

BOY SCOUTS OF AMERICA
CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
PERIODS ENDED JUNE 30, 2023
(NON GAAP FOR MANAGERIAL PURPOSES ONLY)

(In Thousands)

	C U R R E N T M O N T H				
	Actual	Budget	Favorable (Unfavorable) vs. Budget	Same Period Last Year (1)	Favorable (Unfavorable) vs. Last Year
NSC Revenues:					
Supply Sales	\$ 7,281	\$ 7,198	\$ 83	\$ 6,826	\$ 455
High-adventure Base Revenue	16,193	19,011	(2,818) ①	20,063	(3,870)
Jamboree Revenue	390	344	46	53	337
Jamboree Deferred Revenue	0	0	0	(53)	53
Total Other Revenues	<u>23,864</u>	<u>26,553</u>	<u>(2,689)</u>	<u>26,889</u>	<u>(3,025)</u>
NSC Program Revenues:					
Registration Fees	1,161	1,458	(297)	1,478	(317)
National Service Fees	1,011	1,011	0	931	80
GLIP Revenues (without GLIP Registration Fee)	130	147	(17)	97	33
Unrestricted Earnings on Investments	63	10	53	(371)	434
Contributions and Bequest	333	280	53 ③	246	87
Other Revenues	1,983	1,786	197 ④	12,231	(10,248)
Total Program Revenues	<u>4,681</u>	<u>4,692</u>	<u>(11)</u>	<u>14,612</u>	<u>(9,931)</u>
Total all Revenues	<u>28,545</u>	<u>31,245</u>	<u>(2,700)</u>	<u>41,501</u>	<u>(12,956)</u>
NSC Expenses:					
Supply COGS & Expenses	4,167	4,382	215	3,712	(455)
High-adventure Base Expense	4,719	4,242	(477) ⑤	4,329	(390)
Jamboree Expense	2,412	467	(1,945) ⑥	130	(2,282)
Jamboree Deferred Expense	0	0	0	(130)	(130)
Total Program Expenses	<u>11,298</u>	<u>9,091</u>	<u>(2,207)</u>	<u>8,041</u>	<u>(3,257)</u>
Other Expenses:					
GLIP Claims, Losses, Expenses, Distributions	3,086	3,451	365 ⑧	3,191	105
GLIP Reserve Adjustment (2)	0	0	0	0	0
Salary and benefits expenses	9,690	9,396	(294)	8,609	(1,081)
Outsourcing/External Services	755	816	61	672	(83)
Information Technology	701	812	111 ⑩	724	23
Depreciation	1,118	1,059	(59)	1,226	108
Interest	1,484	1,291	(193)	940	(544)
Other expenses	3,570	3,694	124	644	(2,926)
Bankruptcy Costs	(186)	400	586 ⑫	9,476	9,662
Pension Contributions	0	0	0	0	0
Total Other Expenses	<u>20,218</u>	<u>20,919</u>	<u>701</u>	<u>25,482</u>	<u>5,264</u>
Total all Expenses	<u>31,516</u>	<u>30,010</u>	<u>(1,506)</u>	<u>33,523</u>	<u>2,007</u>
Net Assets Released from Restrictions	452	1,759	(1,307)	216	236
Net Income (Loss)	<u>(2,519)</u>	<u>2,994</u>	<u>(5,513)</u>	<u>8,194</u>	<u>(10,713)</u>
Extraordinary Gain (2)	0	0	0	0	0
Net Income (Loss) after Extraordinary Gain	<u>\$ (2,519)</u>	<u>\$ 2,994</u>	<u>\$ (5,513)</u>	<u>\$ 8,194</u>	<u>\$ (10,713)</u>
(1) Certain reclassifications have been made to numbers previously reported.					
(2) On April 19, 2023 the National Council of the Boy Scouts of America emerged from bankruptcy, resulting in the transfer of GLIP liabilities to the Settlement Trust.					
Hybrid P&L:					
Add back: Depreciation	1,585	1,610	(25)	1,700	(115)
Subtract: Minimal/Maintenance Capex	(227)	(366)	139	(104)	(123)
Subtract: principal portion of debt payments	(1,479)	(1,070)	(409)	0	(1,479)
Add back: contingency (restructuring changes included above)	(186)	400	(586)	9,476	(9,662)
Add back: GLIP Reserve Adjustment	0	0	0	0	0
Equals: Hybrid P& L	<u>\$ (2,826)</u>	<u>\$ 3,568</u>	<u>\$ (6,394)</u>	<u>\$ 19,266</u>	<u>\$ (22,092)</u>
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):					
Net Supply Operations	\$ 973	\$ 623	\$ 350	\$ 1,308	\$ (335)
Net HAB Operations	7,607	11,160	(3,553)	12,292	(4,685)
Net Jamboree (revenues/expenses deferred until 2023)	(2,065)	(214)	(1,851)	0	(2,065)

