

BOY SCOUTS OF AMERICA
CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
PERIODS ENDED SEPTEMBER 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	\$ 11,340	\$ 13,993	\$ (2,653) ①	\$ 12,527	\$ (1,187)
High-adventure Base Revenue	1,035	1,230	(195) ②	762	273
Jamboree Revenue	17	0	17	25	(8)
Jamboree Deferred Revenue	0	0	0	(25)	25
Total Other Revenues	12,392	15,223	(2,831)	13,289	(897)
NSC Program Revenues:					
Registration Fees	8,238	14,373	(6,135)	5,588	2,650
National Service Fees	1,008	1,011	(3)	931	77
GLIP Revenues (without GLIP Registration Fee)	107	273	(166) ⑤	119	(12)
Unrestricted Earnings on Investments	77	10	67	(71)	148
Contributions and Bequest	913	275	638 ⑥	97	816
Other Revenues	2,481	1,385	1,096 ⑦	2,079	402
Total Program Revenues	12,824	17,327	(4,503)	8,743	4,081
Total all Revenues	25,216	32,550	(7,334)	22,032	3,184
NSC Expenses:					
Supply COGS & Expenses	4,763	6,950	2,187 ⑧	5,285	522
High-adventure Base Expense	1,765	1,670	(95)	1,743	(22)
Jamboree Expense	2,031	3,246	1,215 ⑨	256	(1,775)
Jamboree Deferred Expense	0	0	0	(256)	(256)
Total Program Expenses	8,559	11,866	3,307	7,028	(1,531)
Other Expenses:					
GLIP Claims, Losses, Expenses, Distributions	3,103	3,464	361 ⑪	3,281	178
GLIP Reserve Adjustment (2)	0	0	0	0	0
Salary and benefits expenses	6,067	7,341	1,274 ⑬	5,832	(235)
Outsourcing/External Services	764	904	140	725	(39)
Information Technology	653	811	158	583	(70)
Depreciation	906	1,059	153	1,221	315
Interest	1,478	1,285	(193) ⑭	1,085	(393)
Other expenses	1,120	774	(346) ⑮	484	(636)
Bankruptcy Costs	271	400	129	8,467	8,196
Pension Contributions	890	0	(890) ⑰	0	(890)
Total Other Expenses	15,252	16,038	786	21,678	6,426
Total all Expenses	23,811	27,904	4,093	28,706	4,895
Net Assets Released from Restrictions	471	616	(145)	229	242
Net Income (Loss)	1,876	5,262	(3,386)	(6,445)	8,321
Extraordinary Gain (2)	0	0	0	0	0
Net Income (Loss) after Extraordinary Gain	\$ 1,876	\$ 5,262	\$ (3,386)	\$ (6,445)	\$ 8,321
(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)	1,692	(318)
Subtract: Minimal/Maintenance Capex	(390)	(1,705)	1,315	(795)	405
Subtract: principal portion of debt payments	(1,070)	(1,070)	0	0	(1,070)
Subtract: Extraordinary Gain net GLIP Reserve Adjustment	0	0	0	0	0
Add back: contingency (restructuring changes included above)	271	400	(129)	8,467	(8,196)
Equals: Hybrid P&L	\$ 2,061	\$ 4,497	\$ (2,436)	\$ 2,919	\$ (858)
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):					
Net Supply Operations	\$ 4,451	\$ 4,603	\$ (152)	\$ 5,339	\$ (888)
Net HAB Operations	(1,535)	(1,799)	264	(1,807)	272
Net Jamboree (revenues/expenses deferred until 2023)	(2,052)	(3,246)	1,194	0	(2,052)

