

**UNITED STATES BOWLING CONGRESS, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2023 AND 2022**



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YEARS ENDED DECEMBER 31, 2023 AND 2022**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
United States Bowling Congress, Inc.  
Arlington, Texas

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of United States Bowling Congress, Inc. which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United States Bowling Congress, Inc. as of December 31, 2023 and 2022, and the change 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.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United States Bowling Congress, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United States Bowling Congress, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 United States Bowling Congress, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United States Bowling Congress, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statement of net position and combining statement of activities are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

Board of Directors  
United States Bowling Congress, Inc.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Milwaukee, Wisconsin  
August 14, 2024

**UNITED STATES BOWLING CONGRESS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 5,240,906	\$ 18,774,591
Cash and Cash Equivalents - SMART Program	807,802	618,135
Accounts Receivable, Net	521,365	402,065
Accounts Receivable, Net - SMART Program	133,290	128,586
Due from Related Parties	792,941	1,023,449
Inventory	14,472	48,001
Prepaid Expenses and Other	655,042	441,255
Total Current Assets	8,165,818	21,436,082
<b>INVESTMENTS</b>		
Investments, at Fair Value	40,164,557	21,868,886
Investments, at Fair Value - SMART Program	93,049,038	85,105,605
Investment in International Bowling Campus, LLC	4,092,421	4,287,052
Total Investments	137,306,016	111,261,543
<b>PROPERTY AND EQUIPMENT</b>		
Furniture and Fixtures	578,486	563,725
Tournament Equipment	11,050,293	10,725,261
Vehicles	117,028	117,028
Software	4,686,939	4,594,840
Software - SMART Program	910,467	910,467
Total, at Cost	17,343,213	16,911,321
Less: Accumulated Depreciation	13,997,248	13,030,627
Less: Accumulated Depreciation - SMART Program	910,467	910,467
Total Property and Equipment	2,435,498	2,970,227
<b>OPERATING LEASE RIGHT-OF-USE ASSETS</b>	256,946	39,177
<b>GOODWILL, NET OF ACCUMULATED AMORTIZATION</b>	331,666	268,333
Total Assets	\$ 148,495,944	\$ 135,975,362

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 723,228	\$ 530,289
Accounts Payable - SMART Program	105,701	43,249
Due to Related Parties	2,947	24,885
Accrued Liabilities	3,070,569	3,139,544
Current Portion of Postretirement Benefit Obligation	78,000	78,000
Current Portion of Deferred Revenue - Tournament Subsidy	-	166,000
Current Portion of Scholarship Awards Payable - SMART Program	11,534,175	9,084,649
Current Portion of Operating Lease Liability	85,804	39,177
Deferred Revenue - National Tournaments	14,992,465	13,709,140
Deferred Revenue - Membership Dues	6,797,035	6,570,258
Deferred Revenue - BowlTV Subscriptions	141,609	124,260
Deferred Revenue - Bowlers Journal Subscriptions	226,126	202,368
Total Current Liabilities	37,757,659	33,711,819
<b>LONG-TERM LIABILITIES</b>		
Deferred Revenue - Tournament Subsidy, Less Current Portion Above	750,000	635,000
Postretirement Benefit Obligation, Less Current Portion Above	540,930	601,046
Scholarship Awards Payable - SMART Program	87,601,022	84,612,458
Long Term Portion of Operating Lease Liability	171,142	-
Total Long-Term Liabilities	89,063,094	85,848,504
Total Liabilities	126,820,753	119,560,323
<b>NET ASSETS</b>		
Without Donor Restrictions		
Undesignated	14,399,436	11,803,303
Designated for SMART Program	(5,508,287)	(8,172,306)
Designated for Operating Reserve	12,784,042	12,784,042
Total Net Assets	21,675,191	16,415,039
Total Liabilities and Net Assets	\$ 148,495,944	\$ 135,975,362

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Membership Dues	\$ 14,410,349	\$ -	\$ 14,410,349
Merchandise Sales	47,382	-	47,382
Workshops and Seminars	239,070	-	239,070
Special Events, Booths, and Concessions	964,911	-	964,911
Tournament Entry and Prize Fees	16,949,305	-	16,949,305
Tournament and Conventions Subsidy	3,970,530	-	3,970,530
Brackets	1,624,034	-	1,624,034
Advertising	270,369	-	270,369
Royalty	719,868	-	719,868
Sponsorship	776,868	-	776,868
Contributions	77,864	-	77,864
Net Investment Return	2,417,453	-	2,417,453
Net Investment Return - SMART Program	10,677,548	-	10,677,548
BowlTV	1,012,906	-	1,012,906
Other	699,206	-	699,206
Bowlers Journal	325,814	-	325,814
Total Revenues	55,183,477	-	55,183,477
<b>EXPENSES</b>			
Salaries	7,611,934	-	7,611,934
Fringe Benefits	2,330,413	-	2,330,413
Employee Recruitment and Training	161,845	-	161,845
Temporary Agency Services	3,753,202	-	3,753,202
Professional Services	5,045,052	-	5,045,052
Professional Services - SMART Program	313,656	-	313,656
Supplies	181,320	-	181,320
Supplies - SMART Program	238	-	238
Resale Merchandise	61,568	-	61,568
Prizes	11,424,468	-	11,424,468
Awards	965,976	-	965,976
Telephone	37,267	-	37,267
Postage and Freight	1,243,715	-	1,243,715
Postage and Freight - SMART Program	6,348	-	6,348
Facilities	1,153,885	-	1,153,885
Equipment Maintenance and Repairs	851,366	-	851,366
Depreciation	966,619	-	966,619
Amortization	36,667.00	-	36,667
Printing	460,172	-	460,172
Printing - SMART Program	4,660	-	4,660
Promotion, Sponsorships, and Programs	868,265	-	868,265
Promotion, Sponsorships, and Programs - SMART Program	4,062	-	4,062
Travel	1,809,177	-	1,809,177
Travel - SMART Program	9,403	-	9,403
Insurance	751,431	-	751,431
Contributions	438,455	-	438,455
Lineage and Construction	1,406,107	-	1,406,107
Earnings Allocation - SMART Program	7,165,120	-	7,165,120
Miscellaneous	541,523	-	541,523
Miscellaneous - SMART Program	16,955	-	16,955
Total Expenses	49,620,869	-	49,620,869

