RONALD MCDONALD HOUSE
OF NEW YORK, INC.

Keeping Families Close.

Financial Statements
(Together with Independent Auditors' Report)

Years Ended December 31, 2018 and 2017

MARKS PANETH

ACCOUNTANTS & ADVISORS

RONALD MCDONALD HOUSE OF NEW YORK, INC.

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

YEARS ENDED DECEMBER 31, 2018 AND 2017

CONTENTS

Marks Paneth LLP
685 Third Avenue
New York, NY 10017
P 212.503.8800
F 212.370.3759
markspaneth.com

MARKS PANETH
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Ronald McDonald House of New York, Inc.

We have audited the accompanying financial statements of Ronald McDonald House of New York, Inc. (the "Organization") which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses and cash flows 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.

Auditors' 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 audit 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 entity'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 entity'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 the Organization as of December 31, 2018 and 2017, and 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.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2018, the Organization adopted Accounting Standards Update 2016-14, "Not-for-Profit Entities". Our opinion is not modified with respect to this matter.

Marks Paneth LLP

New York, NY
June 25, 2019

Morison KSi
Independent member

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS		
Cash and cash equivalents (Notes 2B and 11)	$ 8,892,741	$ 9,207,306
Contributions and pledges receivable, net (Notes 2F and 4)	2,053,010	2,958,321
Prepaid expenses and other receivables (Note 2F)	585,950	563,799
Investments (Notes 2G, 2H, 5, 8 and 13)	79,170,617	82,126,527
Restricted funds (Notes 5 and 13)	526,485	533,053
Property and equipment, net (Notes 2E, 6 and 7)	36,551,298	40,858,100
TOTAL ASSETS	$ 127,780,101	$ 136,247,106
LIABILITIES		
Accounts payable and accrued expenses (Note 8)	$ 1,905,849	$ 3,642,440
Refundable advances (Note 2N)	345,794	310,479
Bonds payable (Note 7)	14,156,609	14,691,811
TOTAL LIABILITIES	16,408,252	18,644,730
COMMITMENTS AND CONTINGENCIES (Note 12)		
NET ASSETS (Note 2C)		
Without donor restrictions:		
Operations	84,384,865	85,799,097
Net investment in property and equipment	22,394,689	26,166,289
Designated for future use (Note 9)	1,639,256	1,792,548
Total net assets without donor restrictions	108,418,810	113,757,934
With donor restrictions (Notes 5 and 9)		
Restricted for purpose and time	1,849,124	2,740,527
Perpetual in nature	1,103,915	1,103,915
Total net assets with donor restrictions	2,953,039	3,844,442
TOTAL NET ASSETS	111,371,849	117,602,376
TOTAL LIABILITIES AND NET ASSETS	$ 127,780,101	$ 136,247,106

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

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	Year Ended December 31, 2018			Year Ended December 31, 2017		
	Without Donor Restriction	With Donor Restricted	Total 2018	Without Donor Restriction	With Donor Restricted	Total 2017
PUBLIC SUPPORT AND REVENUE:						
Public Support:						
Special events revenue (Note 2J)	$ 9,124,085	$ -	$ 9,124,085	$ 9,510,386	$ -	$ 9,510,386
Less: cost of direct benefit to donors	(1,260,030)	-	(1,260,030)	(1,450,361)	-	(1,450,361)
Special events, net	7,864,055	-	7,864,055	8,060,025	-	8,060,025
Bequests (Note 2F)	53,500	-	53,500	238,337	-	238,337
Direct mail contributions	2,501,540	-	2,501,540	2,543,838	-	2,543,838
Contributions (Notes 2F and 2L)	3,552,142	415,000	3,967,142	3,938,277	420,000	4,358,277
Total public support	13,971,237	415,000	14,386,237	14,780,477	420,000	15,200,477
Revenue:						
Room donation revenue (Note 2F)	568,272	-	568,272	400,001	-	400,001
Investment income (Note 5)	(3,473,342)	-	(3,473,342)	10,179,068	-	10,179,068
Other	540,643	-	540,643	2,800	-	2,800
Total revenue	(2,364,427)	-	(2,364,427)	10,581,869	-	10,581,869
Net assets released from restrictions (Note 9)	1,306,403	(1,306,403)	-	1,604,073	(1,604,073)	-
TOTAL PUBLIC SUPPORT AND REVENUE	12,913,213	(891,403)	12,021,810	26,966,419	(1,184,073)	25,782,346
EXPENSES:						
Program Services						
Room occupancy	8,826,337	-	8,826,337	7,768,312	-	7,768,312
Volunteer activities	576,247	-	576,247	677,131	-	677,131
Education and support	1,289,822	-	1,289,822	1,275,162	-	1,275,162
Outreach programs	321,157	-	321,157	348,243	-	348,243
Total program services	11,013,563	-	11,013,563	10,068,848	-	10,068,848
Supporting Services:						
Management and general	1,595,125	-	1,595,125	1,370,426	-	1,370,426
Fundraising	3,843,351	-	3,843,351	4,251,861	-	4,251,861
Total supporting services	5,438,476	-	5,438,476	5,622,287	-	5,622,287
TOTAL EXPENSES	16,452,039	-	16,452,039	15,691,135	-	15,691,135
CHANGE IN NET ASSETS BEFORE LOSS FROM DISPOSITION OF PROPERTY AND EQUIPMENT	(3,538,826)	(891,403)	(4,430,229)	11,275,284	(1,184,073)	10,091,211
Loss on disposition of property and equipment (Note 6)	(1,800,298)	-	(1,800,298)	(259,514)	-	(259,514)
CHANGE IN NET ASSETS	(5,339,124)	(891,403)	(6,230,527)	11,015,770	(1,184,073)	9,831,697
Net assets - beginning of year	113,757,934	3,844,442	117,602,376	102,742,164	5,028,515	107,770,679
NET ASSETS - END OF YEAR	$ 108,418,810	$ 2,953,039	$ 111,371,849	$ 113,757,934	$ 3,844,442	$ 117,602,376

