



CHARTERED
PROFESSIONAL
ACCOUNTANTS

KELLY HUIBERS McNEELY

PROFESSIONAL CORPORATION

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Governors of Scouts Canada National Operation

The accompanying summary financial statements of Scouts Canada National Operation, which comprise the summary statement of financial position as at August 31, 2018, and the summary statement of operations and changes in fund balances for the year then ended, and related notes, are derived from the audited financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations, of Scouts Canada National Operation as at August 31, 2018, and for the year then ended.

We expressed an unmodified audit opinion on those financial statements in our report dated November 7, 2018.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations applied in the preparation of the audited financial statements of Scouts Canada National Operation. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Scouts Canada National Operation.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in Note 2.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Scouts Canada National Operation as at August 31, 2018, and for the year then ended are a fair summary of those financial statements, in accordance with the basis described in Note 2.

Kelly Huibers McNeely
Professional Corporation

Stittsville, Ontario
November 07, 2018

Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

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SCOUTS CANADA NATIONAL OPERATION
SUMMARY STATEMENT OF FINANCIAL POSITION
as at **AUGUST 31, 2018**

	2018	2017
ASSETS		
Current assets	\$ 12,339,774	\$ 11,469,122
Investments	15,548,252	14,505,450
Tangible capital and intangible assets	1,091,566	1,527,867
Prepaid pension costs	6,666,100	4,002,800
	\$ 35,645,692	\$ 31,505,239
LIABILITIES AND FUND BALANCES		
Current liabilities	\$ 10,482,147	\$ 9,349,579
Deferred capital contributions	277,202	554,405
Employee future benefits	3,358,000	3,652,000
Fund balances	21,528,343	17,949,255
	\$ 35,645,692	\$ 31,505,239

See accompanying notes to summary financial statements.

SCOUTS CANADA NATIONAL OPERATION

SUMMARY STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

For the year ended AUGUST 31, 2018

	Operating Fund	Restricted & Endowment Funds	2018	2017
REVENUE				
Membership fees	\$ 10,615,769	\$ -	\$ 10,615,769	\$ 11,041,989
Retail	4,254,299	-	4,254,299	4,975,400
Fundraising	4,324,321	16,962	4,341,283	5,843,094
World Scout Foundation donations	-	34,057	34,057	29,903
Investment and other	1,985,339	319,138	2,304,477	2,517,979
Canadian Jamboree	40,110	-	40,110	3,611,323
	<u>21,219,838</u>	<u>370,157</u>	<u>21,589,995</u>	<u>28,019,688</u>
EXPENSES				
Salaries and benefits	12,015,904	-	12,015,904	11,407,789
Recovery of salaries and benefits	(1,831,581)	-	(1,831,581)	(1,592,623)
Retail	2,766,783	-	2,766,783	3,390,068
Program services	186,971	-	186,971	310,299
Grants	125,530	-	125,530	109,655
Technology services	360,697	-	360,697	386,214
Financial services	733,055	37,588	770,643	891,112
Marketing and communications	265,406	-	265,406	443,811
Fundraising	2,921,619	-	2,921,619	2,936,987
Administration	636,340	40,335	676,675	723,157
Compliance and governance	589,926	249,000	838,926	1,511,000
Human resources and volunteer services	376,289	-	376,289	354,826
Field operations	731,057	-	731,057	749,209
Field services	753,098	-	753,098	834,762
Canadian Jamboree - direct expenses	-	-	-	3,459,926
Other	-	173,223	173,223	202,197
	<u>20,631,094</u>	<u>500,146</u>	<u>21,131,240</u>	<u>26,118,389</u>
Net revenue (expenses) before the undernoted	588,744	(129,989)	458,755	1,901,299
Unrealized gains on investments	<u>230,582</u>	<u>149,551</u>	<u>380,133</u>	<u>235,000</u>
NET REVENUE	819,326	19,562	838,888	2,136,299
FUND BALANCES -				
BEGINNING OF YEAR	<u>7,607,497</u>	<u>10,341,758</u>	<u>17,949,255</u>	<u>17,066,956</u>
	8,426,823	10,361,320	18,788,143	19,203,255
Interfund transfers	(525,171)	525,171	-	-
Remeasurements and other items related to employee future benefits	2,740,200	-	2,740,200	(1,254,000)
FUND BALANCES - END OF YEAR	<u>\$ 10,641,852</u>	<u>\$ 10,886,491</u>	<u>\$ 21,528,343</u>	<u>\$ 17,949,255</u>

See accompanying notes to summary financial statements.

SCOUTS CANADA NATIONAL OPERATION

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

August 31, 2018

1. ORGANIZATION

Scouts Canada National Operation (the "National Operation") is a national organization operating programs aimed at contributing to the development of young people in achieving their full physical, intellectual, social and spiritual potential as individuals, as responsible citizens and as members of their local, national and international communities through the application of Scouts Principles and Practices.

The National Operation is a registered charity and is responsible for the national activities of Scouts Canada and provides services to the Councils of the National Operation.

2. SUMMARY FINANCIAL STATEMENTS

The summary financial statements are derived from the complete audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at August 31, 2018 and for the year then ended.

The preparation of these summary financial statements requires Management to determine the information that needs to be reflected in the summary financial statements so that they are consistent, in all material respects, with or represent a fair summary of the audited financial statements.

These summarized financial statements have been prepared by Management using the following criteria:

- (a) whether information in the summary financial statements is in agreement with the related information in the complete audited financial statements; and
- (b) whether, in all material respects, the summary financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete audited financial statements, including the notes thereto.

Management determined that the statement of cash flows do not provide additional useful information and as such has not included it as part of the summary financial statements.

The complete audited financial statements of Scouts Canada National Operation are available upon request by contacting the Management of Scouts Canada National Operation.