

IBC YOUTH BOWLING, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2018 AND 2017

**IBC YOUTH BOWLING, INC.
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4
STATEMENTS OF FUNCTIONAL EXPENSES	5
STATEMENTS OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8



INDEPENDENT AUDITORS' REPORT

Board of Directors
IBC Youth Bowling, Inc.
Arlington, Texas

We have audited the accompanying financial statements of IBC Youth Bowling, Inc., which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
IBC Youth Bowling, Inc.

Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of IBC Youth Bowling, Inc. as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
June 10, 2019

IBC YOUTH BOWLING, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,427,980	\$ 1,473,490
Investments	1,544,432	1,617,791
Accounts Receivable, Net	2,114	3,855
Due from Related Parties	261,440	387,901
Inventory	91,395	116,440
Prepaid Expenses	33,896	58,917
Total Current Assets	3,361,257	3,658,394
SOFTWARE AND EQUIPMENT, NET	417,879	-
Total Assets	\$ 3,779,136	\$ 3,658,394
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 102,676	\$ 62,771
Accrued Expenses and Other Liabilities	38,066	38,171
Due to Related Parties	-	3,376
Deferred Revenue - National Tournaments	400,701	273,044
Deferred Revenue - Membership Dues	373,587	380,757
Deferred Revenue - Other	990	13,600
Total Current Liabilities	916,020	771,719
NET ASSETS		
Without Donor Restrictions:		
Undesignated	2,723,006	2,695,131
Board-Designated - YES Fund Initiative	140,110	191,544
Total Net Assets	2,863,116	2,886,675
Total Liabilities and Net Assets	\$ 3,779,136	\$ 3,658,394

See accompanying Notes to Financial Statements.

**IBC YOUTH BOWLING, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
SUPPORT AND REVENUES		
Contributions	\$ 668,717	\$ 1,170,740
Membership Dues	874,363	879,221
Tournament Revenue	1,582,558	1,377,208
Merchandise Sales	49,629	100,126
Royalties	158,378	169,689
Sponsorships	188,500	189,900
Net Investment Income (Loss)	(68,986)	28,560
Miscellaneous	18,285	34,409
Total Support and Revenues	<u>3,471,444</u>	<u>3,949,853</u>
EXPENSES		
Salaries and Benefits	718,495	630,836
Membership	17,884	20,568
Awards	248,297	231,687
Food and Beverage	27,661	15,834
Merchandise	29,147	56,237
Professional Fees	712,997	725,814
Office Supplies	273,937	198,312
Travel	323,627	358,455
Advertising and Promotion	65,340	121,505
Lineage	484,563	357,137
Scholarship	514,407	503,727
Sponsorships	69,860	43,700
Depreciation	1,837	-
Miscellaneous	6,951	6,312
Total Expenses	<u>3,495,003</u>	<u>3,270,124</u>
CHANGE IN NET ASSETS	(23,559)	679,729
Net Assets - Beginning of Year	<u>2,886,675</u>	<u>2,206,946</u>
NET ASSETS - END OF YEAR	<u>\$ 2,863,116</u>	<u>\$ 2,886,675</u>

See accompanying Notes to Financial Statements.

IBC YOUTH BOWLING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018

	Program Services	Management and General	Total
Salaries and Benefits	\$ 481,392	\$ 237,103	\$ 718,495
Membership	17,884	-	17,884
Awards	248,297	-	248,297
Food and Beverage	27,661	-	27,661
Merchandise	29,147	-	29,147
Professional Fees	656,688	56,309	712,997
Office Supplies	247,086	26,851	273,937
Travel	323,627	-	323,627
Advertising and Promotion	65,340	-	65,340
Lineage	484,563	-	484,563
Scholarship	514,357	50	514,407
Sponsorships	69,860	-	69,860
Depreciation	-	1,837	1,837
Miscellaneous	1,607	5,344	6,951
Total	<u>\$ 3,167,509</u>	<u>\$ 327,494</u>	<u>\$ 3,495,003</u>

See accompanying Notes to Financial Statements.