See accompanying Notes to Financial Statements.



**UNITED STATES BOWLING CONGRESS, INC.  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	\$ 5,562,608	\$ -	\$ 5,562,608
<b>EQUITY IN NET LOSS OF INTERNATIONAL BOWLING CAMPUS, LLC</b>	(277,389)	-	(277,389)
<b>CHANGE IN POSTRETIREMENT BENEFIT OBLIGATION, OTHER THAN PERIODIC EXPENSE</b>	<u>(25,067)</u>	<u>-</u>	<u>(25,067)</u>
<b>CHANGE IN NET ASSETS</b>	5,260,152	-	5,260,152
Net Assets - Beginning of Year	<u>16,415,039</u>	<u>-</u>	<u>16,415,039</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 21,675,191</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,675,191</u></u>

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Membership Dues	\$ 13,227,000	\$ -	\$ 13,227,000
Merchandise Sales	59,323	-	59,323
Workshops and Seminars	212,862	-	212,862
Special Events, Booths, and Concessions	210,993	-	210,993
Tournament Entry and Prize Fees	15,351,278	-	15,351,278
Tournament and Conventions Subsidy	2,192,354	-	2,192,354
Brackets	1,609,051	-	1,609,051
Advertising	219,384	-	219,384
Royalty	675,791	-	675,791
Sponsorship	837,646	-	837,646
Contributions	73,410	-	73,410
Net Investment Loss	(1,598,789)	-	(1,598,789)
Net Investment Loss - SMART Program	(17,631,640)	-	(17,631,640)
BowlTV	454,251	-	454,251
Other	275,791	-	275,791
Bowlers Journal	263,016	-	263,016
Total Revenues	16,431,721	-	16,431,721
<b>EXPENSES</b>			
Salaries	7,214,580	-	7,214,580
Fringe Benefits	2,002,432	-	2,002,432
Employee Recruitment and Training	158,857	-	158,857
Temporary Agency Services	3,298,665	-	3,298,665
Professional Services	3,757,314	-	3,757,314
Professional Services - SMART Program	304,929	-	304,929
Supplies	189,532	-	189,532
Supplies - SMART Program	41	-	41
Resale Merchandise	25,657	-	25,657
Prizes	10,832,310	-	10,832,310
Awards	813,969	-	813,969
Telephone	33,220	-	33,220
Postage and Freight	1,142,763	-	1,142,763
Postage and Freight - SMART Program	3,122	-	3,122
Facilities	1,153,818	-	1,153,818
Equipment Maintenance and Repairs	773,014	-	773,014
Depreciation	973,549	-	973,549
Amortization	35,000	-	35,000
Printing	366,498	-	366,498
Printing - SMART Program	1,333	-	1,333
Promotion, Sponsorships, and Programs	457,157	-	457,157
Promotion, Sponsorships, and Programs - SMART Program	6,444	-	6,444
Travel	1,367,564	-	1,367,564
Travel - SMART Program	1,842	-	1,842
Insurance	608,973	-	608,973
Contributions	529,832	-	529,832
Lineage and Construction	1,046,324	-	1,046,324
Earnings Allocation - SMART Program	6,750,000	-	6,750,000
Miscellaneous	296,184	-	296,184
Miscellaneous - SMART Program	599	-	599
Total Expenses	44,145,522	-	44,145,522

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	\$ (27,713,801)	\$ -	\$ (27,713,801)
<b>EQUITY IN NET LOSS OF INTERNATIONAL BOWLING CAMPUS, LLC</b>	(260,829)	-	(260,829)
<b>CHANGE IN POSTRETIREMENT BENEFIT OBLIGATION, OTHER THAN PERIODIC EXPENSE</b>	117,960	-	117,960
<b>CHANGE IN NET ASSETS</b>	(27,856,670)	-	(27,856,670)
Net Assets - Beginning of Year	44,271,709	-	44,271,709
<b>NET ASSETS - END OF YEAR</b>	\$ 16,415,039	\$ -	\$ 16,415,039