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

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

	For the Year Ended December 31, 2018								
	Program Services					Supporting Services			
	Room Occupancy	Volunteer Activities	Education & Support	Outreach Programs	Total Program	Management and General	Fundraising	Total 2018	Total 2017
Salaries	$ 2,484,347	$ 196,879	$ 498,848	$ 110,758	$ 3,290,832	$ 919,350	$ 1,015,121	$ 5,225,303	$ 4,778,246
Payroll taxes and employee benefits (Note 8)	679,131	48,980	149,234	34,567	911,912	281,050	310,328	1,503,290	1,273,057
Total Salaries and Related Costs	3,163,478	245,859	648,082	145,325	4,202,744	1,200,400	1,325,449	6,728,593	6,051,303
Occupancy	307,596	-	-	-	307,596	1,546	-	309,142	242,451
Special Projects	9,850	-	-	-	9,850	50	-	9,900	76,650
Repairs and maintenance (Note 2I)	529,595	-	-	-	529,595	2,661	-	532,256	503,173
Supplies (Note 2I)	275,405	985	7,722	-	284,112	30,097	13,754	327,963	360,146
Family activity expenses:									
Program entertainment and enrichment (Note 2I)	154,274	68,495	221,893	119,835	564,497	-	-	564,497	463,149
Trips, outings and parties	-	101,423	13,743	34,861	150,027	-	-	150,027	139,260
Education and counseling	-	-	13,410	-	13,410	-	-	13,410	7,038
Transportation and other	33,699	-	68,663	13,972	116,334	-	-	116,334	96,848
Family Room Construction Costs	-	-	-	-	-	-	-	-	1,869
Volunteer and staff recognition (Note 2I)	8,364	135,805	-	-	144,169	3,326	2,904	150,399	185,582
Staff development	33,723	17,924	3,027	-	54,674	7,686	7,648	70,008	36,847
Fundraising support activities (Note 2I)	-	-	-	-	-	-	363,363	363,363	629,239
Special events expense	-	-	-	-	-	-	1,853,120	1,853,120	2,048,679
Printing and publications	24,436	5	692	724	25,857	6,842	23,491	56,190	69,340
Professional fees (Note 2I)	269,672	-	1,454	-	271,126	282,930	59,799	613,855	289,641
Telephone	69,355	1,309	583	1,232	72,479	13,123	29,076	114,678	159,515
Insurance	214,308	-	-	-	214,308	1,077	-	215,385	203,165
Postage, messenger and other	9,830	249	131	-	10,210	3,290	3,667	17,167	22,202
Printing, postage and direct mail campaign expenses (Note 10)	-	-	308,417	-	308,417	-	1,256,995	1,565,412	1,626,813
Travel	4,288	2,198	1,935	322	8,743	5,369	652	14,764	25,234
Security	252,811	-	-	-	252,811	1,270	-	254,081	375,848
Miscellaneous (Note 2I)	182,433	1,995	70	86	184,584	4,261	153,598	342,443	329,826
Bad debt	-	-	-	-	-	-	-	-	83,625
Depreciation	2,864,669	-	-	4,800	2,869,469	29,094	9,866	2,908,429	2,880,140
Interest expense and related fees (Note 7)	418,551	-	-	-	418,551	2,103	-	420,654	233,913
Subtotal	8,826,337	576,247	1,289,822	321,157	11,013,563	1,595,125	5,103,382	17,712,070	17,141,496
Less: cost of direct benefit to donor	-	-	-	-	-	-	(1,260,031)	(1,260,031)	(1,450,361)
TOTAL EXPENSES	$ 8,826,337	$ 576,247	$ 1,289,822	$ 321,157	$ 11,013,563	$ 1,595,125	$ 3,843,351	$ 16,452,039	$ 15,691,135
TOTAL EXPENSES 2017	$ 7,768,312	$ 677,131	$ 1,275,162	$ 348,243	$ 10,068,848	$ 1,370,426	$ 4,251,861	$ 15,691,135	

