

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Consolidated Financial Statements and Schedules
(With Independent Auditors' Report)

April 30, 2025 and 2024

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

April 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

The Boards of Directors of
Chill Foundation and Entities Under Common Control
Burlington, Vermont

Opinion

We have audited the accompanying consolidated financial statements of Chill Foundation and Entities Under Common Control (a nonprofit foundation) ("Chill"), which comprises the consolidated statement of financial position as of April 30, 2025 and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Chill Foundation and Entities Under Common Control as of April 30, 2025 and the changes in its consolidated net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Chill and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Chill's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- 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 Chill's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Chill's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Chill's 2024 consolidated financial statements, and in our report dated August 14, 2024, we expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein, as of and for the year ended April 30, 2024, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities as of and for the years ended April 30, 2025 and 2024 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

McSoley McCoy & Co.

South Burlington, Vermont
August 8, 2025
VT Reg. No. 92-349

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Consolidated Statements of Financial Position

April 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets:		
Cash	\$ 861,617	\$ 733,596
Due from related party, net	108,356	106,845
Pledges receivable	232,194	164,305
Other receivables	86	118,342
Prepaid expenses	50,403	43,130
Investments	<u>1,092,123</u>	<u>941,978</u>
Total assets	<u>\$ 2,344,779</u>	<u>\$ 2,108,196</u>
Liabilities and net assets:		
Liabilities:		
Accounts payable and accrued expenses	\$ 346,076	\$ 337,146
Due to related party, net	-	165
Deferred revenue	<u>250,525</u>	<u>50,363</u>
Total liabilities	<u>596,601</u>	<u>387,674</u>
Net assets:		
Net assets with donor restrictions	66,445	68,902
Net assets without donor restrictions	<u>1,681,733</u>	<u>1,651,620</u>
Total net assets	<u>1,748,178</u>	<u>1,720,522</u>
Total liabilities and net assets	<u>\$ 2,344,779</u>	<u>\$ 2,108,196</u>

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

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Consolidated Statement of Activities
For the Year Ended April 30, 2025
(With Summarized Financial Information for 2024)

	2025			(summarized)
	Without donor restrictions	With donor restrictions	Total	2024
Revenue and support:				
Corporate support	\$ 1,064,012	\$ -	\$ 1,064,012	\$ 1,076,828
Grant income	749,057	-	749,057	654,412
Individual contributions	1,384,509	70,061	1,454,570	1,432,173
In-kind contributions	1,478,803	-	1,478,803	1,488,139
Special events income, net	540,800	-	540,800	570,937
Other income	68,673	-	68,673	40,545
Net assets released from restriction	<u>72,518</u>	<u>(72,518)</u>	<u>-</u>	<u>-</u>
Total revenue and support, net	<u>5,358,372</u>	<u>(2,457)</u>	<u>5,355,915</u>	<u>5,263,034</u>
Expenses:				
Program services	4,269,695	-	4,269,695	3,691,098
General and administrative	190,992	-	190,992	658,028
Fundraising	<u>900,608</u>	<u>-</u>	<u>900,608</u>	<u>786,898</u>
Total expenses	<u>5,361,295</u>	<u>-</u>	<u>5,361,295</u>	<u>5,136,024</u>
Total income (loss) from operations	<u>(2,923)</u>	<u>(2,457)</u>	<u>(5,380)</u>	<u>127,010</u>
Other income (loss):				
Foreign currency gain (loss), net	(2,717)	-	(2,717)	(353)
Unrealized gain (loss) on investments	(19,998)	-	(19,998)	60,184
Investment income, net	<u>55,751</u>	<u>-</u>	<u>55,751</u>	<u>36,547</u>
Total other income	<u>33,036</u>	<u>-</u>	<u>33,036</u>	<u>96,378</u>
Change in net assets	30,113	(2,457)	27,656	223,388
Net assets - beginning of year	<u>1,651,620</u>	<u>68,902</u>	<u>1,720,522</u>	<u>1,497,134</u>
Net assets - end of year	<u>\$ 1,681,733</u>	<u>\$ 66,445</u>	<u>\$ 1,748,178</u>	<u>\$ 1,720,522</u>

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

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Consolidated Statement of Functional Expenses

For the Year Ended April 30, 2025

(With Summarized Financial Information for 2024)

