

BOY SCOUTS OF AMERICA
CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
PERIODS ENDED AUGUST 31, 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	\$ 6,828	\$ 8,445	\$ (1,617) ①	\$ 7,650	\$ (822)
High-adventure Base Revenue	11,501	12,855	(1,354) ②	10,333	1,168
Jamboree Revenue	176	0	176	(16)	192
Jamboree Deferred Revenue	0	0	0	16	(16)
Total Other Revenues	18,505	21,300	(2,795)	17,983	522
NSC Program Revenues:					
Registration Fees	3,628	5,768	(2,140)	1,897	1,731
National Service Fees	1,009	1,011	(2)	932	77
GLIP Revenues (without GLIP Registration Fee)	88	399	(311)	74	14
Unrestricted Earnings on Investments	113	10	103	195	(82)
Contributions and Bequest	360	251	109	266	94
Other Revenues	3,856	5,590	(1,734) ⑥	2,557	1,299
Total Program Revenues	9,054	13,029	(3,975)	5,921	3,133
Total all Revenues	27,559	34,329	(6,770)	23,904	3,655
NSC Expenses:					
Supply COGS & Expenses	3,777	4,507	730	3,670	(107)
High-adventure Base Expense	2,509	2,976	467	3,354	845
Jamboree Expense	2,312	3,410	1,098 ⑦	136	(2,176)
Jamboree Deferred Expense	0	0	0	(136)	(136)
Total Program Expenses	8,598	10,893	2,295	7,024	(1,574)
Other Expenses:					
GLIP Claims, Losses, Expenses, Distributions	3,202	3,451	249	3,177	(25)
GLIP Reserve Adjustment (2)	0	0	0	0	0
Salary and benefits expenses	8,338	7,949	(389)	7,897	(441)
Outsourcing/External Services	818	810	(8)	675	(143)
Information Technology	751	757	6	648	(103)
Depreciation	904	1,059	155	1,223	319
Interest	1,502	1,285	(217)	1,101	(401)
Other expenses	3,671	6,044	2,373 ⑩	1,560	(2,111)
Bankruptcy Costs	(723)	400	1,123 ⑪	4,361	5,084
Pension Contributions	0	0	0	0	0
Total Other Expenses	18,463	21,755	3,292	20,642	2,179
Total all Expenses	27,061	32,648	5,587	27,666	605
Net Assets Released from Restrictions	2,715	1,680	1,035	692	2,023
Net Income (Loss)	3,213	3,361	(148)	(3,070)	6,283
Extraordinary Gain (2)	0	0	0	0	0
Net Income (Loss) after Extraordinary Gain	\$ 3,213	\$ 3,361	\$ (148)	\$ (3,070)	\$ 6,283
(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	1,374	1,610	(236)	1,694	(320)
Subtract: Minimal/Maintenance Capex	(166)	(411)	245	(105)	(61)
Subtract: principal portion of debt payments	(1,620)	0	(1,620)	0	(1,620)
Subtract: Extraordinary Gain net GLIP Reserve Adjustment	0	0	0	0	0
Add back: contingency (restructuring changes included above)	(723)	400	(1,123)	4,361	(5,084)
Equals: Hybrid P& L	\$ 2,078	\$ 4,960	\$ (2,882)	\$ 2,880	\$ (802)
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):					
Net Supply Operations	\$ 763	\$ 1,773	\$ (1,010)	\$ 2,053	\$ (1,290)
Net HAB Operations	6,340	7,704	(1,364)	4,387	1,953
Net Jamboree (revenues/expenses deferred until 2023)	(2,267)	(3,410)	1,143	0	(2,267)