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PERIODS ENDED SEPTEMBER 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	\$ 64,784	\$ 67,113	\$ (2,329)	\$ 62,265	\$ 2,519	\$ 87,727
High-adventure Base Revenue	55,540	59,630	(4,090)	52,220	3,320	62,354
Jamboree Revenue	18,709	17,344	1,365	246	18,463	17,344
Jamboree Deferred Revenue	2,325	0	2,325 (3)	(246)	2,571	0
Total Other Revenues	141,358	144,087	(2,729)	114,485	26,873	167,425
NSC Program Revenues:						
Registration Fees	64,418	78,211	(13,793) (4)	63,125	1,293	100,176
National Service Fees	8,106	8,086	20	7,481	625	10,107
GLIP Revenues (without GLIP Registration Fee)	3,508	4,189	(681) (5)	2,478	1,030	6,946
Unrestricted Earnings on Investments	707	91	616	(2,498)	3,205	121
Contributions and Bequest	4,306	2,074	2,232 (6)	2,059	2,247	2,863
Other Revenues	24,983	21,480	3,503 (7)	29,585	(4,602)	26,844
Total Program Revenues	106,028	114,131	(8,103)	102,230	3,798	147,057
Total all Revenues	247,386	258,218	(10,832)	216,715	30,671	314,482
NSC Expenses:						
Supply COGS & Expenses	34,320	37,603	3,283	31,658	(2,662)	46,517
High-adventure Base Expense	26,064	25,990	(74)	24,974	(1,090)	31,480
Jamboree Expense	13,806	13,815	9	1,283	(12,523)	15,397
Jamboree Deferred Expense	1,807	0	(1,807) (10)	(1,283)	(3,090)	0
Total Program Expenses	75,997	77,408	1,411	56,632	(19,365)	93,394
Other Expenses:						
GLIP Claims, Losses, Expenses, Distributions	28,314	31,633	3,319 (11)	28,566	252	42,366
GLIP Reserve Adjustment (2)	2,167,636	0	(2,167,636) (12)	0	(2,167,636)	0
Salary and benefits expenses	67,447	71,894	4,447	61,774	(5,673)	93,389
Outsourcing/External Services	7,061	7,543	482	6,154	(907)	9,836
Information Technology	6,162	6,741	579	5,800	(362)	9,177
Depreciation	9,779	9,532	(247)	11,064	1,285	12,710
Interest	11,510	10,602	(908)	8,066	(3,444)	14,439
Other expenses	16,754	21,353	4,599 (15)	9,531	(7,223)	23,879
Bankruptcy Costs	159,489	3,600	(155,889) (16)	157,336	(2,153)	4,800
Pension Contributions	890	0	(890) (17)	0	(890)	0
Total Other Expenses	2,475,042	162,898	(2,312,144)	288,291	(2,186,751)	210,596
Total all Expenses	2,551,039	240,306	(2,310,733)	344,923	(2,206,116)	303,990
Net Assets Released from Restrictions	6,811	11,095	(4,284)	3,622	3,189	12,706
Net Income (Loss)	(2,296,842)	29,007	(2,325,849)	(124,586)	(2,172,256)	23,198
Extraordinary Gain (2)	2,400,000	0	2,400,000 (18)	0	2,400,000	0
Net Income (Loss) after Extraordinary Gain	\$ 103,158	\$ 29,007	\$ 74,151	\$ (124,586)	\$ 227,744	\$ 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	14,025	14,493	(468)	15,481	(1,456)	19,324
Subtract: Minimal/Maintenance Capex	(2,661)	(5,366)	2,705	(1,847)	(814)	(7,374)
Subtract: principal portion of debt payments	(5,335)	(2,140)	(3,195)	0	(5,335)	(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)	159,489	3,600	155,889	157,336	2,153	4,800
Equals: Hybrid P&L	\$ 36,312	\$ 39,594	\$ (3,282)	\$ 46,384	\$ (10,072)	\$ 30,048
Net Supply, HAB, and Jamboree Operations (includes Salary and Benefits):						
Net Supply Operations	\$ 11,657	\$ 9,994	\$ 1,663	\$ 14,521	\$ (2,864)	\$ 15,125
Net HAB Operations	12,812	15,233	(2,421)	11,195	1,617	8,608
Net Jamboree (revenues/expenses deferred until 2023)	4,825	2,895	1,930	0	4,825	1,313