IBC YOUTH BOWLING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017

	Program Services	Management and General	Total
Salaries and Benefits	\$ 422,660	\$ 208,176	\$ 630,836
Membership	20,568	-	20,568
Awards	231,687	-	231,687
Food and Beverage	15,834	-	15,834
Merchandise	56,237	-	56,237
Professional Fees	701,224	24,590	725,814
Office Supplies	172,195	26,117	198,312
Travel	358,455	-	358,455
Advertising and Promotion	121,505	-	121,505
Lineage	357,137	-	357,137
Scholarship	503,727	-	503,727
Sponsorships	43,700	-	43,700
Miscellaneous	1,823	4,489	6,312
Total	<u>\$ 3,006,752</u>	<u>\$ 263,372</u>	<u>\$ 3,270,124</u>

See accompanying Notes to Financial Statements.

IBC YOUTH BOWLING, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (23,559)	\$ 679,729
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	1,837	-
Net Realized and Unrealized (Gains) Losses on Investments	126,224	(16,775)
Effects of Changes in Operating Assets and Liabilities:		
Accounts Receivable	1,741	28,325
Due from Related Parties	126,461	59,461
Inventory	25,045	(34,524)
Prepaid Expenses	25,021	(35,917)
Accounts Payable	(27,208)	54,700
Due to Related Parties	(3,376)	2,662
Accrued Expenses and Other Liabilities	(105)	(18,811)
Deferred Revenue	107,877	104,694
Net Cash Provided by Operating Activities	359,958	823,544
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(635,657)	(1,311,489)
Proceeds from Sales of Investments	582,792	-
Purchases of Property and Equipment	(352,603)	-
Net Cash Used by Investing Activities	(405,468)	(1,311,489)
 NET DECREASE IN CASH	(45,510)	(487,945)
Cash - Beginning of Year	1,473,490	1,961,435
 CASH - END OF YEAR	\$ 1,427,980	\$ 1,473,490

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES

During 2018, IBC Youth Bowling, Inc. placed \$67,113 of property and equipment in service, which are included in accounts payable on the statement of financial position at December 31, 2018.

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

IBC Youth Bowling, Inc. (IBCYB) is a nonprofit organization whose purpose is to operate exclusively for charitable and educational purposes in the sport of bowling. IBCYB was incorporated on July 28, 2014 in the state of Wisconsin. IBCYB started operating effective October 1, 2014 when the youth programs were spun off from the International Bowling Campus, LLC (IBC). IBCYB's revenues are derived primarily from contributions, membership dues, and tournament entry fees. IBCYB's fiscal year ends on December 31. Significant accounting policies followed by IBCYB are presented below.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

Investments

Investments are reported at fair value. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses on investments are included in the statements of activities.

Accounts Receivable

Accounts receivable are uncollateralized obligations. Accounts receivable are stated at the invoice amount. Payments of accounts receivable are applied to the specific invoices identified on the remittance advice or, if unspecified, to the earliest unpaid invoices.

The carrying amounts of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of specific accounts and the aging of the accounts receivable. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts. No allowance for doubtful accounts was recorded at December 31, 2018 and 2017.

Inventory

Inventory consists of resale merchandise and awards and is valued at the lower of cost or net realizable value with cost determined on a first-in, first-out (FIFO) basis.

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Risks and Uncertainties

IBCYB utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the account balances and the amounts reported in the financial statements.

Software and Equipment

Software and equipment over \$1,000 with a useful life of three years or more are stated at cost and depreciated on the straight-line method over their estimated useful lives, which is three years.

Maintenance, repairs, and replacements are generally included as expenses of operations during the year in which the expense is incurred. Cost of replacements, which constitute improvements or extend the life of the respective assets, are recorded as additions to property and equipment.

Impairment of Long-Lived Assets

IBCYB reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

Net Assets

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. However, donor-restricted contributions whose restrictions are met during the same year are directly reported as increases in general net assets. The net assets of IBCYB and changes therein are classified and reported as follows:

Without Donor Restrictions

These represent net assets that are not subject to external donor-imposed restrictions. As noted on the statement of financial position, the board has designated amounts for the Youth Education Services (YES) Fund Initiative, a united effort by industry leaders in the sport, initiated by the Bowling Proprietors' Association of America, Inc. and the United States Bowling Congress, Inc., dedicated to development and marketing of youth bowling.