	Program Services	General and Administrative	Fundraising	2025 Total	(summarized) 2024 Total
Board sports - snow	\$ 480,038	\$ -	\$ -	\$ 480,038	\$ 320,050
Board sports - other	132,416	-	-	132,416	209,781
Board sports - program transportation	273,173	-	-	273,173	235,459
General operating expenses	24,258	1,887	67,376	93,521	131,101
Licenses and registration fees	130	8,663	-	8,793	11,548
Marketing - programs & advertising	15,977	-	5,731	21,708	77,245
Professional fees	30,610	1,099	4,779	36,488	9,073
Salaries and benefits	1,976,818	154,367	671,040	2,802,225	2,649,873
Travel and meeting	14,800	563	18,767	34,130	3,755
In-kind expenses	<u>1,321,475</u>	<u>24,413</u>	<u>132,915</u>	<u>1,478,803</u>	<u>1,488,139</u>
	<u>\$ 4,269,695</u>	<u>\$ 190,992</u>	<u>\$ 900,608</u>	<u>\$ 5,361,295</u>	<u>\$ 5,136,024</u>

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

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Consolidated Statements of Cash Flows For the Years Ended April 30, 2025 and 2024

	2025	2024
Cash flow from operating activities:		
Change in net assets	\$ 27,656	\$ 223,388
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net unrealized gain (loss) on investments	19,998	(60,184)
Change in assets and liabilities:		
Due from related party	(1,511)	(98,598)
Pledges receivable	(67,889)	(63,695)
Other receivables	118,256	4,497
Prepaid expenses	(7,273)	(9,292)
Accounts payable and accrued expenses	8,930	207,844
Due to related party	(165)	(220,140)
Deferred revenue	200,162	22,387
	<u>298,164</u>	<u>6,207</u>
Net cash provided by operating activities		
Cash flow from investing activities:		
Purchase of investments	(200,198)	(59,020)
Sale of investments	30,055	25,769
	<u>(170,143)</u>	<u>(33,251)</u>
Net cash used by investing activities		
Net change in cash	128,021	(27,044)
Cash, beginning of year	733,596	760,640
Cash, end of year	<u>\$ 861,617</u>	<u>\$ 733,596</u>

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

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

1. Background

The Chill Foundation Inc. (“Chill”) was established in 1995 to inspire youth through boardsports and build a more equitable outdoor community. Chill’s robust youth development programs pair a curriculum-driven program model with the excitement of learning to snowboard, skateboard, surf, and stand-up paddleboard to promote personal growth, connection to the outdoors, and an inclusive outdoor community. Working with a diverse set of participants who range in ages 11-19, Chill offers its programs in various locations throughout the United States.

The majority stockholder of The Burton Corporation (“Burton”) is the co-founder of Chill and serves on Chill’s Board of Directors. Based on its fiscal year, Burton provides funding for Chill via cash contributions and expenses paid by Burton on behalf of Chill. In 2025, Chill received approximately 23% of its cash contributions and 40% of its in-kind contributions revenue from Burton and its majority stockholder. In 2024, Chill received approximately 25% of its cash contributions and 36% of its in-kind contributions revenue from Burton and its majority stockholder. Burton donates office space, facilities and other services.

Chill Foundation of Canada (“Chill CA”) was established in 2012 to provide similar services to the youth in Canada.

Chill Global was established in 2022 to support the success of Chill programming offered in various countries around the world and facilitate coordination among the entities leading Chill programs. Effective March 5, 2025, management determined that the operations of Chill Global, Inc, an entity under common control, would be merged with those of Chill Foundation. As a result, Chill Global, Inc. was effectively dissolved.

2. Summary of Significant Accounting Policies

Principles of consolidation – The consolidated financial statements include the accounts of Chill Foundation and entities under common control; Chill Global and Chill CA (together “Chill”). All significant intercompany transactions and accounts are eliminated.

Basis of accounting – The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates – The preparation of consolidated 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 disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period reported. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents – For purposes of the consolidated statements of cash flows, Chill considers all highly liquid investments, excluding cash held for investment, available for current use with an initial maturity of three months or less to be cash equivalents.

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

Summary of Significant Accounting Policies (continued)

Investments – Investment purchases are recorded at cost, or if donated, are recorded at fair value on the date of donation. Net investment income is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less direct investment expenses.