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

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

	For the Year Ended December 31, 2017							
	Program Services					Supporting Services		
	Room Occupancy	Volunteer Activities	Education & Support	Outreach Programs	Total Program	Management and General	Fundraising	Total 2017
Salaries	$ 1,922,707	$ 262,914	$ 475,112	$ 119,467	$ 2,780,200	$ 895,846	$ 1,102,200	$ 4,778,246
Payroll taxes and employee benefits (Note 8)	509,221	79,104	116,199	36,141	740,665	238,698	293,694	1,273,057
Total Salaries and Related Costs	2,431,928	342,018	591,311	155,608	3,520,865	1,134,544	1,395,894	6,051,303
Occupancy	241,239	-	-	-	241,239	1,212	-	242,451
Special Projects	44,595	-	-	-	44,595	14,372	17,683	76,650
Repairs and maintenance (Note 2I)	500,657	-	-	-	500,657	2,516	-	503,173
Supplies (Note 2I)	305,060	798	574	456	306,888	29,000	24,258	360,146
Family activity expenses:								
Program entertainment and enrichment (Note 2I)	68,826	38,573	274,665	81,085	463,149	-	-	463,149
Trips, outings and parties	2,594	70,941	15,716	50,009	139,260	-	-	139,260
Education and counseling	-	-	7,038	-	7,038	-	-	7,038
Transportation and other	55,663	-	-	41,185	96,848	-	-	96,848
Hospital Family Room Construction Costs	-	-	-	1,869	1,869	-	-	1,869
Volunteer and staff recognition (Note 2I)	23,446	144,759	-	-	168,205	8,102	9,275	185,582
Staff development	18,906	4,149	148	663	23,866	6,181	6,800	36,847
Fundraising support activities (Note 2I)	-	-	-	-	-	-	629,239	629,239
Special events expense	-	-	-	-	-	-	2,048,679	2,048,679
Printing and publications	40,916	1,390	107	3,619	46,032	2,780	20,528	69,340
Professional fees (Note 2I)	38,836	65,582	2,178	5,058	111,654	101,117	76,870	289,641
Telephone	98,489	1,974	1,071	1,490	103,024	15,304	41,187	159,515
Insurance	202,149	-	-	-	202,149	1,016	-	203,165
Postage, messenger and other	12,576	132	182	-	12,890	4,154	5,158	22,202
Printing, postage and direct mail campaign expenses (Note 10)	-	-	381,945	-	381,945	-	1,244,868	1,626,813
Travel	3,224	1,413	227	2,391	7,255	13,673	4,306	25,234
Security	373,969	-	-	-	373,969	1,879	-	375,848
Miscellaneous (Note 2I)	158,802	5,402	-	410	164,614	370	164,842	329,826
Bad debt	83,625	-	-	-	83,625	-	-	83,625
Depreciation	2,830,068	-	-	4,400	2,834,468	33,037	12,635	2,880,140
Interest expense and related fees (Note 7)	232,744	-	-	-	232,744	1,169	-	233,913
Subtotal	7,768,312	677,131	1,275,162	348,243	10,068,848	1,370,426	5,702,222	17,141,496
Less: cost of direct benefit to donor	-	-	-	-	-	-	(1,450,361)	(1,450,361)
TOTAL EXPENSES	$ 7,768,312	$ 677,131	$ 1,275,162	$ 348,243	$ 10,068,848	$ 1,370,426	$ 4,251,861	$ 15,691,135

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (6,230,527)	$ 9,831,697
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,908,429	2,880,140
Bad debt	-	83,625
Decrease in discount on pledges receivable	(25,502)	(12,833)
Deferred financing costs	-	(64,654)
Amortization of deferred financing costs	6,465	6,465
Contributed property and equipment	-	(56,025)
Unrealized loss/(gain) on investments	4,691,097	(8,552,030)
Realized (gain) on investment sales	(649,629)	(1,102,600)
Loss on write-off of property and equipment	1,800,298	259,514
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Prepaid expenses and other receivables	(22,151)	232,316
Contributions and pledges receivable	930,813	962,693
(Decrease) increase in liabilities:		
Accounts payable and accrued expenses	(1,736,591)	(2,177,908)
Refundable advances	35,315	(118,428)
Net Cash Provided by Operating Activities	1,708,017	2,171,972
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(401,925)	(18,089,676)
Proceeds from sale of property and equipment	-	2,500
Proceeds from investment sales	555,594	6,991,201
Purchases of investments	(1,628,016)	(1,071,305)
Change in restricted funds	(6,568)	71,305
Net Cash Used in Investing Activities	(1,480,915)	(12,095,975)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from bonds payable	-	15,000,000
Repayments of bonds payable	(541,667)	(250,000)
Net Cash (Used in) Provided by Financing Activities	(541,667)	14,750,000
NET (DECREASE) INCREASE IN CASH	(314,565)	4,825,997
Cash - beginning of year	9,207,306	4,381,309
CASH - END OF YEAR	$ 8,892,741	$ 9,207,306
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 414,189	$ 227,448
Noncash Investing Activities		
Contributed property and equipment	$ -	$ 56,025

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

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Since 1978, Ronald McDonald House of New York, (the "Organization") has provided families with a supportive and caring environment consisting of comprehensive programs. The largest of the Organization's programs is to provide a low cost temporary home (the "House") for families during their stay in New York. Following a two-year extensive renovation (the "Expansion Project"), the House currently has 95 guest rooms, including six post-transplant suites. The House has laundry facilities on each guest floor, five large kitchens, a communal dining room, the Macy's Living Room, a multi-faceted Playroom, and two outside terraces. Round trip transportation to and from hospital appointments and daily meals are also provided.

The Organization has developed a myriad of programs to meet the needs of our diverse guests. The programs include, but are not limited to education, playroom, arts and crafts activities, and wellness for the caregiver. Our education programs allow patients and siblings to receive one-on-one tutoring, while our English as a Second Language (ESL) program helps our international guests build their English skills. The AOL Media Room and dedicated libraries are perfect settings for these programs. Ongoing programs in the Playroom such as Weird Science, Hole in the Wall Gang Camp, Cooking Chronicles, Therapy Dog visits, and Teen Night allow all children/young adults in residence the opportunity to have a sense of normalcy and fun. Our Rockin the House Program currently with the New York Pops is held in the Music Room. The Blavatnik Family Foundation Wellness Center is a vital resource for our caregivers. Services provided in the Center are focused on mind, body and soul and help to assuage the daily pressures of hospital visits and heavy toll of caring for an ill child.