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2023**

	Program Services	Management and General	Total
Salaries	\$ 6,334,229	\$ 1,277,705	\$ 7,611,934
Fringe Benefits	2,067,320	263,093	2,330,413
Employee Recruitment and Training	107,101	54,744	161,845
Temporary Agency Services	3,743,652	9,550	3,753,202
Professional Services	4,603,504	441,548	5,045,052
Professional Services - SMART Program	-	313,656	313,656
Supplies	176,301	5,019	181,320
Supplies - SMART Program	-	238	238
Resale Merchandise	61,460	108	61,568
Prizes	11,424,468	-	11,424,468
Awards	961,149	4,827	965,976
Telephone	37,267	-	37,267
Postage and Freight	1,237,706	6,009	1,243,715
Postage and Freight - SMART Program	-	6,348	6,348
Facilities	53,824	1,100,061	1,153,885
Equipment Maintenance and Repairs	814,110	37,256	851,366
Depreciation	823,043	143,576	966,619
Amortization	-	36,667	36,667
Printing	449,177	10,995	460,172
Printing - SMART Program	-	4,660	4,660
Promotion, Sponsorships, and Programs	865,327	2,938	868,265
Promotion, Sponsorships, and Programs - SMART Program	-	4,062	4,062
Travel	1,473,480	335,697	1,809,177
Travel - SMART Program	-	9,403	9,403
Insurance	84,207	667,224	751,431
Contributions	423,424	15,031	438,455
Lineage and Construction	1,406,107	-	1,406,107
Earnings Allocation - SMART Program	-	7,165,120	7,165,120
Miscellaneous	435,624	105,899	541,523
Miscellaneous - SMART Program	-	16,955	16,955
Total Expenses by Function	<u>\$ 37,582,480</u>	<u>\$ 12,038,389</u>	<u>\$ 49,620,869</u>

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2022**

	Program Services	Management and General	Total
Salaries	\$ 5,797,920	\$ 1,416,660	\$ 7,214,580
Fringe Benefits	1,715,223	287,209	2,002,432
Employee Recruitment and Training	74,756	84,101	158,857
Temporary Agency Services	3,298,665	-	3,298,665
Professional Services	3,087,192	670,122	3,757,314
Professional Services - SMART Program	-	304,929	304,929
Supplies	183,769	5,763	189,532
Supplies - SMART Program	-	41	41
Resale Merchandise	25,657	-	25,657
Prizes	10,832,310	-	10,832,310
Awards	799,111	14,858	813,969
Telephone	33,220	-	33,220
Postage and Freight	1,131,411	11,352	1,142,763
Postage and Freight - SMART Program	-	3,122	3,122
Facilities	98,035	1,055,783	1,153,818
Equipment Maintenance and Repairs	744,906	28,108	773,014
Depreciation	827,517	146,032	973,549
Amortization	-	35,000	35,000
Printing	358,188	8,310	366,498
Printing - SMART Program	-	1,333	1,333
Promotion, Sponsorships, and Programs	386,463	70,694	457,157
Promotion, Sponsorships, and Programs - SMART Program	-	6,444	6,444
Travel	1,069,401	298,163	1,367,564
Travel - SMART Program	-	1,842	1,842
Insurance	73,002	535,971	608,973
Contributions	439,697	90,135	529,832
Lineage and Construction	1,046,324	-	1,046,324
Earnings Allocation - SMART Program	6,750,000	-	6,750,000
Miscellaneous	224,187	71,997	296,184
Miscellaneous - SMART Program	-	599	599
Total Expenses by Function	<u>\$ 38,996,954</u>	<u>\$ 5,148,568</u>	<u>\$ 44,145,522</u>

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 5,260,152	\$ (27,856,670)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	966,619	973,549
Amortization	36,667	35,000
Amortization of ROU Asset	43,551	88,764
Forgiveness of Note Receivable	-	100,000
Imputed Interest Income	-	(4,650)
Decrease in Post-Retirement Benefit Obligation	(60,116)	(194,917)
Net Realized and Unrealized (Gains) Losses on Investments	(12,951,265)	19,278,884
Equity in Net Loss of International Bowling Campus, LLC	277,389	260,829
Effects of Changes in Operating Assets and Liabilities:		
Accounts Receivable	(124,004)	(135,806)
Due from Related Parties	230,508	(390,102)
Inventory	33,529	1,818
Prepaid Expenses and Other	(213,787)	(233,756)
Accounts Payable	255,391	(130,521)
Due to Related Parties	(21,938)	(6,676)
Accrued Liabilities	(68,975)	632,798
Deferred Revenue	1,500,209	2,972,861
Scholarship Awards Payable	5,438,090	5,998,524
Lease Liability - Operating	(43,551)	(88,764)
Net Cash Provided by Operating Activities	558,469	1,301,165
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sales of Investments	3,958,327	1,671,022
Purchases of Investments	(17,258,327)	(230,401)
Purchases of Property and Equipment	(431,890)	(368,813)
Purchase of Bowling Program	(100,000)	-
IBC Capital Contribution	(82,758)	-
Net Cash Provided (Used) by Investing Activities	(13,914,648)	1,071,808
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(13,356,179)	2,372,973
Cash and Cash Equivalents - Beginning of Year	19,392,726	17,019,753
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 6,036,547	\$ 19,392,726

See accompanying Notes to Financial Statements.