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Deferred revenue consists primarily of membership dues and tournament entry fees. These amounts are recognized in the fiscal year in which the individual receives the privileges that membership offers. Tournament and program service revenues are recognized in the year in which the event is held or the related expenses are incurred.

In addition, revenues under certain royalty and sponsorship agreements are being recognized based on the terms of the related contracts. Deferred revenue is recognized monthly over the term of the contract.

Contributions are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a natural basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and benefits, professional fees, office supplies, scholarship, and miscellaneous expenses, which are allocated on the basis of estimates of time and effort.

Income Tax Status

The Internal Revenue Service (IRS) has issued a determination letter dated December 31, 2014, granting IBCYB an exemption from federal income tax under IRS Code Section 501(c)(3). However, income received from certain activities is subject to income tax as unrelated business income.

Reclassifications

Certain items in the 2017 financial statements have been reclassified, with no effect on previously reported net assets and changes in net assets, to conform with the current year presentation.

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Pronouncements

Revenue from Contracts with Customers – In May 2014, the Financial Accounting Standards Board (FASB) issued amended guidance to clarify the principles for recognizing revenue from contracts with customers. The guidance requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required regarding customer contracts, significant judgements and changes in judgements, and assets recognized from the costs to obtain or fulfill a contract. The guidance will initially be applied retrospectively using one of two methods. The standard will be effective for the entity for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019. Management is evaluating the effect of the amended revenue recognition guidance on the entity's financial statements.

Adoption of New Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented, resulting in no changes to net assets with donor restrictions and net assets without donor restrictions.

NOTE 2 LIQUIDITY AND AVAILABILITY

IBCYB's liquidity goal is to have sufficient assets available to meet operational expenditures for a 12-month period. IBCYB regularly reviews the liquidity required to meet operational expenditures. Various forms of funds are available, which include cash, liquid investments, and expected collections of accounts receivable.

For the purpose of analyzing available resources, IBCYB reviews assets not covered by donor restrictions or restricted for future use. As of December 31, 2018, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash	\$ 1,427,980
Investments	1,544,432
Accounts Receivable, Net	2,114
Due from Related Parties	261,440
Total	<u>\$ 3,235,966</u>

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 3 INVESTMENTS

Investments consist of the following at December 31:

	2018	2017
Investments:		
Interest-Bearing Cash	\$ 52,266	\$ 613,930
Money Market Funds	226,736	65,000
Equity Securities	198,449	-
Mutual Funds	1,066,981	910,616
Exchange-Traded Funds	-	28,245
Total	\$ 1,544,432	\$ 1,617,791

NOTE 4 FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under accounting principles generally accepted in the United States of America are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a description of the valuation methodologies used at December 31, 2018 and 2017 for assets measured at fair value.

Interest-Bearing Cash and Money Market Funds: Are valued at cost which approximates fair value.

Equity Securities: Are valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds: Are valued at quoted market prices, which represent the net asset value of shares held by IBCYB at year-end.

Exchange-Traded Funds: Are valued at the closing price reported on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, IBCYB's assets at fair value as of December 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Interest-Bearing Cash	\$ -	\$ 52,266	\$ -	\$ 52,266
Money Market Funds	-	226,736	-	226,736
Equity Securities:				
Common Stock	198,449	-	-	198,449
Mutual Funds:				
Large Cap Growth	234,485	-	-	234,485
Large Cap Blend	39,049	-	-	39,049
International Large Cap Blend	36,990	-	-	36,990
Mid Cap Growth	33,763	-	-	33,763
Small Cap Growth	93,107	-	-	93,107
Index Funds	179,235	-	-	179,235
Fixed Income	450,352	-	-	450,352
Total	<u>\$ 1,265,430</u>	<u>\$ 279,002</u>	<u>\$ -</u>	<u>\$ 1,544,432</u>