SIGNIFICANT ACTUAL VS BUDGET VARIANCE EXPLANATIONS

- ①

Monthly

The unfavorable variance of \$2,653,000, compared with budget, relates to underperformed operating revenue which was mainly driven by unfavorable retail sales.
- ②

Monthly

The unfavorable variance of \$195,000, compared with budget, relates to lower than anticipated Okpik camping fees at Northern Tier expected in December and lower program and outside business development income relating to the Summit due to overly aggressive budget.
- 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 \$13,793,000, compared with budget, relates to recruiting being down.
- ⑤

Monthly

The unfavorable variance of \$166,000, compared with budget, relates to lower than anticipated unit liability insurance fees and lower national activity surcharge.

Year-to-date

The unfavorable variance of \$681,000, compared with budget, relates to lower than anticipated unit liability insurance fees.
- ⑥

Monthly

The favorable variance of \$638,000, compared with budget, relate to higher unsolicited gifts.

Year-to-date

The favorable variance of \$2,232,000, compared with budget, relate to higher unsolicited gifts collected in January through September 2023.
- ⑦

Monthly

The favorable variance of \$1,096,000, compared with budget, relate to higher interest income than anticipated.

Year-to-date

The favorable variance of \$3,503,000 compared with budget, relates to the receipt of higher oil and gas royalties, interest income, and miscellaneous revenues.
- ⑧

Monthly

The favorable variance of \$2,187,000, compared with budget, mainly driven by cost of goods sold due to lower sales.
- ⑨

Monthly

The favorable variance of \$1,215,000, compared with budget, relate to the timing of invoices.
- ⑩

Year-to-date

The unfavorable variance of \$1,807,000, compared with budget, relate to the recognition of deferred Jamboree expenses.
- ⑪

Monthly

The favorable variance of \$361,000, compared with budget, relates to lower than anticipated insurance premiums.

Year-to-date

The favorable variance of \$3,319,000, compared with budget, relates to lower than anticipated insurance premiums.
- ⑫

Year-to-date

The unfavorable variance of \$2,167,636,000, compared with budget, relate to an adjustment to the GLIP reserve for claims.
- ⑬

Monthly

The favorable variance of \$1,274,000, compared with budget, relates to the timing of merit increases and higher than expected vacancies.
- ⑭

Monthly

The unfavorable variance of \$193,000, compared with budget, relate to higher interest payments.
- ⑮

Monthly

The unfavorable variance primarily relate to the following:
Legal Fees – The unfavorable variance of \$577,000, compared with budget, relate to the timing of invoices and payments, coupled with working out a retainer with a firm for invoice submitted.

Year-to-date

The favorable variance primarily relate to the following:
Operating – The favorable variance of \$3,717,000, 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 \$3,359,000, compared with budget, relates to postponing construction projects at SBR and lower costs related to equipment purchases, maintenance, and rentals and electricity.

Legal Fees – The unfavorable variance of \$369,000, compared with budget, relates to the timing of invoices and payments.

Other Expenses – The unfavorable variance of \$503,000, compared with budget, relates to higher distributions and administrative fees expense, coupled with the recognition of a prior year Jamboree expense.
- ⑯

Year-to-date

The unfavorable variance of \$155,889,000, compared with budget, relates to more legal fees being charged in January through September 2023 than anticipated.
- ⑰

Monthly

The unfavorable variance of \$890,000, compared with budget, relate to unbudgeted pension contributions.

Year-to-date

The unfavorable variance of \$890,000, compared with budget, relate to unbudgeted pension contributions.
- ⑱

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 September 30, budgeted 2023 revenues were under budget primarily due to lower supply sales, HAB revenue, and registration fees. 2023 expenses were higher when compared to budget due to bankruptcy costs.