**UNITED STATES BOWLING CONGRESS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The United States Bowling Congress, Inc. (USBC) was incorporated on June 3, 2004 in the state of Wisconsin for the purposes of developing interest and participation in the sport of bowling by overseeing competition and providing programs and services to its membership. USBC also administers a scholarship program, overseen by the SMART Oversight Committee established by USBC in 2021. USBC's revenues are derived primarily from membership dues and tournament entry fees, as well as investment returns as part of administering the scholarship program. The following footnotes report information for the years ended December 31, 2023 and 2022. Significant accounting policies followed by USBC are presented below.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) 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 period. Actual results could differ from those estimates.

**Cash Equivalents**

USBC considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Accounts Receivable and Allowance for Credit Losses**

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 or unfunded scholarships.

USBC establishes an allowance for credit losses to present the net amount of accounts receivable expected to be collected. The allowance represents the estimate of expected credit losses based on a calculated percentage of sales, historical experience, current economic conditions, and certain forward-looking information. If there is a deterioration of credit worthiness, or actual defaults are higher than the historical experience, management's estimates of recoverability of amounts due to USBC could be adversely affected. 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. The allowance for doubtful accounts was \$2,040 and \$1,300 at December 31, 2023 and 2022.

**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.

**UNITED STATES BOWLING CONGRESS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

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

**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 5 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 as net investment return.

**Risks and Uncertainties**

USBC 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 USBC's account balances and the amounts reported in the financial statements.

**Investment in International Bowling Campus, LLC**

USBC owns a 50% interest in International Bowling Campus, LLC (IBC). The investment is accounted for using the equity method. Under the equity method, the investment is carried at cost, adjusted for USBC's proportionate share of undistributed earnings or losses, and capital contributions and distributions.

**Property and Equipment**

Property and equipment over \$5,000 with a useful life three years or more are stated at cost and depreciated on the straight-line method over their estimated useful lives, which range from 3 to 20 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**

USBC 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.



**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

USBC determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets – financing and lease liability – financing in the statement of financial position.

ROU assets represent USBC's right to use an underlying asset for the lease term, and lease liabilities represent USBC's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that USBC will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. USBC has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statement of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, USBC has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities.

USBC has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

**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 net assets without donor restrictions. The net assets of USBC 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, from net assets without donor restrictions, net assets for an operating reserve.

*Net Assets With Donor Restrictions* – Those resources subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, which will be satisfied by actions of USBC or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. USBC does not have any net assets held in perpetuity as of December 31, 2023 and 2022.

**UNITED STATES BOWLING CONGRESS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Goodwill**

Goodwill is recorded when the cost of acquired businesses exceed the fair value of the identifiable net assets acquired. USBC has elected to amortize goodwill over an estimated useful life of 10 years.

**Scholarship Awards Payable**

USBC administers a scholarship program for the bowling community known as Scholarship Management and Accounting Reports for Tenpins (SMART) Program. USBC collects, manages, and disburses scholarship funds for youth bowling scholarships. A scholarship awards payable is recorded for payments received. USBC effectively acts as an agent for these funds. Investment income is used to pay the administrative costs of operating the program. Investment income in excess of these administrative costs may be allocated to the accounts of the provider organizations. As of the years ended December 31, 2023 and 2022, the SMART program reflects a deficit of \$5,496,126 and \$8,128,078, respectively. On an annual basis since 2021 USBC has engaged a third-party to perform an actuarial study of the redemption of the scholarship liability. The 2023 study found that of the \$99,135,197 in scholarship liability, 45.27% or \$44,878,504 will be requested by awardees at December 31, 2023. The 2022 study found that of the \$93,697,107 in scholarship liability, 41.80% or \$39,165,390 will be requested by awardees at December 31, 2023. The cash and investment balance is greater than the actuarial redemption value of the scholarship liability.

**Revenue Recognition**

Revenue is recognized when performance obligations are met. Membership dues are recognized ratably over the period of membership. Unearned membership revenue is reflected as deferred revenue on the statements of financial position. Workshops and Seminars, Special Events, Booths, and Concessions, Tournament Entry and Prize Fees, Tournament and Conventions Subsidy, Brackets, and Advertising are recognized when the events are held. Tournament entry fees are collected in advance, resulting in deferred revenue (contract liability) on the statements of financial position. Royalty revenue is recognized quarterly based on use of preferred service providers and merchandise sales. Sponsorship revenue is recognized ratably over the sponsorship period. Bowlers Journal and BowlTV subscription revenue is recognized ratably over the subscription period, which provides access to either BowlTV or the Bowlers Journal.

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.

**Deferred Revenue**

National tournaments consist of tournament subsidies and tournament entry fees. These amounts are recognized as revenue in the period in which the event is held or the related expenses are incurred.

Membership dues are recognized in the fiscal year in which the individual receives the privileges that membership offers.

**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition (Continued)**

**Deferred Revenue (Continued)**

BowlTV subscriptions are recognized over the course of time which aligns with the individual subscription periods.

Bowlers Journal subscriptions are recognized over the course of time which aligns with the individual subscription periods.

