

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

(In Thousands)

	CURRENT MONTH				
	Actual	Budget	Favorable (Unfavorable) vs. Budget	Same Period Last Year (1)	Favorable (Unfavorable) vs. Last Year
NSC Revenues:					
Supply Sales	\$ 6,802	\$ 6,516	\$ 286	\$ 6,271	\$ 531
High-adventure Base Revenue	1,544	1,562	(18)	660	884
Jamboree Revenue	470	2,147	(1,677) ①	2	468
Jamboree Deferred Revenue	0	0	0	(2)	2
Total Other Revenues	8,816	10,225	(1,409)	6,931	1,885
NSC Program Revenues:					
Registration Fees	8,128	12,955	(4,827)	13,562	(5,434)
National Service Fees	1,011	1,011	0	933	78
GLIP Revenues (without GLIP Registration Fee)	559	863	(304) ③	545	14
Unrestricted Earnings on Investments	(28)	10	(38)	(960)	932
Contributions and Bequest	112	227	(115)	172	(60)
Other Revenues	2,563	2,112	451 ④	1,299	1,264
Total Program Revenues	12,345	17,178	(4,833)	15,551	(3,206)
Total all Revenues	21,161	27,403	(6,242)	22,482	(1,321)
NSC Expenses:					
Supply COGS & Expenses	4,135	3,871	(264)	3,468	(667)
High-adventure Base Expense	3,062	2,559	(503) ⑤	3,080	18
Jamboree Expense	373	806	433	125	(248)
Jamboree Deferred Expense	0	0	0	(125)	(125)
Total Program Expenses	7,570	7,236	(334)	6,548	(1,022)
Other Expenses:					
GLIP Claims, Losses, Expenses, Distributions	3,133	3,567	434 ⑦	3,208	75
GLIP Reserve Adjustment (2)	0	0	0	0	0
Salary and benefits expenses	7,036	7,025	(11)	6,478	(558)
Outsourcing/External Services	818	818	0	692	(126)
Information Technology	709	726	17	749	40
Depreciation	1,159	1,059	(100)	1,234	75
Interest	952	1,291	339 ⑨	841	(111)
Other expenses	1,718	664	(1,054) ⑩	781	(937)
Bankruptcy Costs	4,109	400	(3,709) ⑪	18,854	14,745
Pension Contributions	0	0	0	0	0
Total Other Expenses	19,634	15,550	(4,084)	32,837	13,203
Total all Expenses	27,204	22,786	(4,418)	39,385	12,181
Net Assets Released from Restrictions	292	1,629	(1,337)	519	(227)
Increase (decrease) in net assets	<u>\$ (5,751)</u>	<u>\$ 6,246</u>	<u>\$ (11,997)</u>	<u>\$ (16,384)</u>	<u>\$ 10,633</u>
(1) Certain reclassifications have been made to numbers previously reported.					
(2) As the result of the 2018 audit, a provision adjustment was recognized and is reflected in the financial statements in February 2023.					
Hybrid P&L:					
Add back: Depreciation	1,633	1,610	23	1,744	(111)
Subtract: Minimal/Maintenance Capex	(152)	(18)	(134)	(5)	(147)
Subtract: principal portion of debt payments	0	0	0	0	0
Add back: contingency (restructuring changes included above)	4,109	400	3,709	18,854	(14,745)
Add back: GLIP Reserve Adjustment	0	0	0	0	0
Equals: Hybrid P&L	<u>\$ (161)</u>	<u>\$ 8,238</u>	<u>\$ (8,399)</u>	<u>\$ 4,209</u>	<u>\$ (4,370)</u>
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):					
Net Supply Operations (Sch B)	\$ 469	\$ 549	\$ (80)	\$ 953	\$ (484)
Net HAB Operations (Sch C)	(2,903)	(2,340)	(563)	(3,624)	721
Net Jamboree (revenues/expenses deferred until 2023)	73	1,251	(1,178)	0	73

BOY SCOUTS OF AMERICA
(DEBTOR IN POSSESSION)
CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
PERIODS ENDED MARCH 31, 2023
(CEO FLASH REPORT)