Financial instruments and credit risk – Chill has concentrated its credit risk for cash by maintaining deposits in financial institutions that at times exceed amounts covered by insurance provided by the United States Federal Deposit Insurance Corporation (FDIC). Chill has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Revenue recognition – Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Special events revenue and expenses are netted on the consolidated financial statements. Special events revenue was \$801,304 and \$748,195 for the years ending April 30, 2025 and 2024, respectively.

Donated assets and other noncash donations are recorded as contributions as of the date of donation. These are recorded at the fair values provided by the donor. No donations are recorded if proper documentation is not received from the donor.

Promises to give – Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Pledges receivable are stated at the amount Chill expects to collect from balances outstanding within 90 days. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. There were pledges receivable of \$232,194 and \$164,305 as of April 30, 2025 and 2024, respectively.

Net assets – Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor, or certain grantor, imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Advertising costs – Advertising and promotional costs are charged to development when incurred, except when netted with respect to special events.

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

Summary of Significant Accounting Policies (continued)

Income taxes – Chill and Chill Global are not-for-profit public charities as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Code. Chill CA is a Canadian registered charity, and is also exempt from tax under the Canadian *Income Tax Act*.

U.S. generally accepted accounting principles requires entities to disclose in their financial statements the nature of any uncertainty in their tax positions. For tax-exempt entities, tax-exempt status itself is deemed to be an uncertainty, as events could potentially occur to jeopardize their tax-exempt status. Management believes Chill has no uncertain tax positions. Chill anticipates that it will not have a change in uncertain tax positions during the next twelve months that would have a material impact on their consolidated financial statements. If necessary, Chill would accrue interest and penalties on uncertain tax positions as a component of the provision for income taxes.

Management believes Chill is no longer subject to income tax examinations for years prior to the year ending April 30, 2022.

Functional allocation of expenses – The costs of program and supporting services activities have been summarized on a functional basis as a separate statement in the consolidated financial statements. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Contributions – U.S. GAAP defines contributions as voluntary, unconditional transfers of assets. Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions received are recorded as with donor restrictions or without donor restrictions depending on the existence or nature of any donor restrictions.

Reclassification – Certain accounts in the prior-year financial statements have been reclassified for the comparative purposes to conform with the presentation in the current year financial statements.

Comparative information – The consolidated financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with Chill's consolidated financial statements for the year ended April 30, 2024, from which the summarized information was derived.

Subsequent events – Chill evaluated subsequent events through August 8, 2025, the date Chill's consolidated financial statements were available to be used.

Foreign currency translation – Chill's functional currency is denominated in US Dollars. Assets and liabilities transacted in foreign currency are translated at rates in effect at the reporting date.

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

Summary of Significant Accounting Policies (continued)

Deferred revenue – Deferred revenue primarily consists of program fees received in advance for spring and summer programs, as well as a large grant received during the year ended April 30, 2025, which spans multiple fiscal years. Amounts received but not yet earned are recorded as deferred revenue at year-end.

3. Related Party Transactions

At April 30, 2025 and 2024, receivables from Burton were \$108,356 and \$106,845. Payables to Burton were \$0 and \$165 at April 30, 2025 and 2024, respectively. The receivable amounts relate to various contributions that are due from Burton to Chill from outside parties. The payables relate to various expenses that Chill owes Burton. These amounts are included in due from related parties and due to related parties on the accompanying consolidated financial statements.

4. Fair Value Measurements and Investments

Generally accepted accounting principles in the United States of America establish a framework for measuring fair value. That framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that Chill has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at April 30, 2025 and 2024.

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

Fair Value Measurements and Investment (continued)

Mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Fixed income funds: Valued based on quoted prices in active markets for identical funds.

Money market funds: Valued at cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Chill believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are stated at fair value and consisted of the following at April 30, 2025 and 2024:

2025	(Level 1)	(Level 2)	(Level 3)	Totals
Money market funds	\$ 444,119	\$ -	\$ -	\$ 444,119
Fixed income funds	116,407	-	-	116,407
Mutual funds	<u>531,597</u>	<u>-</u>	<u>-</u>	<u>531,597</u>
Total investments	<u>\$ 1,092,123</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,092,123</u>
2024	(Level 1)	(Level 2)	(Level 3)	Totals
Money market funds	\$ 316,246	\$ -	\$ -	\$ 316,246
Fixed income funds	43,582	-	-	43,582
Mutual funds	<u>582,150</u>	<u>-</u>	<u>-</u>	<u>582,150</u>
Total investments	<u>\$ 941,978</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 941,978</u>