**Advertising**

USBC expenses advertising costs as they are incurred.

**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, fringe benefits, employee recruitment and training, professional services, supplies, awards, postage and freight, facilities, equipment maintenance and repairs, printing, promotion, sponsorships, and programs, travel, insurance, contributions, 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 October 5, 2004, granting USBC 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. No income tax expense has been recorded in the financial statements as cumulative unrelated business net operating loss carryforwards would offset any current tax liability. In addition, a 100% valuation allowance has been provided against the deferred tax asset resulting from the net operating loss carryforwards. Management is not aware of any items that could cause revocation of the tax-exempt status.

**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounting Standards Update**

On January 1, 2023, USBC adopted FASB ASU 2016-13, *Financial Instruments - Credit Losses* (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modifies the measurement of expected credit losses. The organization adopted this new guidance utilizing the modified retrospective transition approach. The adoption of this standard did not have a material impact on the USBC's financial statements but did result in changes to USBC's accounting policies, including the recognition of credit losses based on expected future credit losses rather than incurred credit losses. USBC also updated its accounting policies for determining the recoverability of accounts receivable.

USBC extends credit to customers in the normal course of business. USBC uses a combination of historical loss experience, current economic conditions, and forward-looking information to estimate credit losses for financial assets. USBC considers various factors such as borrower credit worthiness and probability of default to estimate credit losses. Management has concluded that credit losses on balances outstanding at year-end will be immaterial.

**NOTE 2 LIQUIDITY AND AVAILABILITY**

USBC's liquidity goal is to have sufficient assets available to meet operational expenditures for a six-month period. USBC regularly reviews the liquidity required to meet the ongoing needs for membership, governance, research, and the services needed to support those functions. Various forms of funds are available which include cash, marketable investment securities, expected collections of receivables, and a commercial line of credit (see Note 13).

For the purpose of analyzing available resources, USBC reviews assets not covered by donor restrictions or restricted for future use. USBC also excludes assets related to the SMART program from their liquidity and availability calculation, which are overseen by the SMART Oversight Committee and designated for the ongoing needs of administering a scholarship program for the bowling community and the other services needed to support that function. As of December 31, 2023 and 2022, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 5,240,906	\$ 18,774,591
Accounts Receivable, Net	521,365	402,065
Due From Related Parties	792,941	1,023,449
Investments, at Fair Value	<u>40,164,557</u>	<u>21,868,886</u>
	46,719,769	42,068,991
Less Board-Designated Reserve	<u>(12,784,042)</u>	<u>(12,784,042)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 33,935,727</u>	<u>\$ 29,284,949</u>

**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)**

USBC maintains the investments above in investment vehicles that allow access to these funds for satisfaction of current liabilities.

USBC's Board Designated Reserve consists of investments internally designated for specific purposes. Although USBC does not intend to spend this board-designated reserve within the next year, these amounts could be made available if necessary.

In addition to financial assets available to meet operational expenditures, USBC operates with a balanced budget to ensure that the entity can meet current and future obligations. USBC believes that future revenues will be sufficient to cover expenditures without materially impacting the entity's liquidity.

**NOTE 3 INVESTMENTS**

Investments consist of the following at December 31:

	2023	2022
Interest-Bearing Cash	\$ 17,962,840	\$ 3,705,045
Interest-Bearing Cash - SMART Program	1,611,514	422,749
Equities	4,225,807	3,072,804
Exchange-Traded Funds	280,358	520,288
Bonds	7,553,190	3,603,117
Certificates of Deposit	999,423	1,649,456
Mutual Funds	9,142,939	9,318,176
Mutual Funds - SMART Program	61,249,259	54,412,060
Hedge Fund - SMART Program	24,848,245	24,943,326
Limited Partnerships - SMART Program	5,340,020	5,327,470
Total Investments	\$ 133,213,595	\$ 106,974,491

**NOTE 4 FAIR VALUE MEASUREMENTS**

GAAP establishes 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 GAAP are described as follows:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

**UNITED STATES BOWLING CONGRESS, INC.**  
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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 for assets measured at fair value.

*Equities:* Valued based on the closing price reported in the active market in which the individual security is traded.

*Bonds and Certificates of Deposit:* Valued with an institutional bid evaluation or an institutional mid evaluation. A bid evaluation is an estimated price at which a dealer would pay for a security (typically in an institutional round lot). A mid evaluation is the average of the estimated price at which a dealer would sell a security and the estimated price at which a dealer would pay for a security (typically in an institutional round lot). Oftentimes, these evaluations are based on proprietary models which pricing vendors establish for these purposes. In some cases, there may be manual sources used when primary price vendors do not supply prices.

*Mutual Funds and Exchange-Traded Funds:* Valued based on quoted market prices, which represent the net asset value (NAV) of shares held by USBC at year-end.

*Hedge Fund:* Valued based on the NAV per unit (or its equivalent) based upon the fair value of the underlying investments. NAV is used as a practical expedient to estimate fair value. The investment strategy of the hedge fund is to maximize long-term total return, consistent with prudent investment management. The fund seeks to achieve its objective by investing in at least 70% in other commingled investment vehicles, in investment grade debt and fixed income securities rated at the time of purchase at least Baa3 or BBB- by a nationally recognized rating agency. USBC has no additional committed capital obligations.