BOY SCOUTS OF AMERICA
CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
PERIODS ENDED JUNE 30, 2023
(NON GAAP FOR MANAGERIAL PURPOSES ONLY)

(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	\$ 40,269	\$ 38,785	\$ 1,484	\$ 36,889	\$ 3,380	\$ 87,727
High-adventure Base Revenue	23,507	25,687	(2,180)	25,908	(2,401)	62,354
Jamboree Revenue	17,904	16,913	991	168	17,736	17,344
Jamboree Deferred Revenue	2,325	0	2,325 ②	(168)	2,493	0
Total Other Revenues	84,005	81,385	2,620	62,797	21,208	167,425
NSC Program Revenues:						
Registration Fees	51,248	56,382	(5,134)	54,199	(2,951)	100,176
National Service Fees	5,077	5,054	23	4,685	392	10,107
GLIP Revenues (without GLIP Registration Fee)	3,150	3,393	(243)	2,180	970	6,946
Unrestricted Earnings on Investments	379	60	319	(2,248)	2,627	121
Contributions and Bequest	2,906	1,298	1,608 ③	1,485	1,421	2,863
Other Revenues	16,786	12,184	4,602 ④	19,293	(2,507)	26,844
Total Program Revenues	79,546	78,371	1,175	79,594	(48)	147,057
Total all Revenues	163,551	159,756	3,795	142,391	21,160	314,482
NSC Expenses:						
Supply COGS & Expenses	22,490	22,722	232	20,258	(2,232)	46,517
High-adventure Base Expense	18,083	17,029	(1,054)	15,843	(2,240)	31,480
Jamboree Expense	7,154	5,831	(1,323) ⑥	762	(6,392)	15,397
Jamboree Deferred Expense	1,807	0	(1,807) ⑦	(762)	(2,569)	0
Total Program Expenses	49,534	45,582	(3,952)	36,101	(13,433)	93,394
Other Expenses:						
GLIP Claims, Losses, Expenses, Distributions	18,888	21,244	2,356	18,872	(16)	42,366
GLIP Reserve Adjustment (2)	2,167,636	0	(2,167,636) ⑨	0	(2,167,636)	0
Salary and benefits expenses	44,293	46,949	2,656	39,416	(4,877)	93,389
Outsourcing/External Services	4,575	4,956	381	4,137	(438)	9,836
Information Technology	4,175	4,420	245	3,987	(188)	9,177
Depreciation	6,851	6,355	(496)	7,397	546	12,710
Interest	7,041	6,748	(293)	4,877	(2,164)	14,439
Other expenses	10,655	13,076	2,421 ⑪	2,391	(8,264)	23,879
Bankruptcy Costs	160,253	2,400	(157,853) ⑫	150,317	(9,936)	4,800
Pension Contributions	0	0	0	0	0	0
Total Other Expenses	2,424,367	106,148	(2,318,219)	231,394	(2,192,973)	210,596
Total all Expenses	2,473,901	151,730	(2,322,171)	267,495	(2,206,406)	303,990
Net Assets Released from Restrictions	3,060	8,238	(5,178)	2,112	948	12,706
Net Income (Loss)	(2,307,290)	16,264	(2,323,554)	(122,992)	(2,184,298)	23,198
Extraordinary Gain (2)	2,400,000	0	2,400,000 ⑬	0	2,400,000	0
Net Income (Loss) after Extraordinary Gain	\$ 92,710	\$ 16,264	\$ 76,446	\$ (122,992)	\$ 215,702	\$ 23,198
(1) Certain reclassifications have been made to numbers previously reported.						
(2) On April 19, 2023 the National Council of the Boy Scouts of America emerged from bankruptcy, resulting in the transfer of GLIP liabilities to the Settlement Trust.						
Hybrid P&L:						
Add back: Depreciation	9,688	9,662	26	10,399	(711)	19,324
Subtract: Minimal/Maintenance Capex	(1,519)	(1,633)	114	(534)	(985)	(7,374)
Subtract: principal portion of debt payments	(1,479)	(1,070)	(409)	0	(1,479)	(9,900)
Add back: contingency (restructuring changes included above)	160,253	2,400	157,853	150,317	9,936	4,800
Add back: GLIP Reserve Adjustment	2,167,636	0	2,167,636	0	2,167,636	0
Equals: Hybrid P&L	\$ 2,427,289	\$ 25,623	\$ 2,401,666	\$ 37,190	\$ 2,390,099	\$ 30,048
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):						
Net Supply Operations	\$ 5,463	\$ 3,366	\$ 2,097	\$ 6,154	\$ (691)	\$ 15,125
Net HAB Operations	(4,722)	(2,425)	(2,297)	820	(5,542)	8,608
Net Jamboree (revenues/expenses deferred until 2023)	11,096	10,538	558	0	11,096	1,313

