



**Ronald McDonald House Charities Curaçao
Foundation**

at Curaçao

Financial Statements 2020



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Ronald McDonald House Charities Curacao Foundation, Curaçao

1.1 BALANCE SHEET AS AT 31 DECEMBER 2020

		<u>31 December 2020</u>		<u>31 December 2019</u>	
		ANG	ANG	ANG	ANG
ASSETS					
Fixed assets					
Tangible fixed assets	1				
Work in progress HNO		-		218.854	
Computer & Software		9.639		-	
Leasehold improvements family room		211.904		4.190	
Other Equipments		<u>101.688</u>		<u>18.578</u>	
			323.231		241.622
Current assets					
Receivables					
Accounts receivables	2	7.932		5.884	
Other receivables and accrued assets	3	<u>-</u>		<u>575</u>	
			7.932		6.459
Cash at bank and in hand	4		962.908		1.047.324
Total assets			<u><u>1.294.071</u></u>		<u><u>1.295.405</u></u>



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		<u>31 December 2020</u>		<u>31 December 2019</u>	
		ANG	ANG	ANG	ANG
LIABILITIES					
Foundation's equity					
	5				
Foundation's capital		1.000		1.000	
Cumulative operating result		1.269.572		1.057.759	
Result for the year		<u>-4.572</u>		<u>211.813</u>	
			1.266.000		1.270.572
Short-term liabilities					
Amounts owed to credit institutions	6	2.057		287	
Accounts payable	7	7.493		4.286	
Taxes and social security premiums	8	6.432		9.350	
Other liabilities and accrued expenses	9	<u>12.089</u>		<u>10.910</u>	
			28.071		24.833
Total liabilities			<u>1.294.071</u>		<u>1.295.405</u>

1.2 STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2020

		<u>2020</u>	<u>2019</u>
		ANG	ANG
Income	10	323.261	569.766
Direct expenses and events	11	<u>-64.479</u>	<u>-125.216</u>
Net result income		258.782	444.550
Expenses			
Personnel expenses	12	162.254	165.542
Depreciation of tangible fixed assets	13	22.972	4.606
Housing expenses	14	17.465	24.474
Office expenses	15	8.799	8.819
General expenses	16	<u>51.864</u>	<u>29.296</u>
Total operating expenses		<u>263.354</u>	<u>232.737</u>
Net result		<u><u>-4.572</u></u>	<u><u>211.813</u></u>



Ronald McDonald House Charities Curacao Foundation, Curaçao

1.3 NOTES TO THE FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of The Ronald McDonald House Charities Curaçao Foundation is Veeris 27, Sambil Shopping Center Unit L-49, in Curaçao. The Ronald McDonald House Charities Curaçao Foundation is registered at the trade register under the number 118028.

General notes

The most important activities of the entity

The Ronald McDonald House Charities Curacao Foundation is a Foundation which was established in Curacao on December 17, 2009.

The objectives of the foundation are:

Exclusively for charitable, educational and scientific purposes and particularly for maintaining and operating one or more facilities in the island of Curacao to provide temporary housing for seriously ill children and their families while the children are receiving treatment at a nearby hospital and making grants to other organizations for the benefit of children in and around the local area of the Foundation.

The Foundation is an affiliate of Ronald McDonald House Charities, Inc., an Illinois corporation not for profit, and a licensee of McDonald's Corporation with respect to the use of the name Ronald McDonald® and other trademarks, names and copyrights.

The Ronald McDonald House Charities Curacao Foundation has an agreement with the Curacao Medical Center (CMC) to use the space in the building of CMC for the purpose of managing a family room for the term of five years, commencing on June 1st, 2020, and ending on May 31st, 2025.

The Foundation may engage in any and all lawful acts which may be necessary, useful, suitable or proper for the furtherance of the purposes of the Foundation.

No part of the net earnings of the Foundation shall insure to the benefit of, or be distributable to, its directors, officers or other private persons, except that the Foundation shall be authorized and empowered to pay reasonable compensation for goods or services rendered. No substantial part of the activities of the Foundation may consist of carrying on propaganda or attempting to influence legislation. The Foundation shall not participate in, or intervene in, any political campaign on behalf of any candidate for public office.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with Book 2 of the Curaçao Civil Code and the Generally Accepted Accounting Principles in the Netherlands (Dutch Accounting Standards).

Assets and liabilities are generally valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. The exchange differences resulting from the translation as of balance sheet date, taking into account possible hedge transactions, are recorded in the statement of income and expenses.



Ronald McDonald House Charities Curacao Foundation, Curaçao

Accounting principles

Tangible fixed assets

Tangible fixed assets are valued at acquisition costs less straight-line depreciation based on the expected life, unless stated otherwise. Impairments expected on the balance sheet date are taken into account.