**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

*Limited Partnerships:* As part of the SMART mutual termination agreement USBC became a partner in four limited partnerships. The limited partnerships are valued at an amount equal to the ownership interest in the partners' capital, NAV, used as a practical expedient to estimate fair value. Two partnerships have a 10-year term after final closing, subject to two two-year extensions at the election of the General Partner. The investment strategy of these two limited partnerships is to achieve attractive risk-adjusted returns relative to more liquid fixed income alternatives, with an emphasis on current income and preservation of capital. The fund seeks to achieve its objective primarily by investing in senior secured, floating rate middle market loans, through wholly and partially owned holding companies and other investment vehicles.

One partnership will continue until July 31, 2031, subject to three one-year extensions at the election of the General Partner. The investment strategy of this limited partnership is to generate significant returns principally through long-term capital appreciation, by making, holding and disposing of privately negotiated equity and equity related investments in venture capital and private equity partnerships and operating companies, primarily in the healthcare, information technology, communications, and digital asset industries.

The last partnership is open-ended, allowing USBC to withdraw or submit a repurchase request at the end of the 3-year quarter date. The investment strategy of this limited partnership is to net 8%-10% yields through long-term leases on investments in long-lived, capital-intensive transportation assets (aircraft, rail, maritime, vehicles, equipment and energy logistics).

In each limited partnership, USBC may not sell, assign, or transfer its interest except with prior written consent of the General Partner. Withdrawals of capital are not permitted except in limited instances.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while USBC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**UNITED STATES BOWLING CONGRESS, 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, USBC's assets at fair value as of December 31:

	2023			Total
	Level 1	Level 2	Level 3	
<b>Assets at Fair Value</b>				
Equities	\$ 4,225,807	\$ -	\$ -	\$ 4,225,807
Exchange-Traded Funds	280,358	-	-	280,358
<b>Bonds</b>				
U.S. Treasuries	-	5,033,720	-	5,033,720
Corporate Bonds	-	2,519,470	-	2,519,470
Certificates of Deposit	-	999,423	-	999,423
<b>Mutual Funds</b>				
International - SMART Program	13,672,293	-	-	13,672,293
Small Cap - SMART Program	8,167,971	-	-	8,167,971
Large Cap	46,594	-	-	46,594
Large Cap - SMART Program	20,658,698	-	-	20,658,698
Fixed Income	3,985,271	-	-	3,985,271
Fixed Income - SMART Program	18,750,297	-	-	18,750,297
Allocation	4,987,632	-	-	4,987,632
Specialty	123,442	-	-	123,442
Total Assets at Fair Value	<u>\$ 74,898,363</u>	<u>\$ 8,552,613</u>	<u>\$ -</u>	<u>83,450,976</u>
<b>Assets Valued at NAV</b>				
Hedge Fund - SMART Program				24,848,245
Limited Partnerships - SMART Program				5,340,020
Total Assets at NAV				<u>30,188,265</u>
<b>Assets Not Valued Under Fair Value Measurements</b>				
Interest-Bearing Cash				17,962,840
Interest-Bearing Cash - SMART Program				1,611,514
Total Investments				<u>\$ 133,213,595</u>



**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

	2022			Total
	Level 1	Level 2	Level 3	
<b>Assets at Fair Value</b>				
Equities	\$ 3,072,804	\$ -	\$ -	\$ 3,072,804
Exchange Traded Funds	520,288	-	-	520,288
<b>Bonds</b>				
U.S. Treasuries	-	3,105,835	-	3,105,835
Corporate Bonds	-	497,282	-	497,282
Certificate of Deposit	-	1,649,456	-	1,649,456
<b>Mutual Funds</b>				
International - SMART Program	11,906,189	-	-	11,906,189
Small cap - SMART Program	6,752,294	-	-	6,752,294
Large Cap	140,383	-	-	140,383
Large Cap - SMART Program	19,430,413	-	-	19,430,413
Fixed Income	4,748,041	-	-	4,748,041
Fixed Income - SMART Program	16,323,164	-	-	16,323,164
Allocation	4,097,635	-	-	4,097,635
Specialty	332,117	-	-	332,117
<b>Total Assets at Fair Value</b>	<b>\$ 67,323,328</b>	<b>\$ 5,252,573</b>	<b>\$ -</b>	<b>72,575,901</b>
<b>Assets Valued at NAV</b>				
Hedge Fund - SMART Program				24,943,326
Limited Partnerships - SMART Program				5,327,470
<b>Total Assets at NAV</b>				<b>30,270,796</b>
<b>Assets Not Valued Under Fair Value Measurements</b>				
Interest-Bearing Cash				3,705,045
Interest-Bearing Cash - SMART Program				422,749
<b>Total Investments</b>				<b>\$ 106,974,491</b>

**NOTE 5 INVESTMENT IN INTERNATIONAL BOWLING CAMPUS, LLC**

IBC holds title to the land and building which USBC uses as its national headquarters. For the years ended December 31, 2023 and 2022, there was \$165,516 and \$-0- of capital contributions respectively. Summarized financial information for IBC for the years ended December 31 is shown below.

