

Summary Financial Statements of

**SCOUTS CANADA NATIONAL
OPERATION**

Years ended August 31, 2013 and 2012

REPORT OF THE INDEPENDENT AUDITORS 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 statements of financial position as at August 31, 2013, August 31, 2012 and September 1, 2011 and the summary statements of operations for the years ended August 31, 2013 and August 31, 2012, 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, 2013, August 31, 2012 and September 1, 2011, and for the years ended August 31, 2013 and August 31, 2012.

We expressed an unmodified audit opinion on those financial statements in our report dated November 16, 2013.

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 1.

Auditors' 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, 2013, August 31, 2012 and September 1, 2011, and for the years ended August 31, 2013 and August 31, 2012 are a fair summary of those financial statements, in accordance with the basis described in note 1.



Chartered Accountants, Licensed Public Accountants

November 16, 2013

Ottawa, Canada

SCOUTS CANADA NATIONAL OPERATION

Summary Statements of Financial Position

August 31, 2013, August 31, 2012 and September 1, 2011
(In thousands of dollars)

	August 31, 2013	August 31, 2012	September 1, 2011
Assets			
Current assets	\$ 6,885	\$ 6,421	\$ 8,358
Investments	11,134	10,684	10,717
Tangible capital and intangible assets	2,458	2,257	2,357
Prepaid pension costs	4,169	4,014	3,344
Employee future benefits recovery receivable	984	1,130	1,643
Loans receivable from related parties	–	–	10
	\$ 25,630	\$ 24,506	\$ 26,429
Liabilities and Fund Balances			
Current liabilities	\$ 3,697	\$ 3,010	\$ 2,978
Deferred capital contributions	593	–	–
Loans payable to related parties	305	405	505
Accrued employee future benefits	5,756	5,923	5,955
Fund balances	15,279	15,168	16,991
	\$ 25,630	\$ 24,506	\$ 26,429

See accompanying notes to summary financial statements.

SCOUTS CANADA NATIONAL OPERATION

Summary Statements of Operations

Years ended August 31, 2013 and 2012
(In thousands of dollars)

	Operating Fund	Restricted Funds	Total 2013	Total 2012
Revenue:				
Membership fees	\$ 4,578	\$ –	\$ 4,578	\$ 4,994
Retail	4,518	–	4,518	4,700
Fundraising	1,832	85	1,917	1,889
Other	874	209	1,083	717
Canadian Jamboree	3,667	–	3,667	–
	15,469	294	15,763	12,300
Expenses:				
Salaries and benefits	4,169	–	4,169	4,702
Retail expenses	3,274	–	3,274	3,546
Program services	379	–	379	453
Membership services	406	–	406	340
Technology services	306	–	306	296
Financial services	457	–	457	330
Marketing and communications	1,001	–	1,001	777
Fundraising expenses	265	–	265	203
Administration	651	–	651	680
Compliance and governance	507	900	1,407	2,055
Human resources management	430	–	430	308
Canadian Jamboree – direct expenses	3,217	–	3,217	–
Restricted funds	–	185	185	602
	15,062	1,085	16,147	14,292
Excess (deficiency) of revenue over expenses before the undernoted	407	(791)	(384)	(1,992)
Change in unrealized gain on investments	(62)	278	216	135
World Scout Foundation donations	–	279	279	34
Excess (deficiency) of revenue over expenses	\$ 345	\$ (234)	\$ 111	\$ (1,823)

See accompanying notes to summary financial statements.

SCOUTS CANADA NATIONAL OPERATION

Notes to Summary Financial Statements

Years ended August 31, 2013 and 2012

Scouts Canada 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.

Scouts Canada was incorporated on June 12, 1914, by an Act of the Canadian Parliament and is a registered charity under the Income Tax Act, and as such is not subject to income taxes. Scouts Canada National Operation is responsible for the national activities of Scouts Canada and provides services to the Provincial and Regional Councils of Scouts Canada.

On September 1, 2012, the National Operation adopted Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations.

In accordance with the transitional provisions in the not-for-profit accounting standards, the National Operation has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is September 1, 2011 and all comparative information provided has been presented by applying not-for-profit standards.

1. 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, 2013, August 31, 2012 and September 1, 2011, and for the years ended August 31, 2013 and August 31, 2012.

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 changes in net assets and cash flows do not provide additional useful information and as such have not included them 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.