Trade and other receivables

Trade and other receivables are stated at nominal value, less any provision for doubtful debts. Provisions are designated on basis of individual assessment of recoverability of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Liabilities

Liabilities are valued at nominal value, unless disclosed differently.

Accounting principles for determining the result

The result is the difference between income and expenses incurred during the year.

Income

Fundraisings and donations are accounted for in the year in which they are realized. Donations received for a special purpose or project are recognized once the projects are realized and therefore are accounted for on deferral basis. The projects are considered realized during the duration of the project.

Depreciation of tangible fixed assets

Tangible fixed assets are depreciated from the date of initial use over the expected future economic life of the asset.

1.4 NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2020

Fixed assets

1 Tangible fixed assets

	<i>Work in progress HNO</i>	<i>Computer & Software</i>	<i>Leasehold improvements family room</i>	<i>Other Equipments</i>	<i>Total</i>
	ANG	ANG	ANG	ANG	ANG
Balance as at 1 January 2020					
Purchase price	218.854	-	44.248	24.140	287.242
Accumulated depreciation	-	-	-40.058	-5.562	-45.620
Book value as at 1 January 2020	<u>218.854</u>	<u>-</u>	<u>4.190</u>	<u>18.578</u>	<u>241.622</u>
Movements					
Investments	-	-	96.124	15.698	111.822
Depreciation	-	-4.819	-9.734	-8.419	-22.972
Reclass to expenses	-7.241	-	-	-	-7.241
Reclassified work in progress HNO	<u>-211.613</u>	<u>14.458</u>	<u>121.324</u>	<u>75.831</u>	<u>-</u>
Balance movements	<u>-218.854</u>	<u>9.639</u>	<u>207.714</u>	<u>83.110</u>	<u>81.609</u>
Balance as at 31 December 2020					
Purchase price	211.613	-	140.372	39.838	391.823
Accumulated depreciation	-	-4.819	-49.792	-13.981	-68.592
Reclassified work in progress HNO	<u>-211.613</u>	<u>14.458</u>	<u>121.324</u>	<u>75.831</u>	<u>-</u>
Book value as at 31 December 2020	<u>-</u>	<u>9.639</u>	<u>211.904</u>	<u>101.688</u>	<u>323.231</u>
Depreciation percentages	<u>0%</u>	<u>33,33%</u>	<u>10%</u>	<u>10%-33,33%</u>	

In the calculation of the depreciation is taken into account a residual value of 10% for furniture, fixture and fittings and other equipments.

The family room was launched in 2020.



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Current assets

Receivables

	<u>31-12-2020</u>	<u>31-12-2019</u>
	ANG	ANG
2 Accounts receivables		
Donations receivable (committed)	<u>7.932</u>	<u>5.884</u>
3 Other receivables and accrued income		
Prepaid rent	<u>-</u>	<u>575</u>
4 Cash at bank and in hand		
Maduro & Curiel's Bank N.V.	962.544	1.047.081
Cash in transit	200	-
Cash	<u>164</u>	<u>243</u>
	<u>962.908</u>	<u>1.047.324</u>

5 Foundation's equity

	<i>Foundation's capital</i>	<i>Cumulative operating result (incl. result for the year)</i>	<i>Total</i>
	<i>ANG</i>	<i>ANG</i>	<i>ANG</i>
Balance as at 1 January 2020	1.000	1.269.572	1.270.572
Result for the year	-	-4.572	-4.572
Balance as at 31 December 2020	<u>1.000</u>	<u>1.265.000</u>	<u>1.266.000</u>

Short-term liabilities

	<u>31-12-2020</u> <i>ANG</i>	<u>31-12-2019</u> <i>ANG</i>
6 Amounts owed to credit institutions		
Amounts owed to credit institutions	<u>2.057</u>	<u>287</u>
7 Accounts payable		
Trade creditors	<u>7.493</u>	<u>4.286</u>
8 Taxes and social security premiums		
Wage tax	1.274	3.296
AOV/AWW premium payable	2.354	3.067
ZV/OV premium payable	1.574	1.588
AVBZ premium payable	627	716
BVZ premium payable	<u>603</u>	<u>683</u>
	<u>6.432</u>	<u>9.350</u>
9 Other liabilities and accrued expenses		
Accrued liabilities	<u>12.089</u>	<u>10.910</u>