	2023	2022
Total Assets	\$ 8,248,955	\$ 8,738,144
Total Liabilities	673,314	773,241
Net Assets - Without Donor Restrictions	<u>\$ 7,575,641</u>	<u>\$ 7,964,903</u>
Decrease in Net Assets	<u>\$ (554,778)</u>	<u>\$ (521,657)</u>
Capital Contributions	<u>\$ 165,516</u>	<u>\$ -</u>

**UNITED STATES BOWLING CONGRESS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 GOODWILL**

During the year ended December 31, 2023, USBC purchased a Bowling program and tournament for \$100,000. No identifiable net assets were acquired by USBC through this purchase. Therefore, \$100,000 was attributed to goodwill at the time of the purchase. The statement of financial position includes \$98,333 of goodwill, net of \$1,667 of accumulated amortization as of December 31, 2023, and the statement of activities includes \$1,667 of related amortization expense for the year ended December 31, 2023.

During the year ended December 31, 2020, USBC purchased the *Bowlers Journal International* magazine, *Pro Shop Operator* magazine and its related business operations, including Bowlers Journal Championships bowling tournament for \$350,000. No identifiable net assets were acquired by USBC through this purchase. Therefore, \$350,000 was attributed to goodwill at the time of purchase. The statement of financial position includes \$233,333 and \$268,333 of goodwill, net of \$116,667 and \$81,667 of accumulated amortization as of December 31, 2023 and 2022, respectively, and the statement of activities includes \$35,000 of related amortization expense for the years ended December 31, 2023 and 2022.

**NOTE 7 POSTRETIREMENT BENEFIT OBLIGATION**

USBC provides defined benefit postretirement health and life benefits to certain current and former employees. Covered employees became eligible for these benefits at retirement after meeting minimum age and service requirements.

The postretirement health care plan is unfunded. The following reconciles the change in accumulated benefit obligation and the amounts included in the statements of financial position at December 31:

	2023	2022
Benefit Obligation - Beginning of Year	\$ 679,046	\$ 873,963
Interest Cost	33,369	23,665
Benefits Paid	(81,141)	(81,723)
Actuarial Gain	(12,344)	(136,859)
Total Accrued Postretirement Benefit Obligation	618,930	679,046
Less: Current Portion	(78,000)	(78,000)
Long-Term Accrued Postretirement Benefit Obligation	\$ 540,930	\$ 601,046

**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 7 POST RETIRMENT BENEFIT OBLIGATION (CONTINUED)**

In accordance with GAAP, all previously unrecognized actuarial gains or losses are reflected in the statements of financial position. The plan items not yet recognized as a component of periodic plan expenses, but included as a charge to change in net assets at December 31 are as follows:

	<u>2023</u>	<u>2022</u>
Cumulative Changes - Beginning of Year	\$ (322,878)	\$ (204,918)
Actuarial Change and Current Year (Increase)		
Decrease in Net Assets	25,067	(117,960)
Cumulative Changes - End of Year	<u>\$ (297,811)</u>	<u>\$ (322,878)</u>

Net periodic postretirement benefit cost (credit) for the years ended December 31 included the following components:

	<u>2023</u>	<u>2022</u>
Interest Cost	\$ 33,369	\$ 23,665
Amortization of Net Gain from Prior Periods	(37,411)	(18,889)
Periodic Postretirement Benefit Cost (Credit)	<u>\$ (4,042)</u>	<u>\$ 4,776</u>

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 78,000
2025	71,000
2026	66,000
2027	60,000
2028	54,000
2029 - 2033	209,000

The assumptions used to develop the present value of the accumulated postretirement benefit obligation is as follows:

	<u>2023</u>	<u>2022</u>
Discount Rate	5.31%	4.96%
Health Care Cost Trend Rate for the New Year	5.0 to 7.0%	5.0 to 7.0%

The health care cost trend rate assumption has a significant effect on the amounts reported. The health care cost trend rate used to value the accumulated postretirement benefit obligation is 7.0% for 2023 and 2022, with an ultimate rate of 5.0%.

**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 8 RETIREMENT PLANS**

USBC participates in a 401(k) retirement plan, along with Bowling Proprietors' Association of America, Inc. (BPAA), International Bowling Museum and Hall of Fame, Inc. (IBM&HF), IBC, and IBC Youth Bowling, Inc. (IBCYB), 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. USBC 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 \$215,554 and \$211,186 for the years ended December 31, 2023 and 2022, respectively.