The Organization's Great Days Programs provide entire families incredible opportunities to spend time together and make lasting memories. As part of the Great Days Program, families take trips to private retreats, beach clubs, movie premieres, museum tours and so much more. These very special events allow patients, siblings, and caregivers to forget about illness and focus instead on having fun as a family.

The Organization's comprehensive Hospital Outreach Program serves children and families at four of our partnering hospitals throughout the year who are not residents of the House yet need support while undergoing treatment. The programs include Musical Magic, Breathe In Breathe Out, and special programing at New York City Health + Hospitals / Kings County. In 2014, the Happy Wheels Coffee Cart began at the Hospital for Special Surgery providing healthy snacks and refreshments for caregivers, siblings and patients in the inpatient pediatric unit and pediatric rehabilitation unit. Beginning in 2018, a second coffee cart was rolled out at New York - Presbyterian Weill Cornell Hospital, which serves the Neonatal Intensive Care Unit ("NICU"), Pediatric Intensive Care Unit ("PICU") and Pediatric and Stepdown Units. The Ronald McDonald Family Room located at New York City Health and Hospitals / Kings County Hospital provides a place of respite for caregivers/parents with children in the NICU, PICU, and Pediatric Units. Since opening in January 2017, the Family Room has served over 2,000 guests.

The Organization also provides services through our Family Support Department for all families staying at the House. This may include inpatient support for families when their children are admitted to a partner hospital or navigation services to help first-time families become acclimated to their environment in New York City.

The Organization is a Section 501 (c) (3) organization under the applicable provisions of the Internal Revenue Code (the "Code") and, accordingly, is not subject to Federal Income Taxes. The Organization is also exempt from New York State and City income and sales taxes. The Organization has been classified as a publicly-supported charitable organization under Section 509 (a) (1) of the Code and qualifies for the maximum charitable contribution deduction for donors.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Organization's financial statements have been prepared on the accrual basis of accounting. The Organization adheres to accounting principles generally accepted in the United States of America.

B. The Organization considers highly liquid instruments purchased with a maturity of three months or less when acquired, to be operating cash equivalents. Additionally, the Organization considers all cash other than that held in the Organization's investment portfolio to be cash.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. The Organization maintains its net assets under the following classes:

- Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

  During 2016, the Organization initiated a campaign to solicit commitments from the Board for the long-term viability and to further the mission of the Organization and for the Building Expansion Project to increase the facility from 84 rooms to 95 rooms. In 2018 and 2017, the Board appropriated approximately $154,000 and $18,000,000, respectively, for expenditure to complete the building Expansion Project which began in 2016.

- With donor restrictions – Net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Organization or the passage of time, stipulations that they be maintained in perpetuity by the Organization, and unappropriated endowment earnings.

D. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual results could differ from those estimates.

E. Property and equipment is stated at cost less accumulated depreciation. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. The Organization capitalizes property and equipment with a cost of $5,000 or higher and a useful life of at least one year.

In accordance with ASC 360-10, *Property, Plant and Equipment, Impairment or Disposal of Long-Lived Assets,* the Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. During the year ended December 31, 2017, certain component equipment of the Organization’s heating system was destroyed in a fire. The Organization’s insurance company covered the historical cost of the component. As of December 31, 2018, the Organization concluded not to pursue replacing the component equipment and has written off the cost and accumulated depreciation. See Note 6.

F. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount factor used is computed based on risk adjusted interest rates for the expected term of the promises to give applicable in the years in which the promises are made by the donor, if material. Amortization of the discounts is included in contribution income.

As of December 31, 2018 and 2017, the Organization determined that an allowance for uncollectible contributions and pledges of $100,000 is necessary. This determination is based on a combination of factors, such as management’s estimate of the creditworthiness of the contributors, a review of individual accounts outstanding, and the aged basis of the receivable and historical experience.

Room donation revenue and receivable (included with prepaid expenses and other receivables on the accompanying statements of financial position) is recorded when the families check in to stay at the Organization. As of December 31, 2017, the Organization determined that approximately $84,000 for room donation revenue and contribution and pledges receivable were uncollectable and were written off to bad debt expense. There were no write offs to bad debt expense for the year ended December 31, 2018.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bequests are recognized as receivables at the time unassailable rights to the gifts have been established and the proceeds are measurable.

Conditional promises to give are not included as support until the conditions are substantially met.

G. Investments are carried at fair value. Investment income, including realized and unrealized gains and losses are recorded in the without donor restriction fund, unless there are restrictions that have been imposed by donors or other outside parties. Investment income on donor restricted endowments are recorded with donor restrictions until appropriated for spending by the Board.

H. Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 13.

I. The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Occupancy, depreciation and amortization are allocated on a square footage basis, Salaries and wages, benefits and payroll taxes are allocated on the basis of time and effort spent on various functions. All other expenses are directly charged by actual departmental use.

J. The direct costs of special events include expenses for the benefit of the donor. For example, meals, facilities and rental are considered direct costs of special events.

K. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. In-kind contributions are recorded as revenue in the period in which they are received, and which would typically be purchased had they not been provided by donation. For the years ended December 31, 2018 and 2017, the Organization recorded contributed goods and services amounting to $598,567 and $597,034, respectively, which are included in revenue, expenses and fixed assets for capitalized property and equipment in the accompanying financial statements. During the years ended December 31, 2018 and 2017, a member of the Organization’s Board of Directors was the CEO of a public relations firm that donated approximately $217,000 and $257,000, respectively of services to the Organization, which is shown below as contributed program entertainment and enrichment and professional fees. During 2018 and 2017, in-kind contributions and gifts in-kind included the following:

	2018	2017
Capitalized property and equipment	$ -	$ 56,025
Contributed program entertainment and enrichment	174,092	192,318
Contributed professional fees	217,196	64,399
Contributed supplies	72,253	73,066
Contributed repairs and maintenance	135,026	18,029
Contributed fundraising support activities	-	193,197
Total in-kind contributions	$ 598,567	$ 597,034

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Many volunteers, including members of the Board, have made significant contributions of time in furtherance of the Organization's policies and programs. The value of this contributed time does not meet the criteria for recognition and therefore is not reflected in the financial statements. The value of such contributed time amounted to $1,142,880 and $862,400, respectively, for the years ended December 31, 2018 and 2017.

M. The Organization has a licensing agreement with Ronald McDonald Charities ("Charities") whereby the Organization has the right to use certain trademarks. The Organization also has the obligation to meet certain compliance requirements stipulated by the Charities.

N. The Organization receives cash in advance of special events that are to be held after the statement of financial position date. It is the Organization's policy to refund all cash received in advance of special events for both the contribution and exchange portion, if the event is subsequently cancelled.

On August 18, 2016, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities.* The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. Temporarily restricted net assets of $2,740,527 and permanently restricted net assets of $1,103,915 as of December 31, 2017 were reclassified to conform to the new presentation. Additionally, investment fees in the amount of $162,542 included as professional fees on the statement of functional expenses for the year ended December 31, 2017 have been reclassified and netted against investment return to conform to the new presentation.

NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	$ 8,892,741
Current portion of contributions and pledges receivable	1,724,000
Investments	79,171,057
Total financial assets	$ 89,787,358
Donor and other imposed restrictions:	
Subject to specified purpose or passage of time	(1,849,124)
Endowments perpetual in nature	(1,103,915)
Financial assets net of donor and other imposed restrictions	86,834,319
Internal designation:	
Board designated expansion fund	(1,639,256)
Financial assets available to meet cash needs for general expenditures within one year	$ 85,195,063

As part of the Organization's liquidity management plan, the Organization invests excess cash beyond expected operating needs in short-term investments, CDs, and money market funds. Occasionally, the Board designates a portion of any operating surplus to its Board operating reserve.

NOTE 4 – CONTRIBUTIONS AND PLEDGES RECEIVABLE

Contributions and pledges receivable consist of the following as of December 31:

	2018	2017
Amounts due in less than one year	$ 1,724,000	$ 427,529
Amounts due from one to five years	429,010	2,656,294
	2,153,010	3,083,823
Less: Unamortized discount 1.3%	-	(25,502)
Allowance for uncollectible accounts	(100,000)	(100,000)
	$ 2,053,010	$ 2,958,321

NOTE 5 – INVESTMENTS

Investments consist of the following as of December 31:

		2018	2017	
Cash		$ 5,238,002	$ 5,233,391	
Money market funds		1,037,811	362,873	
Fixed income securities:				
Mutual funds		8,426,328	9,210,068	
Mutual funds:				
U.S. large cap		8,390,204	8,564,514	
U.S. mid/small cap		1,788,460	1,665,158	
Non U.S. equities		7,802,996	9,292,144	
	Subtotal	32,683,801	34,328,148	
Alternative investments:				
Hedge funds		4,936,284	5,392,395	A
Limited partnerships		39,433,212	40,768,160	B
Other investments		2,117,320	1,637,824	C
	Subtotal	46,486,816	47,798,379	
Total Investments		79,170,617	82,126,527	
Restricted funds:				
Mutual Funds		526,485	533,053	
Total Restricted Funds		526,485	533,053	
Total Investments and Restricted Funds		$ 79,697,102	$ 82,659,580	

A. Hedge funds are investments in cash, limited partnerships and pooled investment funds that invest primarily in domestic and international equity and mortgage securities. The hedge funds may also trade various financial instruments with off-balance sheet risk. These financial instruments may include securities sold short and long, option contracts, differential and foreign currency forward contracts.

Such transactions subject the hedge and real assets funds and their investors to market risk associated with changes in the value of the underlying securities, financial instruments, and foreign currencies, as well as the risk of loss if counterparty fails to perform. The respective hedge fund managers endeavor to limit the risk associated with such transactions. There are no unfunded commitments.

B. Limited Partnerships are funds whose purpose is to achieve capital appreciation through investments primarily in hedge funds, domestic and foreign equity funds and private equity funds. There are no unfunded commitments.

NOTE 5 – INVESTMENTS (Continued)

C. Other investments include return enhancement notes and buffered return enhancement notes that combine a debt security with an underlying asset, such as an equity, a basket of equities, a domestic or international index, a commodity or some type of hybrid security and investments in hard assets such as gold. Gains on structured investments may be capped and there may be no principal protection in the event of a market decline. There are no unfunded commitments.