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

Fair Value Measurements and Investment Disclosures (continued)

	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gain/(Loss)</u>
April 30, 2025			
Money Market	\$ 444,119	\$ 444,119	\$ -
Fixed Income	98,534	116,407	17,873
Equity	<u>506,917</u>	<u>531,597</u>	<u>24,680</u>
Total investments	<u>\$ 1,049,570</u>	<u>\$ 1,092,123</u>	<u>\$ 42,553</u>
April 30, 2024			
Money Market	\$ 316,246	\$ 316,246	\$ -
Fixed Income	98,231	115,736	17,505
Equity	<u>467,260</u>	<u>509,996</u>	<u>42,736</u>
Total investments	<u>\$ 881,737</u>	<u>\$ 941,978</u>	<u>\$ 60,241</u>

The following schedule summarizes the investment income, net reported as an increase in the consolidated statements of activities for the years ended April 30:

	<u>2025</u>	<u>2024</u>
Interest and dividend income	\$ 55,751	\$ 36,547
Net unrealized gain (loss)	<u>(19,998)</u>	<u>60,184</u>
Investment income, net	<u>\$ 35,753</u>	<u>\$ 96,731</u>

5. In-Kind Contributions

In-kind contributions are donated goods and services that are recognized as revenue if they are tangible goods, create or enhance the value of nonfinancial assets, or if the services require specialized skills and were performed by people with those skills and would otherwise be purchased by Chill. In addition, a number of individuals volunteer their time and perform a variety of tasks that assist Chill with its program, administrative and fundraising activities. These are not recognized as contributions as they do not meet the recognition criteria.

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

In-Kind Contributions (continued)

Chill received in-kind contributions as follows for the years ended April 30:

2025	Program Services	General and Administrative	Fundraising	Total
Programs - Boardsports	\$ 920,616	\$ -	\$ -	\$ 920,616
General operating expenses	43,150	2,529	17,256	62,935
Professional fees	8,044	360	1,896	10,300
Rent expense	29,171	1,871	9,910	40,952
Salaries and benefits	320,494	19,653	103,853	444,000
	<u>\$ 1,321,475</u>	<u>\$ 24,413</u>	<u>\$ 132,915</u>	<u>\$ 1,478,803</u>
2024				
Programs - Boardsports	\$ 906,112	\$ -	\$ -	\$ 906,112
General operating expenses	39,089	2,302	12,095	53,486
Professional fees	72,921	360	1,889	75,170
Rent expense	26,897	1,790	9,405	38,092
Salaries and benefits	299,087	18,581	97,611	415,279
	<u>\$ 1,344,106</u>	<u>\$ 23,033</u>	<u>\$ 121,000</u>	<u>\$ 1,488,139</u>

For the years ending April 30, 2025 and 2024, respectively, in-kind contributions for special events was \$76,601 and \$33,595.

6. Functional Expenses

Chill's consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a basis that is consistently applied. Salaries, payroll taxes and benefits are allocated based on time and effort per function. Employees working on programs are allocated 100% to those programs. Employees working on fundraising are allocated 100% to fundraising. Staff with both program and fundraising duties are allocated individually according to each function. Professional services, office expenses, information technology, interest, insurance and other expenses follow the same allocation as salaries, payroll taxes and benefits.

7. Retirement Plan

Chill employees participate in a 401(k) incentive savings plan (the "Plan") sponsored by Burton. Full time employees are eligible within 90 days or 1st quarter after their hire date. Participants may make pre-tax and after-tax Roth contributions to the Plan up to 100% of their eligible compensation for the year, up to the maximum amount allowed under the Internal Revenue Code. Matching contributions, which are provided by Burton and are included in their annual contribution to Chill, are made at the discretion of Burton's Board of Directors.

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Notes to Consolidated Financial Statements

April 30, 2025 and 2024

Retirement Plan (continued)

Contributions to the Plan made on behalf of Chill's employees totaled \$53,200 in 2025 and \$44,044 in 2024, and are included in salaries and benefits on the accompanying consolidated statement of functional expenses.

8. Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of April 30, 2025 and 2024:

	2025	2024
Cash	\$ 861,617	\$ 733,596
Short Term portion of investments	444,119	316,246
Due from related parties, net	108,356	106,845
Pledges and other receivables	<u>232,280</u>	<u>282,647</u>
Total	1,646,372	1,439,334
Less: net assets with donor restrictions for specific purposes	<u>(66,445)</u>	<u>(68,902)</u>
Total	<u>\$ 1,579,927</u>	<u>\$ 1,370,432</u>

Chill regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. Chill has various sources of liquidity at its disposal, including cash, receivables expected to be collected within the coming year and short term portion of investments.

In addition to financial assets available to meet general expenditures over the next 12 months, Chill operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Chill strives to maintain liquid cash reserves sufficient to cover 90 days of general expenditures. General expenditures include administrative, fundraising and operating expenses.

Chill receives a significant amount of its funding from Burton. Chill relies on these contributions each year, which are available to meet annual cash needs for general expenditures. Some contributions are restricted to specific programs, and are used in accordance with the associated purpose restrictions.

9. Net Assets With Donor Restrictions

Net assets with donor restrictions as of April 30, 2025 and 2024 consist of the following:

	2025	2024
Chill USA & Global: Global Funding	\$ 60,006	\$ -
Chill USA: Staff Summit	-	50,000
Chill USA: Beyond Sports	<u>6,439</u>	<u>18,902</u>
	<u>\$ 66,445</u>	<u>\$ 68,902</u>

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Consolidating Statements of Financial Position

April 30, 2025 and 2024

	2025				2024				
	<u>Chill USA</u>	<u>Chill Canada</u>	<u>Eliminations</u>	<u>Total</u>	<u>Chill USA</u>	<u>Chill Canada</u>	<u>Chill Global</u>	<u>Eliminations</u>	<u>Total</u>
Assets:									
Cash	\$ 685,142	\$ 176,475	\$ -	\$ 861,617	\$ 325,875	\$ 86,945	\$ 320,776	\$ -	\$ 733,596
Due from related party, net	160,348	4,828	(56,820)	108,356	375,002	107,208	-	(375,365)	106,845
Pledges receivable	222,702	9,492	-	232,194	140,920	11,039	12,346	-	164,305
Other receivables	86	-	-	86	118,342	-	-	-	118,342
Prepaid expenses	43,715	6,688	-	50,403	42,512	6,204	(5,586)	-	43,130
Investments	<u>1,092,123</u>	<u>-</u>	<u>-</u>	<u>1,092,123</u>	<u>941,978</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>941,978</u>
 Total assets	 <u>\$ 2,204,116</u>	 <u>\$ 197,483</u>	 <u>\$ (56,820)</u>	 <u>\$ 2,344,779</u>	 <u>\$ 1,944,629</u>	 <u>\$ 211,396</u>	 <u>\$ 327,536</u>	 <u>\$ (375,365)</u>	 <u>\$ 2,108,196</u>
Liabilities and net assets:									
Accounts payable and accrued expenses	\$ 330,348	\$ 15,728	\$ -	\$ 346,076	\$ 313,704	\$ 17,564	\$ 5,878	\$ -	\$ 337,146
Due to related party, net	-	56,820	(56,820)	-	165	116,157	259,208	(375,365)	165
Deferred revenue	<u>234,480</u>	<u>16,045</u>	<u>-</u>	<u>250,525</u>	<u>40,000</u>	<u>10,363</u>	<u>-</u>	<u>-</u>	<u>50,363</u>
 Total liabilities	 564,828	 88,593	 (56,820)	 596,601	 353,869	 144,084	 265,086	 (375,365)	 387,674
 Net assets with donor restrictions	 66,445	 -	 -	 66,445	 68,902	 -	 -	 -	 68,902
Net assets without donor restrictions	<u>1,572,843</u>	<u>108,890</u>	<u>-</u>	<u>1,681,733</u>	<u>1,521,858</u>	<u>67,312</u>	<u>62,450</u>	<u>-</u>	<u>1,651,620</u>
 Total liabilities and net assets	 <u>\$ 2,204,116</u>	 <u>\$ 197,483</u>	 <u>\$ (56,820)</u>	 <u>\$ 2,344,779</u>	 <u>\$ 1,944,629</u>	 <u>\$ 211,396</u>	 <u>\$ 327,536</u>	 <u>\$ (375,365)</u>	 <u>\$ 2,108,196</u>

See independent auditors' report.

