections are primarily distributed to the Houses net of coin collection, processing, program and capital payback deductions.

Grants

Grants to the Ronald McDonald Houses are recorded in the statement of operations and changes in fund balances when formally approved by the Board and the terms for payment have been met.

3. Investments

The fair value of investments consists of the following:

	2025 $	2024 $
Fixed income		
Bonds	**12,497,617**	10,971,200
Equities		
Canadian	**7,126,396**	6,528,022
Global	**16,851,266**	15,319,581
Emerging markets	**2,596,459**	2,018,867
Alternatives	**8,318,313**	7,525,149
Total long-term investments	**47,390,051**	42,362,819
Cash held within investment portfolio	**19,361**	109,733
Total investments	**47,409,412**	42,472,552

Investment income is net of investment management fees incurred of $192,116 in 2025 [2024 – $181,833].

4. Donation boxes

	2025 $	2024 $
Cost	**2,615,107**	2,585,266
Less accumulated amortization	**2,435,742**	2,393,609
Net book value	**179,365**	191,657

5. Other receivables

As at December 31, 2025, other receivables include government remittances receivable of $163,661 [2024 – $284,039].

6. Grants payable

As at December 31, 2025, the balance of $1,574,810 [2024 – $1,200,320] is payable to the other 12 Ronald McDonald House Chapters across Canada. The payment was made in January 2026.

7. Financial instruments and risk management

RMH Canada is exposed to various financial risks through transactions in financial instruments. RMH Canada's Statement of Investment Policies and Procedures ["SIPP"] provides that the portfolio should be structured and managed to provide for the generation of its targeted rate of investment return while assuming low risk. RMH Canada engages an outsourced investment manager responsible for managing the portfolio in accordance with the SIPP, including measuring the portfolio's exposure to risk and structuring the portfolio within the SIPP's maximum risk exposure limit. The Finance Committee of RMH Canada monitors the investment manager's performance and compliance with the SIPP and the portfolio's financial risk.

Market risk

Market risk is the risk that changes in market prices, as a result of changes in foreign exchange rates, interest rates, equity prices and valuation of appraisal-based assets, will affect the value of its holdings of financial instruments. This risk is mitigated through the use of an investment manager and review of the SIPP.

Currency risk

RMH Canada is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of its pooled funds denominated in foreign currencies, because the fair value and future cash flows will fluctuate due to the changes in the relative value of foreign currencies against the Canadian dollar.

Interest rate risk

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

Equity price risk

Equity price risk is the risk that the fair value of equity financial instruments will fluctuate due to changes in market prices. RMH Canada is exposed to equity price risk on its investments in preferred and common stock. The objective of the SIPP is to manage equity price risk by maintaining a portfolio that is diversified across geographic sectors.

Valuation risk

Valuation risk is specific to appraisal-based assets such as real estate. RMH Canada is exposed to valuation risk through its investment in real estate limited partnership funds.

8. Related party transactions

Related parties include McDonald's, its franchisees, its employees and the Board and Committee members of RMH Canada. Included in revenue are contributions from related parties totaling $14,580,701 [2024 – $12,681,661], as well as $1,051,508 reported on the balance sheet due from related parties from various fundraising activities. Included in expenses are costs of $2,770,179 [2024 – $2,464,621] paid or payable to related parties as reimbursement for payments made on behalf of RMH Canada. All transactions between RMH Canada and related parties are measured at the exchange amount agreed upon by both parties. As at December 31, 2025, amounts payable to related parties total $145,645 [2024 – $0], and represent amounts payable for costs incurred on behalf of RMH Canada.