The Board has adopted a total return spending plan strategy. Under this plan, a percentage distribution is based on a formulaic valuation of portfolio assets, recommended by the Committee and approved by the Board. The Portfolio investments are managed to produce a total return that, over a reasonable period of time, will exceed the sum of the percentage distribution plus inflation, management fees, and other expenses. The Committee considers both long term and short-term needs of the Organization in its investments.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position and statements of activities.

Included in investments for the years ended December 31, 2018 and 2017, respectively were $14,208,333 and $14,750,000, held for bond repayment, $526,485 and $533,053, held for pension and deferred compensation plans and $1,103,915 permanently held for endowment as of December 31, 2018 and 2017.

Interest receivable of $12,844 and $18,546 as of December 31, 2018 and 2017 is for interest earned on investments, but not received, and is included in prepaid expenses and other receivables on the statements of financial position.

Investment return consisted of the following for the years ended December 31:

	2018	2017
Interest and dividends	$ 743,412	$ 686,980
Realized gain	649,629	1,102,600
Unrealized (loss) gain	(4,691,097)	8,552,030
Investment expenses	(175,286)	(162,542)
	$ (3,473,342)	$ 10,179,068

The Organization incurred investment expenses of $175,286 and $162,542 during the years ended December 31, 2018 and 2017, respectively, which have been netted against investment return.

NOTE 6 – PROPERTY AND EQUIPMENT

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

	2018	2017	Estimated Useful Lives
Land	$ 6,038,784	$ 6,038,784	
Building	48,160,075	48,005,989	30 years
Vehicle	167,218	167,218	3 years
Furniture, fixtures and equipment	16,453,566	18,688,897	3-10 years
Total cost	70,819,643	72,900,888	
Less: Accumulated depreciation	(34,268,345)	(32,042,788)	
Net book value	$ 36,551,298	$ 40,858,100	

NOTE 6 – PROPERTY AND EQUIPMENT (Continued)

Depreciation expense amounted to $2,908,429 and $2,880,140 for the years ended December 31, 2018 and 2017, respectively.

During the years ended December 31, 2017, the Organization received donated property and equipment that amounted to $56,025. There was no donated property and equipment received for the year ended December 31, 2018 (see Note 2L).

During the year ended December 31, 2018, the Organization disposed of certain property and equipment with a total cost of $2,483,170 and accumulated depreciation of $682,872 resulting in a loss of $1,800,298. During the year ended December 31, 2017, the Organization disposed of certain property and equipment with a total cost of $1,430,311 and accumulated depreciation of $1,177,928 resulting in a loss on disposal of $252,383. In addition, the Organization sold a vehicle in 2017 with a total cost of $57,793 and accumulated depreciation of $48,162 for net proceeds of $2,500 resulting in a loss of $7,131.

NOTE 7 – BONDS PAYABLE

In 2016, the Organization determined it would finance a portion of its Expansion Project. On May 30, 2017, the Organization closed on Bond issuances (the “Bonds”) from JP Morgan Chase Bank, N.A. for $15,000,000 comprised of a $5,000,000 variable rate portion based on the London Inter-bank Offer Rate (“LIBOR”) plus 0.694% and a $10,000,000 2.9% fixed rate portion. At December 31, 2018 and 2017, the variable interest rate portion was 2.979% and 2.263%, respectively. The Bonds have a 10-year maturity, with interest and principal to be paid on a monthly basis, however, the Organization has the option to repay the Bonds at any time and retire the Bonds. The current monthly principal payments are $13,889 (variable rate portion) and $27,778 (fixed rate portion) with the unpaid balance due at maturity on May 30, 2027.

As financial covenants to the Bonds issued, the Organization must maintain both a Debt Service Coverage ratio of at least 1:00 to 1:00 and Liquidity ratio of 2:00 to 1:00 over four consecutive quarterly periods. As of December 31, 2018 and 2017, such financial covenants were met.

The Bonds are collateralized by a pledge of the Organization’s property and equipment and other assets, both now and for the life of the Bond, to secure the prompt payment and performance of the secured obligation.

Bonds payable are comprised of the following as of December 31:

	2018	2017
Bond financing	$ 14,208,333	$ 14,750,000
Less: Deferred Financing Costs	(51,724)	(58,189)
Bonds Payable	$ 14,156,609	$ 14,691,811

In connection with the Bonds payable, the Organization incurred financing costs in the amount of $64,654, which are amortized over the life of the Bonds. Interest expense, related fees and amortization expense amounted to $420,654 and $233,913 for the years ended December 31, 2018 and 2017, respectively. Deferred financing costs consist of the following as of December 31:

	2018	2017
Deferred financing costs	$ 58,189	$ 64,654
Less: Accumulated amortization	(6,465)	(6,465)
Deferred financing costs	$ 51,724	$ 58,189

NOTE 7 – BONDS PAYABLE (Continued)

The principal payments subsequent to December 31, 2018, on long-term debt for each of the next five years and thereafter are as follows:

2019	$	501,000
2020		501,000
2021		501,000
2022		501,000
2023		501,000
Thereafter		11,703,333
	$	14,208,333

Included in the amounts due after 2023 is a balloon payment of $10,000,000 that is due at maturity of the Bonds May 30, 2027. Interest expense for the years ended December 30, 2018 and 2017 amounted to $414,189 and $227,448, respectively.