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth by level, within the fair value hierarchy, IBCYB's assets at fair value as of December 31, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Interest-Bearing Cash	\$ -	\$ 613,930	\$ -	\$ 613,930
Money Market Funds	-	65,000	-	65,000
Mutual Funds:				
Large Cap Growth	116,333	-	-	116,333
Large Cap Blend	41,644	-	-	41,644
International Large Cap Blend	69,698	-	-	69,698
Mid Cap Growth	56,980	-	-	56,980
Small Cap Growth	19,023	-	-	19,023
Fixed Income	606,938	-	-	606,938
Exchange-Traded Funds	28,245	-	-	28,245
Total	<u>\$ 938,861</u>	<u>\$ 678,930</u>	<u>\$ -</u>	<u>\$ 1,617,791</u>

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	<u>2018</u>	<u>2017</u>
Equipment	\$ 8,641	\$ -
Internal-Use Software in Progress	411,075	-
Total, at Cost	<u>419,716</u>	<u>-</u>
Less: Accumulated Depreciation	1,837	-
Total	<u>\$ 417,879</u>	<u>\$ -</u>

NOTE 6 RETIREMENT PLANS

IBCYB participates in a 401(k) retirement plan (along with United States Bowling Congress, Inc. (USBC), Bowling Proprietors' Association of America, Inc. (BPAA), International Bowling Museum and Hall of Fame, Inc. (IBM&HF), and International Bowling Campus, LLC (IBC)), available to all employees who have reached the age of 21 and completed one month of service. Employees may contribute to their accounts up to the annual amount allowed by law. IBCYB matches 100% of the first 3% of employee contributions, plus 50% of the next 2% of the employee's contribution. Total contribution expense recorded under the plan was \$10,355 and \$8,847 for the years ended December 31, 2018 and 2017, respectively.

IBC YOUTH BOWLING, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 7 SIGNIFICANT ESTIMATES AND CONCENTRATIONS

Accounting principles generally accepted in the United States of America require disclosure of information about certain significant estimates and current vulnerabilities due to certain concentrations. These matters include the following:

Reserve for Self-Insurance

Under its self-insurance plan, IBCYB accrues the estimated expense of health care claims costs based on claims filed subsequent to year-end and an additional amount for incurred but not yet reported claims based on prior experience. Accruals for such costs of \$10,092 and \$10,431 are included in accrued liabilities at December 31, 2018 and 2017, respectively. Claims payments based on actual claims ultimately filed could differ materially from these estimates.

Concentration of Credit Risk

IBCYB maintains its cash in one commercial bank. Balances on deposit are insured by the Federal Deposit Insurance Corporation up to specified limits. Balances in excess of these limits are uninsured.

NOTE 8 RELATED PARTY TRANSACTIONS

IBCYB has a payable of \$-0- and \$254 due to IBC as of December 31, 2018 and 2017, respectively.

IBCYB has a payable of \$-0- and \$3,122 due to SMART Bowling Scholarship Funding Corporation (SMART) as of December 31, 2018 and 2017, respectively, for funds collected by IBCYB on behalf of SMART.

IBCYB received contributions of \$369,361 and \$620,622 from USBC during the years ended December 31, 2018 and 2017, respectively. IBCYB received contributions of \$300,000 and \$549,996 from BPAA during the years ended December 31, 2018 and 2017, respectively. Additionally, IBCYB has receivables of \$261,440 and \$387,901 from USBC as of December 31, 2018 and 2017, respectively.

NOTE 9 SUBSEQUENT EVENTS

Management evaluated subsequent events through June 10, 2019, the date the financial statements were available to be issued. Events or transactions occurring after December 31, 2018, but prior to June 10, 2019 that provided additional evidence about conditions that existed at December 31, 2018, have been recognized in the financial statements for the year ended December 31, 2018. Events or transactions that provided evidence about conditions that did not exist at December 31, 2018, but arose before the financial statements were available to be issued, have not been recognized in the financial statements for the year ended December 31, 2018.