

**IBC YOUTH BOWLING, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**



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**IBC YOUTH BOWLING, INC.  
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## 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, 2019 and 2018, 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, 2019 and 2018, 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  
April 15, 2020

**IBC YOUTH BOWLING, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2019 AND 2018**

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 845,512	\$ 1,427,980
Investments	2,859,885	1,544,432
Accounts Receivable, Net	209	2,114
Due from Related Parties	201,001	261,440
Inventory	86,190	91,395
Prepaid Expenses	20,932	33,896
Total Current Assets	4,013,729	3,361,257
<b>SOFTWARE AND EQUIPMENT, NET</b>	599,112	417,879
Total Assets	\$ 4,612,841	\$ 3,779,136
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ -	\$ 102,676
Accrued Expenses and Other Liabilities	79,538	38,066
Due to Related Parties	1,203	-
Deferred Revenue - National Tournaments	469,905	400,701
Deferred Revenue - Membership Dues	328,548	373,587
Deferred Revenue - Other	5,262	990
Total Current Liabilities	884,456	916,020
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Undesignated	3,588,275	2,723,006
Board-Designated - YES Fund Initiative	140,110	140,110
Total Net Assets	3,728,385	2,863,116
Total Liabilities and Net Assets	\$ 4,612,841	\$ 3,779,136

See accompanying Notes to Financial Statements.

**IBC YOUTH BOWLING, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>SUPPORT AND REVENUES</b>		
Contributions	\$ 1,085,228	\$ 668,717
Membership Dues	897,372	874,363
Tournament Revenue	1,561,986	1,582,558
Merchandise Sales	53,957	49,629
Royalties	162,786	158,378
Sponsorships	181,343	188,500
Net Investment Income (Loss)	294,094	(68,986)
Miscellaneous	14,995	18,285
Total Support and Revenues	<u>4,251,761</u>	<u>3,471,444</u>
<b>EXPENSES</b>		
Salaries and Benefits	640,250	718,495
Membership	16,942	17,884
Awards	238,396	248,297
Food and Beverage	35,373	27,661
Merchandise	33,952	29,147
Professional Fees	615,948	712,997
Office Supplies	286,864	273,937
Travel	443,415	323,627
Advertising and Promotion	43,007	65,340
Lineage	398,989	484,563
Scholarship	537,364	514,407
Sponsorships	82,195	69,860
Depreciation	2,880	1,837
Miscellaneous	10,917	6,951
Total Expenses	<u>3,386,492</u>	<u>3,495,003</u>
<b>CHANGE IN NET ASSETS</b>	865,269	(23,559)
Net Assets - Beginning of Year	<u>2,863,116</u>	<u>2,886,675</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 3,728,385</u></u>	<u><u>\$ 2,863,116</u></u>

See accompanying Notes to Financial Statements.

**IBC YOUTH BOWLING, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2019**

	Program Services	Management and General	Total
Salaries and Benefits	\$ 428,967	\$ 211,283	\$ 640,250
Membership	16,942	-	16,942
Awards	238,396	-	238,396
Food and Beverage	35,373	-	35,373
Merchandise	33,952	-	33,952
Professional Fees	581,918	34,030	615,948
Office Supplies	266,417	20,447	286,864
Travel	443,415	-	443,415
Advertising and Promotion	43,007	-	43,007
Lineage	398,989	-	398,989
Scholarship	537,364	-	537,364
Sponsorships	82,195	-	82,195
Depreciation	-	2,880	2,880
Miscellaneous	2,890	8,027	10,917
Total	<u>\$ 3,109,825</u>	<u>\$ 276,667</u>	<u>\$ 3,386,492</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.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 865,269	\$ (23,559)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	2,880	1,837
Net Realized and Unrealized (Gains) Losses on Investments	(216,983)	126,224
Effects of Changes in Operating Assets and Liabilities:		
Accounts Receivable	1,905	1,741
Due from Related Parties	60,439	126,461
Inventory	5,205	25,045
Prepaid Expenses	12,964	25,021
Accounts Payable	(102,676)	(27,208)
Due to Related Parties	1,203	(3,376)
Accrued Expenses and Other Liabilities	41,472	(105)
Deferred Revenue	28,437	107,877
Net Cash Provided by Operating Activities	700,115	359,958
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(1,098,470)	(635,657)
Proceeds from Sales of Investments	-	582,792
Purchases of Property and Equipment	(184,113)	(352,603)
Net Cash Used by Investing Activities	(1,282,583)	(405,468)
 <b>NET DECREASE IN CASH</b>	(582,468)	(45,510)
 Cash - Beginning of Year	1,427,980	1,473,490
 <b>CASH - END OF YEAR</b>	\$ 845,512	\$ 1,427,980

**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.

See accompanying Notes to Financial Statements.

**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

**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, 2019 and 2018.

**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, 2019 AND 2018**

**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:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions. The governing 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. (BPAA) and the United States Bowling Congress, Inc. (USBC), dedicated to development and marketing of youth bowling.

**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

**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.

**Accounting Pronouncements**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which is expected to increase transparency and comparability among organizations. The core principle of this guidance is that a lessee should recognize the assets and liabilities that arise from leases. The standard requires lessees to reflect most leases on their statement of financial position as lease liabilities with a corresponding right-of-use asset, while leaving presentation of lease expense in the statement of activities largely unchanged. The standard also eliminates the real-estate specific provisions that exist under current U.S. GAAP and modifies the classification criteria and accounting which lessors must apply to sales-type and direct financing leases. In November 2019, the FASB approved the delay of the effective date of ASU 2016-02 which is now effective for IBCYB's year ending December 31, 2021. Management will be evaluating the effects of the new standard.