NOTE 8 – PENSION AND RETIREMENT PLANS

The Organization maintains a Safe-Harbor 401(k) Profit Sharing Plan and a 401(k) Profit-Sharing Plan with Mutual of America (the "401(k) Plans"). The Organization makes contributions, at the discretion of the Executive Committee of the Board of Directors, to the 401(k) Plans on a bi-weekly basis. The contribution for the years ended December 31, 2018 and 2017 for the 401(k) Plans was $284,953 and $242,393, respectively. Additionally, eligible employees were allowed to make tax-deferred contributions to the 401(k) Plans up to certain limits as identified in the Internal Revenue Code.

The Organization previously maintained the Ronald McDonald House of New York, Inc. Pension Plan (the "Pension Plan"), an eligible defined contribution pension plan under Section 457(b) of the Code. The Pension Plan was discontinued during 1997. Investments and accrued pension liabilities of $129,139 and $148,173 at December 31, 2018 and 2017, respectively, are included in restricted funds and accrued expenses in the statements of financial position.

In November 2011, the Organization instituted a Deferred Compensation Plan (the "Plan") under Section 457(b) of the Code covering key employees. The deferred compensation liabilities amounted to $397,346 and $384,880 as of December 31, 2018 and 2017, respectively, and are included in restricted funds and accrued expenses in accompanying statements of financial position. The Organization makes contributions to the Plan, at the discretion of the Executive Committee on an annual basis.

In 2014, the Organization instituted a 403(b) Retirement Savings Plan for employee salary deferrals and a Deferred Compensation Plan under Section 457(f) of the Code covering key employees. As of December 31, 2018 and 2017, there were no employer contributions to the 403(b) plan, only employee salary deferrals that are contributed on a bi-weekly basis.

NOTE 9 – NET ASSETS

Net assets with donor restrictions are available for the following as of December 31:

	2018	2017
Purpose restricted	$ 66,254	$ 51,254
Time restricted	1,782,870	2,689,273
Total Net Assets with donor restrictions:	$ 1,849,124	$ 2,740,527

For the years ended December 31, 2018 and 2017, net assets with donor restrictions in the amount of $1,306,403 and $1,604,073, respectively, were released by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors.

NOTE 9 – NET ASSETS (Continued)

Net assets of $1,103,915 originating in 1994 as two gifts of donated securities with donor stipulation that the value of the gifts be maintained intact in perpetuity. All income from these securities are restricted until appropriated for spending by the Board. Income is restricted for the purchase of supplies and gifts for children served by the Organization.

The Board of Directors recognizes that NYS adopted as law the New York Prudent Management of Institutional Funds Act ("NYPMIFA") on September 17, 2010. NYPMIFA replaces prior law, which was the Uniform Management of Institutional Funds Act ("UMIFA").

In addition, the Board recognizes that NYPMIFA created a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted endowment fund's fair value (averaged over a period of not less than the preceding five years) in any year. Any unappropriated earnings that would otherwise be considered without donor restriction by the donor will be reflected as purpose restricted.

The Organization's investment strategy is to provide sufficient earnings in the form of a total return from both income and capital appreciations. The investments are managed so that over a reasonable period of time, the total return will exceed the sum of the percentage of distributions plus inflation and other investment expenses.

The Board explicitly appropriated all earnings as of and prior to September 17, 2010, whether deemed spent or not as without donor restriction. Following September 17, 2010, the Board (or a designated committee of the Board) will determine (quarterly, using a rolling 5-year average) how much of the earnings of such funds restricted in perpetuity shall be appropriated for expenditure up to 7%, as deemed prudent at the time. Any unappropriated earnings that would otherwise be considered without donor restriction will be reflected as with donor restriction until appropriated.

Changes in endowment net assets for the year ended December 31, 2018 are as follows:

	Without Donor Restrictions (Board Designated)	With Donor Restrictions	Total Endowments
Investment activity:			
Interest and dividends	$ 794	$ 26,550	$ 27,344
Unrealized loss on investments	-	(21,076)	(21,076)
Total investment activity	794	5,474	6,268
Amount appropriated for expenditure	(154,086)	(5,474)	(159,560)
Endowment net assets, beginning of year	1,792,548	1,103,915	2,896,463
Endowment net assets, end of year	$ 1,639,256	$ 1,103,915	$ 2,743,171

Changes in endowment net assets for the year ended December 31, 2017 are as follows:

	Without Donor Restrictions (Board Designated)	With Donor Restrictions	Total Endowments
Investment activity:			
Interest and dividends	$ 7,010	$ 24,715	$ 31,725
Unrealized gain on investments	4,666	5,554	10,220
Total investment activity	11,676	30,269	41,945
Amount appropriated for expenditure	(18,055,216)	(30,269)	(18,085,485)
Endowment net assets, beginning of year	19,836,088	1,103,915	20,940,003
Endowment net assets, end of year	$ 1,792,548	$ 1,103,915	$ 2,896,463

NOTE 9 – NET ASSETS (Continued)

For the years ended December 31, 2018 and 2017, endowment net assets of $2,743,171 and $2,896,463, respectively, are included with investments in the accompanying statements of financial position. The transfer in endowment net assets without donor restrictions for the years ended December 31, 2018 and 2017 were used to pay for the building Expansion Project which was finalized in September 2017.

NOTE 10 – ALLOCATION OF JOINT COSTS

The Organization conducted direct mail campaigns that included requests for contributions as well as program components. During the years ended December 31, 2018 and 2017, the Organization incurred joint costs of $1,088,657 and $1,148,324, respectively, for informational materials and activities that were included in fundraising appeals. During the year ended December 31, 2018, $308,417 was allocated to program expenses and $780,240 was allocated to fundraising. During the year ended December 31, 2017, $381,945 was allocated to program expenses and $766,379 was allocated to fundraising.