CHILL FOUNDATION AND ENTITIES UNDER COMMON CONTROL

Consolidating Statements of Activities
For the Years Ended April 30, 2025 and 2024

	2025							2024						
	Chill USA	Chill USA	Chill Canada	Chill Global	Chill Global			Chill USA	Chill USA	Chill Canada	Chill Canada	Chill Global		
	Without	With	Without	Without	With			Without	With	Without	With	Without		
	Donor	Donor	Donor	Donor	Donor			Donor	Donor	Donor	Donor	Donor		
	Restrictions	Restrictions	Restrictions	Restriction	Restrictions	Eliminations	Total	Restrictions	Restrictions	Restrictions	Restrictions	Restrictions	Eliminations	Total
Revenue and support:														
Corporate support	\$ 847,212	\$ -	\$ 63,705	\$ 749,950	\$ -	\$ (596,855)	\$ 1,064,012	\$ 1,079,033	\$ -	\$ 199,952	\$ -	\$ 749,500	\$ (951,657)	\$ 1,076,828
Grant income	590,453	-	133,604	25,000	-	-	749,057	560,854	18,902	49,656	-	25,000	-	654,412
Individual contributions	1,066,502	20,006	17,038	300,969	50,055	-	1,454,570	927,115	50,000	14,277	-	440,781	-	1,432,173
In-kind contributions	1,287,046	-	191,757	-	-	-	1,478,803	1,407,052	-	81,087	-	-	-	1,488,139
Special events income, net	402,892	-	137,908	-	-	-	540,800	535,521	-	35,416	-	-	-	570,937
Other income	60,191	-	4,199	4,283	-	-	68,673	35,334	-	3,366	-	1,845	-	40,545
Release from restriction	62,463	(62,463)	-	10,055	(10,055)	-	-	-	-	21,174	(21,174)	-	-	-
Total revenue and support	4,316,759	(42,457)	548,211	1,090,257	40,000	(596,855)	5,355,915	4,544,909	68,902	404,928	(21,174)	1,217,126	(951,657)	5,263,034
Expenses:														
Program services	3,531,576	-	500,306	834,668	-	(596,855)	4,269,695	3,022,942	-	384,043	-	1,235,770	(951,657)	3,691,098
General and administrative	190,984	-	8	-	-	-	190,992	643,745	-	1,388	-	12,895	-	658,028
Fundraising	897,006	-	3,602	-	-	-	900,608	783,781	-	770	-	2,347	-	786,898
Total expenses	4,619,566	-	503,916	834,668	-	(596,855)	5,361,295	4,450,468	-	386,201	-	1,251,012	(951,657)	5,136,024
Total income (loss) from operations	(302,807)	(42,457)	44,295	255,589	40,000	-	(5,380)	94,441	68,902	18,727	(21,174)	(33,886)	-	127,010
Other income (loss):														
Foreign currency gain (loss), net	-	-	(2,717)	-	-	-	(2,717)	-	-	-	(353)	-	-	(353)
Unrealized gain (loss) on investments	(19,998)	-	-	-	-	-	(19,998)	60,184	-	-	-	-	-	60,184
Investment income, net	55,751	-	-	-	-	-	55,751	36,547	-	-	-	-	-	36,547
Total other income (loss)	35,753	-	(2,717)	-	-	-	33,036	96,731	-	-	(353)	-	-	96,378
Change in net assets	(267,054)	(42,457)	41,578	255,589	40,000	-	27,656	191,172	68,902	18,727	(21,527)	(33,886)	-	223,388
Net assets without donor restrictions - beginning of year	1,521,858	68,902	67,312	62,450	-	-	1,720,522	1,330,686	-	48,585	21,527	96,336	-	1,497,134
Transfer of net assets	318,039	40,000	-	(318,039)	(40,000)	-	-	-	-	-	-	-	-	-
Net assets with donor restrictions - end of year	\$ -	\$ 66,445	\$ -	\$ -	\$ -	\$ -	\$ 66,445	\$ -	\$ 68,902	\$ -	\$ -	\$ -	\$ -	\$ 68,902
Net assets without donor restrictions - end of year	\$ 1,572,843	\$ -	\$ 108,890	\$ -	\$ -	\$ -	\$ 1,681,733	\$ 1,521,858	\$ -	\$ 67,312	\$ -	\$ 62,450	\$ -	\$ 1,651,620

See independent auditors' report.