

BOY SCOUTS OF AMERICA
(DEBTOR IN POSSESSION)
CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
PERIOD ENDED JANUARY 31, 2023
(NON GAAP FOR MANAGERIAL PURPOSES ONLY)

(In Thousands)

	C U R R E N T M O N T H						Annual Budget
	Actual	Budget	Favorable (Unfavorable) vs. Budget	Same Period Last Year (1)	Favorable (Unfavorable) vs. Last Year		
NSC Revenues:							
Supply Sales	\$ 5,609	\$ 5,139	\$ 470 ①	\$ 4,408	\$ 1,201		\$ 87,727
High-adventure Base Revenue	791	636	155	529	262		62,354
Jamboree Revenue	179	6,609	(6,430) ②	0	179		17,344
Jamboree Deferred Revenue	2,325	0	2,325 ③	0	2,325		0
Total Other Revenues	8,904	12,384	(3,480)	4,937	3,967		167,425
NSC Program Revenues:							
Registration Fees	23,426	19,559	3,867 ④	17,612	5,814		100,176
National Service Fees	0	0	0	0	0		10,107
GLIP Revenues (without GLIP Registration Fee)	1,252	1,005	247 ⑤	624	628		6,946
Unrestricted Earnings on Investments	46	10	36	(454)	500		121
Contributions and Bequest	110	94	16	45	65		2,863
Other Revenues	4,489	1,999	2,490 ⑥	2,872	1,617		26,844
Total Program Revenues	29,323	22,667	6,656	20,699	8,624		147,057
Total all Revenues	38,227	35,051	3,176	25,636	12,591		314,482
NSC Expenses:							
Supply COGS & Expenses	2,837	3,190	353 ①	2,615	(222)		46,517
High-adventure Base Expense	1,791	2,133	342	1,318	(473)		31,480
Jamboree Expense	204	2,287	2,083 ⑦	128	(76)		15,397
Jamboree Deferred Expense	1,807	0	(1,807) ⑧	(128)	(1,935)		0
Total Program Expenses	6,639	7,610	971	3,933	(2,706)		93,394
Other Expenses:							
GLIP Claims, Losses, Expenses, Distributions	3,130	3,845	715 ⑨	2,933	(197)		42,366
GLIP Reserve Adjustment	0	0	0	0	0		0
Salary and benefits expenses	6,315	6,935	620 ⑩	5,953	(362)		93,389
Outsourcing/External Services	634	803	169 ⑪	604	(30)		9,836
Information Technology	650	704	54	592	(58)		9,177
Depreciation	1,162	1,059	(103)	1,237	75		12,710
Interest	941	793	(148) ⑫	670	(271)		14,439
Other expenses	1,297	1,650	353 ⑬	600	(697)		23,879
Bankruptcy Costs	3,690	400	(3,290) ⑭	24,198	20,508		4,800
Pension Contributions	0	0	0	0	0		0
Total Other Expenses	17,819	16,189	(1,630)	36,787	18,968		210,596
Total all Expenses	24,458	23,799	(659)	40,720	16,262		303,990
Net Assets Released from Restrictions	625	776	(151)	255	370		12,706
Net Income (Loss)	\$ 14,394	\$ 12,028	\$ 2,366	\$ (14,829)	\$ 29,223		\$ 23,198
(1) Certain reclassifications have been made to numbers previously reported.							
Hybrid P&L:							
Add back: Depreciation	1,636	1,610	(26)	1,747	111		19,324
Subtract: Minimal/Maintenance Capex	(55)	(156)	101	(51)	(4)		(7,374)
Subtract: principal portion of debt payments	0	0	0	0	0		0
Add back: restructuring/contingency (restructuring changes included above)	3,690	400	3,290	24,198	(20,508)		4,800
Equals: Hybrid P & L	\$ 19,665	\$ 13,882	\$ 5,783	\$ 11,065	\$ 8,600		\$ 39,948
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):							
Net Supply Operations	\$ 814	\$ (105)	\$ 919	\$ 115	\$ 699		\$ 15,125
Net HAB Operations	(2,192)	(2,773)	581	(1,825)	(367)		8,608
Net Jamboree (revenues/expenses deferred until 2023)	493	4,232	(3,739)	0	493		1,313

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SIGNIFICANT ACTUAL VS BUDGET VARIANCE EXPLANATIONS

- ① Monthly
The net favorable variance of \$823,000, compared with budget, is primarily driven by favorable product margins and royalty revenue.
 - ② Monthly
The unfavorable variance of \$6,430,000, compared with budget, relates to lower than expected revenues due to holding off invoicing the councils and staff due to cash management for bankruptcy.
 - ③ Monthly
The favorable variance of \$2,325,000, compared with budget, relate to the recognition of deferred revenue for the National Jamboree.
 - ④ Monthly
The favorable variance of \$3,867,000, compared with budget, relate to the fact that retention and recharterers are up in comparison to the same period last year.
 - ⑤ Monthly
The favorable variance of \$247,000, compared with budget, relate to an increase in unit liability insurance fees.
 - ⑥ Monthly
The favorable variance of \$2,490,000, compared with budget, relates to a number of factors, the most significant of which includes the receipt of higher oil and gas royalties, interest income, World Jamboree fees and miscellaneous revenues.
 - ⑦ Monthly
The favorable variance of \$2,083,000, compared with budget, relates to holding off on spending on expenses until the cash is requested through invoicing the councils and staff.
 - ⑧ Monthly
The unfavorable variances of \$1,807,000, compared with budget, relate to the recognition of deferred Jamboree expenses.
 - ⑨ Monthly
The favorable variance of \$715,000, compared with budget, relates to lower than anticipated legal fees, paid settlements, loss control, and claims paid.
 - ⑩ Monthly
The favorable variance of \$620,000, compared with budget, relates to vacancies due to unfilled staff positions, coupled with delayed merit increases.
 - ⑪ Monthly
The favorable variance of \$169,000, compared with budget, relates to a number of factors the most significant of which includes the timing of independent contractor costs relating to project priorities and the timing of SOC1 audit fees.
 - ⑫ Monthly
The unfavorable variance of \$148,000, compared with budget, relates to higher than budgeted interest expense.
 - ⑬ Monthly
The favorable variance primarily relate to the following:

Operating – The favorable variance of \$476,000, compared with budget, relates to lower program supplies, due to the timing of the Skillsoft contract and lower grant expense.

Insurance – The favorable variance of \$391,000, compared with budget, relates to timing of property and casualty insurance and criminal background checks.

Other Expenses – The unfavorable variance of \$268,000 compared with budget, relates to higher than anticipated grant expense, unbudgeted long term financing, fundraising outcharge, and the recognition of prior year Jamboree expense.
 - ⑭ Monthly
The unfavorable variance of \$3,290,000, compared with budget, relates to more legal fees being charged in January than anticipated.
- In conclusion, as of January 31, budgeted 2023 revenues were over budget primarily due to higher supply sales, registration fees, and other revenues offset by lower Jamboree revenue. 2023 expenses were higher when compared to budget due to bankruptcy costs.