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(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	\$ 53,444	\$ 53,121	\$ 323	\$ 49,738	\$ 3,706	\$ 87,727
High-adventure Base Revenue	54,505	58,400	(3,895)	51,458	3,047	62,354
Jamboree Revenue	18,692	17,344	1,348	221	18,471	17,344
Jamboree Deferred Revenue	2,325	0	2,325 ③	(221)	2,546	0
Total Other Revenues	128,966	128,865	101	101,196	27,770	167,425
NSC Program Revenues:						
Registration Fees	56,180	63,838	(7,658) ④	57,537	(1,357)	100,176
National Service Fees	7,098	7,075	23	6,550	548	10,107
GLIP Revenues (without GLIP Registration Fee)	3,401	3,916	(515)	2,359	1,042	6,946
Unrestricted Earnings on Investments	630	80	550	(2,427)	3,057	121
Contributions and Bequest	3,393	1,799	1,594 ⑤	1,962	1,431	2,863
Other Revenues	22,502	20,095	2,407 ⑥	27,505	(5,003)	26,844
Total Program Revenues	93,204	96,803	(3,599)	93,486	(282)	147,057
Total all Revenues	222,170	225,668	(3,498)	194,682	27,488	314,482
NSC Expenses:						
Supply COGS & Expenses	29,557	30,653	1,096	26,373	(3,184)	46,517
High-adventure Base Expense	24,299	24,320	21	23,233	(1,066)	31,480
Jamboree Expense	11,775	10,568	(1,207) ⑦	1,027	(10,748)	15,397
Jamboree Deferred Expense	1,807	0	(1,807) ⑧	(1,027)	(2,834)	0
Total Program Expenses	67,438	65,541	(1,897)	49,606	(17,832)	93,394
Other Expenses:						
GLIP Claims, Losses, Expenses, Distributions	25,211	28,169	2,958	25,285	74	42,366
GLIP Reserve Adjustment (2)	2,167,636	0	(2,167,636) ⑨	0	(2,167,636)	0
Salary and benefits expenses	61,380	64,554	3,174	55,942	(5,438)	93,389
Outsourcing/External Services	6,297	6,638	341	5,429	(868)	9,836
Information Technology	5,509	5,930	421	5,217	(292)	9,177
Depreciation	8,873	8,473	(400)	9,843	970	12,710
Interest	10,032	9,317	(715)	6,982	(3,050)	14,439
Other expenses	15,634	20,580	4,946 ⑩	9,047	(6,587)	23,879
Bankruptcy Costs	159,218	3,200	(156,018) ⑪	148,869	(10,349)	4,800
Pension Contributions	0	0	0	0	0	0
Total Other Expenses	2,459,790	146,861	(2,312,929)	266,614	(2,193,176)	210,596
Total all Expenses	2,527,228	212,402	(2,314,826)	316,220	(2,211,008)	303,990
Net Assets Released from Restrictions	6,340	10,479	(4,139)	3,393	2,947	12,706
Net Income (Loss)	(2,298,718)	23,745	(2,322,463)	(118,145)	(2,180,573)	23,198
Extraordinary Gain (2)	2,400,000	0	2,400,000 ⑫	0	2,400,000	0
Net Income (Loss) after Extraordinary Gain	\$ 101,282	\$ 23,745	\$ 77,537	\$ (118,145)	\$ 219,427	\$ 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	12,651	12,883	(232)	13,789	(1,138)	19,324
Subtract: Minimal/Maintenance Capex	(2,271)	(3,661)	1,390	(1,052)	(1,219)	(7,374)
Subtract: principal portion of debt payments	(4,265)	(1,070)	(3,195)	0	(4,265)	(9,900)
Subtract: Extraordinary Gain net GLIP Reserve Adjustment	(232,364)	0	(232,364)	0	(232,364)	0
Add back: contingency (restructuring changes included above)	159,218	3,200	156,018	148,869	10,349	4,800
Equals: Hybrid P&L	\$ 34,251	\$ 35,097	\$ (846)	\$ 43,461	\$ (9,210)	\$ 30,048
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):						
Net Supply Operations	\$ 7,206	\$ 5,392	\$ 1,814	\$ 9,182	\$ (1,976)	\$ 15,125
Net HAB Operations	14,347	17,031	(2,684)	13,001	1,346	8,608
Net Jamboree (revenues/expenses deferred until 2023)	6,877	6,141	736	0	6,877	1,313

SIGNIFICANT ACTUAL VS BUDGET VARIANCE EXPLANATIONS

① Monthly

The unfavorable variance of \$1,617,000, compared with budget, relates to underperformed operating revenue which was mainly driven by unfavorable retail and wholesale sales.

② Monthly

The unfavorable variance of \$1,354,000, compared with budget, relates to lower than anticipated camping fees at Northern Tier and lower program and special events and other revenue relating to the Summit.

③ Year-to-date

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

④ Year-to-date

The unfavorable variance of \$7,658,000, compared with budget, is due to August recruiting being down slightly by 2,400 youths.

⑤ Year-to-date

The favorable variance of \$1,594,000, compared with budget, relate to higher unsolicited gifts collected in January through August 2023.

⑥ Monthly

The unfavorable variance of \$1,734,000, compared with budget, relates to the timing of administrative fee charges.

Year-to-date

The favorable variance of \$2,407,000 compared with budget, relates to the receipt of higher oil and gas royalties, interest income, and miscellaneous revenues.

⑦ Monthly

The favorable variance of \$1,098,000, compared with budget, relate to the timing of invoices.

Year-to-date

The unfavorable variance of \$1,207,000, compared with budget, relate to higher costs related to food purchases, signs, program entertainment, and outside services.

⑧ Year-to-date

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

⑨ Year-to-date

The unfavorable variances of \$2,167,636,000, compared with budget, relate to an adjustment to the GLIP reserve for claims.

⑩ Monthly

The favorable variance primarily relate to the following:

Operating – The favorable variance of \$2,368,000, compared with budget, relates to lower costs related to grant expenses, program supplies, bank charges, advertising, credit card charges, meeting expenses, and travel costs - nonemployee.

Year-to-date

The favorable variance primarily relate to the following:

Operating – The favorable variance of \$3,056,000, compared with budget, relates to lower costs related to grant expenses, program supplies, bank charges, advertising, credit card charges, meeting expenses, and travel costs - nonemployee.

Facilities and Equipment – The favorable variance of \$3,367,000, compared with budget, relates to postponing construction projects at SBR and lower costs related to equipment purchases, maintenance, and rentals and electricity.

Other Expenses – The unfavorable variance of \$501,000, compared with budget, relates to higher distributions and administrative fees expense, coupled with the recognition of prior year Jamboree expense.

⑪ Monthly

The favorable variance of \$1,123,000, compared with budget, relate to reclassing legal fees and a reduction to professional fee reserve.

Year-to-date

The unfavorable variance of \$156,018,000, compared with budget, relates to more legal fees being charged in January through August 2023 than anticipated.

⑫ 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 August 31, budgeted 2023 revenues were under budget primarily due to lower HAB revenue and registration fees. 2023 expenses were higher when compared to budget due to bankruptcy costs.