(In Thousands)

	Y E A R - T O - D A T E					
	Actual	Budget	Favorable (Unfavorable) vs. Budget	Same Period Last Year (1)	Favorable (Unfavorable) vs. Last Year	Annual Budget
NSC Revenues:						
Supply Sales	\$ 18,514	\$ 17,930	\$ 584	\$ 15,990	\$ 2,524	\$ 87,727
High-adventure Base Revenue	3,538	3,190	348	2,072	1,466	62,354
Jamboree Revenue	863	12,441	(11,578) ①	2	861	17,344
Jamboree Deferred Revenue	2,325	0	2,325 ②	(2)	2,327	0
Total Other Revenues	25,240	33,561	(8,321)	18,062	7,178	167,425
NSC Program Revenues:						
Registration Fees	46,110	48,103	(1,993)	45,330	780	100,176
National Service Fees	2,045	2,021	24	1,888	157	10,107
GLIP Revenues (without GLIP Registration Fee)	2,726	2,713	13	1,716	1,010	6,946
Unrestricted Earnings on Investments	216	30	186	(1,806)	2,022	121
Contributions and Bequest	378	466	(88)	400	(22)	2,863
Other Revenues	9,191	5,366	3,825 ④	6,171	3,020	26,844
Total Program Revenues	60,666	58,699	1,967	53,699	6,967	147,057
Total all Revenues	85,906	92,260	(6,354)	71,761	14,145	314,482
NSC Expenses:						
Supply COGS & Expenses	10,361	10,606	245	9,284	(1,077)	46,517
High-adventure Base Expense	7,627	6,812	(815) ⑤	6,444	(1,183)	31,480
Jamboree Expense	2,324	4,413	2,089	376	(1,948)	15,397
Jamboree Deferred Expense	1,807	0	(1,807) ⑥	(376)	(2,183)	0
Total Program Expenses	22,119	21,831	(288)	15,728	(6,391)	93,394
Other Expenses:						
GLIP Claims, Losses, Expenses, Distributions	9,450	10,821	1,371 ⑦	9,039	(411)	42,366
GLIP Reserve Adjustment (2)	2,167,636	0	(2,167,636) ⑧	0	(2,167,636)	0
Salary and benefits expenses	19,279	21,116	1,837	18,144	(1,135)	93,389
Outsourcing/External Services	2,377	2,408	31	2,007	(370)	9,836
Information Technology	2,231	2,162	(69)	2,067	(164)	9,177
Depreciation	3,480	3,177	(303)	3,705	225	12,710
Interest	2,790	2,876	86	2,182	(608)	14,439
Other expenses	3,923	4,706	783 ⑩	2,096	(1,827)	23,879
Bankruptcy Costs	9,511	1,200	(8,311) ⑪	109,823	100,312	4,800
Pension Contributions	0	0	0	0	0	0
Total Other Expenses	2,220,677	48,466	(2,172,211)	149,063	(2,071,614)	210,596
Total all Expenses	2,242,796	70,297	(2,172,499)	164,791	(2,078,005)	303,990
Net Assets Released from Restrictions	1,346	3,381	(2,035)	926	420	12,706
Increase (decrease) in net assets	<u>\$ (2,155,544)</u>	<u>\$ 25,344</u>	<u>\$ (2,180,888)</u>	<u>\$ (92,104)</u>	<u>\$ (2,063,440)</u>	<u>\$ 23,198</u>
(1) Certain reclassifications have been made to numbers previous						
(2) As the result of the 2018 audit, a provision adjustment was recorded						
Hybrid P&L:						
Add back: Depreciation	4,915	4,831	84	5,235	(320)	19,324
Subtract: Minimal/Maintenance Capex	(270)	(174)	(96)	(56)	(214)	(7,374)
Subtract: principal portion of debt payments	0	0	0	0	0	0
Add back: contingency (restructuring changes included above)	9,511	1,200	8,311	109,823	(100,312)	4,800
Add back: GLIP Reserve Adjustment	2,167,636	0	2,167,636	0	2,167,636	0
Equals: Hybrid P&L	<u>\$ 26,248</u>	<u>\$ 31,201</u>	<u>\$ (4,953)</u>	<u>\$ 22,898</u>	<u>\$ 3,350</u>	<u>\$ 39,948</u>
Net Supply, HAB, and Jamboree Operations (includes Salary)						
Net Supply Operations (Sch B)	\$ 2,135	\$ 1,029	\$ 1,106	\$ 1,598	\$ 537	\$ 15,125
Net HAB Operations (Sch C)	(7,743)	(7,586)	(157)	(7,644)	(99)	8,608
Net Jamboree (revenues/expenses deferred until 2023)	(1,013)	7,756	(8,769)	0	(1,013)	1,313