SIGNIFICANT ACTUAL VS BUDGET VARIANCE EXPLANATIONS

① Monthly

The unfavorable variance of \$2,818,000, compared with budget, relate to lower than anticipated camping, and training fees at Florida Sea Base, Northern Tier, and Philmont.

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 favorable variance of \$53,000, compared with budget, relate to higher unsolicited gifts collected in June 2023.

Year-to-date

The favorable variance of \$1,608,000, compared with budget, relate to higher unsolicited gifts collected in January through June 2023.

④ Monthly

The favorable variance of \$197,000, compared with budget, relates to the receipt of higher interest income and miscellaneous revenues.

Year-to-date

The favorable variance of \$4,602,000, compared with budget, relates to the receipt of higher interest income and miscellaneous revenues.

⑤ Year-to-date

The unfavorable variance of \$477,000, compared with budget, relates to a number of factors the most significant of which includes unbudgeted HVAC expenses and water leaks at the Summit and the timing of trail food expenses, food purchases and higher seasonal payroll at Philmont.

⑥ Monthly

The unfavorable variance of \$1,945,000, compared with budget, relate to higher costs related to food purchases, program supplies, signs, and outside services.

Year-to-date

The unfavorable variance of \$1,323,000, compared with budget, relate to higher costs related to food purchases, signs, program entertainment, and outside services.

⑦ Year-to-date

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

⑧ Monthly

The favorable variance of \$365,000, compared with budget, relates to lower than anticipated insurance premiums.

⑨ Year-to-date

The unfavorable variances of \$2,168,000,000, compared with budget, relate to an adjustment to the GLIP reserve for claims.

⑩ Monthly

The favorable variance of \$111,000, compared with budget, relates to the timing of licensing, hosting, savings in mobile and desktop phone expenses, coupled with the timing of IT penetration testing for the month.

⑪ Year-to-date

The favorable variance primarily relate to the following:

Travel – The favorable variance of \$639,000, compared with budget, relates to the decision to defer NSJ travel expense, limiting the number of attendees to NEB, coupled with decisions to control costs.

Facilities and Equipment – The favorable variance of \$3,170,000, compared with budget, relates to postponing construction projects at SBR and lower costs related to equipment purchases and rentals and electricity.

Other Expenses – The unfavorable variance of \$387,000, compared with budget, relates to higher distributions, coupled with the recognition of prior year Jamboree expense.

⑫ Monthly

The favorable variance of \$586,000, compared with budget, relates to less legal fees being charged in June than anticipated, coupled with a reduction in the professional fee reserve.

Year-to-date

The unfavorable variance of \$157,853,000, compared with budget, relates to more legal fees being charged in January through June 2023 than anticipated.

⑬ Year-to-date

The favorable variance of \$2,400,000,000, compared with budget, relate mainly to the emergence from bankruptcy and the transfer of the liabilities to the settlement trust.

In conclusion, as of June 2023, revenues were higher than budget primarily due to higher Jamboree revenues, other revenues, and contributions, offset by lower HAB revenues and registration fees. 2023 expenses were higher compared to budget due to bankruptcy costs.