NOTE 11 – CONCENTRATIONS

Cash and cash equivalents that potentially subject the Organization to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. As of December 31, 2018 and 2017, there was approximately $6,900,000 and $6,800,000, respectively, of cash and cash equivalents held by banks that exceeded FDIC limits. Such excess includes outstanding checks. Securities Investor Protection Corporation (“SIPC”) insurance limits are up to $500,000. As of December 31, 2018 and 2017, there was approximately $529,000 and $513,000 respectively, of cash and cash equivalents held by banks that exceeded the amount covered by the SIPC limits.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A. Lease Commitments

In December 2011, the Organization entered into a 36-month operating lease agreement with Verizon Select Service Inc. for new telephone equipment. The lease payments did not begin until July 2012. At the end of the lease term, the equipment continues to be leased on a month-to-month basis with a portion of the payment reducing the buy-out price of the equipment.

B. Uncertain Tax Positions

The Organization believes it had no uncertain tax positions as of December 31, 2018 and 2017 in accordance with Accounting Standards Codification (“ASC”) Topic 740 *Income Taxes*, which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 13 – FAIR VALUE MEASUREMENTS

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. Level 1 valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

NOTE 13 – FAIR VALUE MEASUREMENTS (Continued)

The Organization's policy is to recognize transfers in and transfers out between fair value levels as of the beginning of the period in which the transfer takes place. For the years ended December 31, 2018 and 2017, no such transfers between fair value levels occurred.

Certain of the Organization's investments are classified as alternative investments and are recorded at fair value, based on the applicable percentage ownership of the net assets as of the measurement date, as reported by the investment managers, in an amount equal to the NAV of shares held by the Organization at year-end. The NAV as provided by the investment managers are used as the practical expedient to estimate the fair value of the underlying investments. As of December 31, 2018 and 2017, the Organization had no unfunded commitments to invest in these alternative investment funds. Redemptions at NAV, of shares in these investments range from immediate to quarterly, generally with forty-five to ninety days' notice. The alternative investment's strategies are described in Note 5.

Financial assets and liabilities carried at fair value at December 31, 2018, are classified in the table as follows:

	Level 1	Level 2	Total 2018
INVESTMENTS AT FAIR VALUE:			
Level 1 and 2 Investments:			
Money market funds	$ 1,037,811	$ -	$ 1,037,811
Fixed income securities:			
Mutual funds	8,426,328	-	8,426,328
Mutual funds:			
U.S. large cap	8,390,204	-	8,390,204
U.S. mid cap/small cap	1,788,460	-	1,788,460
Non U.S. equities	7,802,996	-	7,802,996
Alternative investments:			
Hedge Funds	-	2,611,724	2,611,724
	27,445,799	2,611,724	30,057,523
Alternative investments using NAV as a practical expedient:			
Limited Partnerships	-	-	39,433,212
Hedge Funds	-	-	2,324,560
Other Investments	-	-	2,117,320
Total NAV as a practical expedient	-	-	43,875,092
TOTAL INVESTMENTS AT FAIR VALUE	$ 27,445,799	$ 2,611,724	$ 73,932,615

NOTE 13 – FAIR VALUE MEASUREMENTS (Continued)

Financial assets and liabilities carried at fair value at December 31, 2017, are classified in the table as follows:

	Level 1	Level 2	Total 2017
INVESTMENTS AT FAIR VALUE:			
Level 1 and 2 Investments:			
Money market funds	$ 362,873	$ -	$ 362,873
Fixed income securities:			
Mutual funds	9,210,068	-	9,210,068
Mutual funds:			
U.S. large cap	8,564,514	-	8,564,514
U.S. mid cap	1,665,158	-	1,665,158
Non U.S. equities	9,292,144	-	9,292,144
Alternative investments:			
Other investments	-	2,986,153	2,986,153
	29,094,757	2,986,153	32,080,910
Alternative investments using NAV as a practical expedient:			
Limited Partnerships	-	-	40,768,160
Hedge Funds	-	-	2,406,242
Other Investments	-	-	1,637,824
Total NAV as a practical expedient	-	-	44,812,226
TOTAL INVESTMENTS AT FAIR VALUE	$ 29,094,757	$ 2,986,153	$ 76,893,136

Excluded from the fair value measurements above is cash totaling $5,238,002 and $5,233,391 as of December 31, 2018 and 2017, respectively, which is included in investments on the accompanying statements of financial position. (See Note 5).

In addition, restricted cash and mutual funds which are classified as Level 1, amounting to $526,045 and $533,053 as of December 31, 2018 and 2017, respectively, are included in restricted funds on the accompanying statements of financial position. (See Note 5).

Investments in money market funds, fixed income securities and mutual funds are valued using market prices in active markets (Level 1). Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. The net asset values of mutual funds are based on the quoted market-level prices of the underlying securities. Hedge funds and other alternative investments are designated as Level 2 as indicative of the investment manager's classification of the Organization's investment in the alternative investments. It is not meant to be indicative of the classification of the investments in the underlying portfolio of the alternative investments into the fair value hierarchy.

NOTE 14 – SUBSEQUENT EVENTS

Management has evaluated events subsequent to the date of the statement of financial position through June 25, 2019, the date the financial statements were available to be issued.