SIGNIFICANT ACTUAL VS BUDGET VARIANCE EXPLANATIONS

① Monthly

The unfavorable variance of \$1,677,000, compared with budget, relates to lower than anticipated revenue and timing of the invoicing to the councils and staff.

Year-to-date

The unfavorable variance of \$11,578,000, compared with budget, relates to the same factors that caused the monthly variance with budget.

② Year-to-date

The favorable variance of \$2,325,000, compared with budget, relate to the recognition of deferred revenue for the National Jamboree.

③ Monthly

The unfavorable variance of \$304,000, compared with budget, relates to decreases in registration.

④ Monthly

The favorable variance of \$451,000, compared with budget, relate to a number of factors the most significant of which includes higher oil and gas royalties, interest income, and income related to Order of the Arrow Train the Trainer fees.

Year-to-date

The favorable variance of \$3,825,000, compared with budget, relate to the same factors that caused the monthly variance.

⑤ Monthly

The unfavorable variance of \$503,000, compared with budget, relate to a number of factors the most significant of which includes the timing of trail food invoices at Philmont, coupled with paying leasing fees earlier than budgeted to support captains whose boats were damaged by hurricane Ian and timing of program supplies and food purchases at Florida Sea Base.

Year-to-date

The unfavorable variance of \$815,000, compared with budget, relates to the same factors that caused the monthly variance.

⑥ Year-to-date

The unfavorable variance of \$1,807,000, compared with budget, relates to the recognition of deferred Jamboree expenses.

⑦ Monthly

The favorable variance of \$434,000, compared with budget, relates to lower than budgeted legal fees and insurance premiums.

Year-to-date

The favorable variance of \$1,371,000, compared with budget, relates to lower than anticipated legal fees, paid settlements, loss control, and claims paid.

⑧ Year-to-date

The unfavorable variance of \$2,167,636,000, compared with budget, is the result of the 2018 audit, a provision adjustment that was recognized in the current year.

⑨ Monthly

The favorable variance of \$339,000, compared with budget, relates to lower than budgeted interest expense.

⑩ Monthly

The unfavorable variance primarily relate to the following:

Insurance – The unfavorable variance of \$1,702,000, compared with budget, relates mainly to the timing of D&O premiums.

Facilities and Equipment - The favorable variance of \$811,000, compared with budget, relates to lower than anticipated costs related to construction costs, facility repairs and maintenance and equipment maintenance, purchases, and rental.

Year-to-date

The favorable variance primarily relate to the following:

Facilities and Equipment – The favorable variance of \$1,019,000, compared with budget, relates to the same factors that caused the monthly variance with budget, coupled with lower than anticipated costs related to equipment purchases and rental.

Other Expenses – The unfavorable variance of \$226,000, compared with budget, relates to higher grant expense, long term financing, and fundraising outcharge, coupled with the recognition of prior year Jamboree expense.

⑪ Monthly

The unfavorable variance of \$3,709,000, compared with budget, relates to timing due to the budgeted exit from bankruptcy was December 2022 with some fees rolling over into 2023.

Year-to-date

The unfavorable variance of \$8,311,000, compared with budget, relates to the same factors that caused the monthly variance with budget.

In conclusion, as of March 2023, revenues were under budget primarily due to lower Jamboree revenues, offset by higher other revenues. 2023 expenses were higher when compared to budget due to the GLIP reserve adjustment and bankruptcy costs.