Ronald McDonald House Charities Curacao Foundation, Curaçao

1.5 NOTES TO THE STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2020

	<u>2020</u>	<u>2019</u>
	ANG	ANG
10 Income		
Income fundraising events	139.385	213.506
Contribution RMHC Global	69.160	195.640
Donations	81.892	156.884
Merchandise Sales	32.824	3.736
	<u>323.261</u>	<u>569.766</u>
11 Direct expenses and events		
Expenses fundraising events	53.915	64.849
Expenses family room	8.961	-
FCC Conference	1.603	60.367
	<u>64.479</u>	<u>125.216</u>
12 Personnel expenses		
Wages and salaries	129.442	133.900
Social security premiums and pensions cost	17.734	18.515
Other staff expenses	15.078	13.127
	<u>162.254</u>	<u>165.542</u>
Social security premiums and pensions cost		
AOV/AWW premium	12.194	12.625
BVZ premium	3.886	3.943
ZV/OV premium	1.016	1.283
AVBZ premium	638	664
	<u>17.734</u>	<u>18.515</u>
Other staff expenses		
Car allowance	6.600	6.600
Private health insurance	8.478	6.527
	<u>15.078</u>	<u>13.127</u>

	<u>2020</u>	<u>2019</u>
	ANG	ANG
13 Depreciation of tangible fixed assets		
Depreciation of tangible fixed assets	<u>22.972</u>	<u>4.606</u>
14 Housing expenses		
Cleaning expenses	5.570	11.856
Linen cost	4.311	-
Rental expenses	1.725	6.900
Insurance premium	3.937	3.407
Gas, water and electricity	387	1.315
Maintenance & repair costs	1.535	996
	<u>17.465</u>	<u>24.474</u>
15 Office expenses		
Office supplies	4.287	2.506
Telephone expenses	4.512	6.313
	<u>8.799</u>	<u>8.819</u>
16 General expenses		
Volunteer recognition expenses	5.069	7.560
Marketing expenses	3.000	3.000
Meetings expenses	742	2.835
Accounting expenses	2.925	2.825
Medical travel/program expenses	4.032	2.595
Bank expenses	2.019	1.701
Administrative expenses	-	1.600
Travel expenses	628	271
Dues and Subscriptions	125	139
* Other general expenses	33.324	6.770
	<u>51.864</u>	<u>29.296</u>

* These costs consist of unforeseen costs incurred during the construction of the family room.

18 Subsequent Events

The ongoing Coronavirus pandemic has influenced the overall economic situation on the island. Without being able to properly estimate the financial consequences, we do know that the local government has taken various measures to prevent further spread of the virus, including limiting public events. These measures have an ongoing impact on the foundation's 2021 (fundraising) activities. The board and management have taken various measures to deal with this situation and to be able to organize (fundraising) activities. In any case the foundation has a 2.5 year equity capital reserve (to cover operations). The board is therefore convinced that the foundation has sufficient operational and financial resilience to get through this crisis. Therefore the financial statements have been prepared on the going concern basis.

Independent auditor's report

To: the board of directors and executive director of the Ronald McDonald House Charities Curacao Foundation

A. Report on the audit of the 2020 financial statements

Our opinion

We have audited the 2020 financial statements of the Ronald McDonald House Charities Curacao Foundation, based in Curaçao.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Ronald McDonald House Charities Curacao Foundation (“the foundation”) as at 31 December 2020, and of its result for the year then ended, in accordance with Book 2 of the Curaçao Civil Code and Generally Accepted Accounting Principles in the Netherlands (insofar in compliance with Book 2 of the Civil Code applicable in Curacao).

The financial statements comprise:

1. the balance sheet as at 31 December 2020;
2. the statement of income and expenses for the year 2020; and
3. the notes to the financial statements comprising a summary of the applicable accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with the International Standards on Auditing. Our responsibilities under those standards are further described in the ‘Our responsibilities for the audit of the financial statements’ section of our report.

We are independent of the Ronald McDonald House Charities Curacao Foundation in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

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

B. Description of responsibilities for the financial statements

Responsibilities of the Board of Directors of the Foundation for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance Generally Accepted Accounting Principles in the Netherlands (Dutch Accounting Principles) and the statutory provisions of Book 2 of the Curaçao Civil Code. Furthermore, the Board of Directors of the Foundation is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors of the Foundation is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the foundation should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud.

Misstatements can arise from errors or fraud 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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with International Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- ▶ Identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining 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 errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ Obtaining 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 the foundation's internal control;

- ▶ Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- ▶ Concluding on the appropriateness of the Board of the foundation'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 the foundation'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 the foundation ceasing to continue as a going concern;
- ▶ Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- ▶ Evaluating 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 findings in internal control that we identify during our audit.

Curaçao, September 15th, 2021
For and on behalf of BDO B.V.,

Signed by

M.J. Illidge
Certified Public Accountant

Ref: R21.231/sl/MI