**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of New Accounting Principle**

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Subsequent to May 2014, the FASB issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, Revenue Recognition, and requires the recognition of revenue when promised goods or services are transferred 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 updates address the complexity of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

IBCYB's financial statements reflect the application of ASC 606 guidance beginning in 2018. No cumulative-effect adjustment in net assets was recorded because the adoption of ASU 2014-09 did not significantly impact IBCYB's reported historical revenue.

Additionally in June 2018, FASB issued ASU 2018-08, *Accounting Guidance for Contributions Received and Made*. This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as an exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional.

IBCYB's financial statements reflect the application of ASU 2018-08 beginning January 1, 2019. The new guidance does not require prior period results to be restated. The implementation of this standard did not result in any changes.

**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.

**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

**NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)**

For the purpose of analyzing available resources, IBCYB reviews assets not covered by donor restrictions or restricted for future use. As of December 31, 2019 and 2018, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

	<u>2019</u>	<u>2018</u>
Cash	\$ 845,512	\$ 1,427,980
Investments	2,859,885	1,544,432
Accounts Receivable, Net	209	2,114
Due from Related Parties	<u>201,001</u>	<u>261,440</u>
	3,906,607	3,235,966
Less Board-Designated - YES Fund Initiative	<u>(140,110)</u>	<u>(140,110)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 3,766,497</u>	<u>\$ 3,095,856</u>

**NOTE 3 INVESTMENTS**

Investments consist of the following at December 31:

	<u>2019</u>	<u>2018</u>
Investments:		
Interest-Bearing Cash	\$ 69,853	\$ 52,266
Money Market Funds	5,086	226,736
Equity Securities	711,835	198,449
Exchange-Traded Funds	21,930	-
Mutual Funds	<u>2,051,181</u>	<u>1,066,981</u>
Total	<u>\$ 2,859,885</u>	<u>\$ 1,544,432</u>

**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.

**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

*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.

Following is a description of the valuation methodologies used at December 31, 2019 and 2018 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.

**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**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, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Interest-Bearing Cash	\$ -	\$ 69,853	\$ -	\$ 69,853
Money Market Funds	-	5,086	-	5,086
Equity Securities:				
Common Stock	711,835	-	-	711,835
Exchange-Traded Funds	21,930	-	-	21,930
Mutual Funds:				
Large Cap	364,911	-	-	364,911
Mid Cap	21,225	-	-	21,225
Small Cap	65,650	-	-	65,650
Allocation	522,792	-	-	522,792
Specialty	80,972	-	-	80,972
Fixed Income	995,631	-	-	995,631
Total	<u>\$ 2,784,946</u>	<u>\$ 74,939</u>	<u>\$ -</u>	<u>\$ 2,859,885</u>

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	310,524	-	-	310,524
Mid Cap	33,763	-	-	33,763
Small Cap	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>

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at December 31:

	<u>2019</u>	<u>2018</u>
Equipment	\$ 8,641	\$ 8,641
Internal-Use Software in Progress	595,188	411,075
Total, at Cost	603,829	419,716
Less: Accumulated Depreciation	4,717	1,837
Total	<u>\$ 599,112</u>	<u>\$ 417,879</u>



**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 RETIREMENT PLANS**

IBCYB participates in a 401(k) retirement plan (along with USBC, 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 \$13,902 and \$17,090 for the years ended December 31, 2019 and 2018, respectively.

**NOTE 7 REVENUE**

The following tables shows IBCYB's revenue disaggregated according to the timing of the transfer of goods or services:

	2019	2018
Revenue Recognized at a Point in Time		
Tournament Revenue	\$ 1,561,986	\$ 1,582,558
Merchandise Sales	53,957	49,629
Royalties	162,786	158,378
Miscellaneous	14,995	18,285
Total Revenue Recognized at a Point in Time	\$ 1,793,724	\$ 1,808,850
Revenue Recognized Over Time		
Membership Dues	\$ 897,372	\$ 874,363
Sponsorships	181,343	188,500
Total Revenue Recognized Over Time	\$ 1,078,715	\$ 1,062,863

**NOTE 8 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 \$8,728 and \$10,092 are included in accrued liabilities at December 31, 2019 and 2018, 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.

**IBC YOUTH BOWLING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 9 RELATED PARTY TRANSACTIONS**

IBCYB has a payable of \$535 and \$-0- due to SMART Bowling Scholarship Funding Corporation (SMART) as of December 31, 2019 and 2018, respectively, for funds collected by IBCYB on behalf of SMART.

IBCYB received contributions of \$786,081 and \$369,361 from USBC during the years ended December 31, 2019 and 2018, respectively. IBCYB received contributions of \$300,000 and \$300,000 from BPAA during the years ended December 31, 2019 and 2018, respectively. Additionally, IBCYB has receivables of \$201,001 and \$261,440 from USBC as of December 31, 2019 and 2018, respectively.

**NOTE 10 SUBSEQUENT EVENTS**

Management evaluated subsequent events through April 15, 2020, the date the financial statements were available to be issued. Events or transactions occurring after December 31, 2019, but prior to April 15, 2020 that provided additional evidence about conditions that existed at December 31, 2019, have been recognized in the financial statements for the year ended December 31, 2019. Events or transactions that provided evidence about conditions that did not exist at December 31, 2019, 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, 2019.