**NOTE 9 REVENUE**

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

Revenue Recognized at a Point in Time	2023	2022
Merchandise Sales	\$ 47,382	\$ 59,323
Workshops and Seminars	239,070	212,862
Special Events, Booths, and Concessions	830,602	77,103
Tournament Entry and Prize Fees	16,949,305	15,351,278
Tournament and Conventions Subsidy	3,970,530	2,192,354
Brackets	1,624,034	1,609,051
Advertising	270,369	219,384
Royalty	719,868	675,791
Total Revenue Recognized at a Point in Time	\$ 24,651,160	\$ 20,397,146
Revenue Recognized over Time		
Membership Dues	\$ 14,410,349	\$ 13,227,000
Special Events, Booths, and Concessions	134,309	133,890
Sponsorship	776,868	837,646
Other	699,206	275,791
BowlTV	1,012,906	454,251
Bowlers Journal	325,814	263,016
Total Revenue Recognized over Time	\$ 17,359,452	\$ 15,191,594

**UNITED STATES BOWLING CONGRESS, INC.**  
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**NOTE 9 REVENUE (CONTINUED)**

USBC's contract assets and liabilities are comprised of the following at December 31:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contract Assets - Receivables			
Tournament Entry and Prize Fees	\$ 2,871	\$ 285,627	\$ 55,045
Tournament and Conventions Subsidy	252,821	-	102,000
Royalty	31,128	18,000	22,053
BowITV Subscriptions	156,722	85,076	28,865
Other	79,405	14,068	44,861
Total Contract Assets	<u>\$ 522,947</u>	<u>\$ 402,771</u>	<u>\$ 252,824</u>
Contract Liabilities - Deferred Revenues			
National Tournaments	\$ 14,992,465	\$ 13,709,140	\$ 11,947,596
Tournament Subsidy	750,000	801,000	710,000
Membership Dues	6,797,035	6,570,258	5,605,293
BowITV Subscriptions	141,609	124,260	68,123
Bowlers Journal Subscriptions	226,126	202,368	103,153
Total Contract Liabilities	<u>\$ 22,907,235</u>	<u>\$ 21,407,026</u>	<u>\$ 18,434,165</u>

**NOTE 10 SIGNIFICANT ESTIMATES, CONCENTRATIONS, AND CONTINGENCIES**

GAAP requires 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, USBC 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 \$154,771 and \$125,445 are included in accrued liabilities at December 31, 2023 and 2022, respectively. Claims payments based on actual claims ultimately filed could differ materially from these estimates.

**Concentration of Credit Risk**

USBC maintains the majority of its cash and investments in two commercial banks. Balances on deposit are insured by the Federal Deposit Insurance Corporation up to specified limits. Balances in excess of these limits are uninsured.

**UNITED STATES BOWLING CONGRESS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11 RELATED PARTY TRANSACTIONS**

BPAA is represented by two members on the USBC board of directors. For various shared costs, USBC has a receivable of \$383,540 and \$366,217 from BPAA as of December 31, 2023 and 2022, respectively. BPAA provided \$790,831 and \$548,154 to USBC during the years ended December 31, 2023 and 2022, respectively, for operations.

USBC is represented by one member on Contemporary Bowling Association's (CBA) board of directors and appoints a second. USBC has a receivable from CBA of \$2,754 and \$148,091 as of December 31, 2023 and 2022, respectively. USBC provided \$240,000 for operations to CBA for the years ended December 31, 2023 and 2022.

USBC provides certain shared services to IBM&HF. USBC has a payable to IBM&HF of \$2,947 and \$5,657 as of December 31, 2023 and 2022, respectively. USBC contributed \$212,270 and \$195,086 to IBM&HF for the years ended December 31, 2023 and 2022, respectively.

Effective February 1, 2018, USBC provided IBM&HF a \$100,000 loan at 0% interest. Full payment is due February 1, 2023. On December 31, 2022, this loan was fully forgiven. Imputed interest income is included on the statement of activities in the amount of \$-0- and \$4,650 for the years ended December 31, 2023 and 2022, respectively. The rate used to calculate the imputed interest on the loan is 4.5%.

IBCYB is represented by two members of the USBC board of directors. USBC has a receivable from IBCYB of \$10,173 and \$7,308 as of December 31, 2023 and 2022, respectively. IBCYB incurred awards expenses of \$100,646 and \$72,024 for services provided by USBC during the years ended December 31, 2023 and 2022, respectively. USBC contributed \$18,800 and \$16,276 to IBCYB during the years ended December 31, 2023 and 2022, respectively.

USBC leases its facilities from IBC under an annual operating lease agreement. Annually, IBC sets the lease rate based off of market evaluation and square footage USBC occupies. Rent payments to IBC totaled \$1,096,765 and \$1,044,192 for the years ended December 31, 2023 and 2022, respectively. USBC also provides IBC with the use of various employees at no cost, resulting in an in-kind contribution of \$80,975 for each of the years ended December 31, 2023 and 2022. USBC has a receivable from IBC of \$396,474 and \$485,815 as of December 31, 2023 and 2022, respectively.

**UNITED STATES BOWLING CONGRESS, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 12 COMMITMENTS**

On July 1, 2017, the SMART Scholarship Funding Corporation invested in a limited partnership. As part of this investment, USBC has committed \$2,000,000 in future contributions to be called upon at the discretion of the General Partner. As of December 31, 2023, USBC has contributed \$1,750,000 of their \$2,000,000 committed capital. USBC's unfunded committed capital as of December 31, 2023 and 2022 is \$250,000.

On December 13, 2019, SMART Scholarship Funding Corporation invested in a limited partnership. As part of this investment, USBC has committed \$1,000,000 in future contributions to be called upon at the discretion of the General Partner. As of December 31, 2023, USBC has contributed \$900,000 of its committed capital. USBC's unfunded committed capital as of December 31, 2023 and 2022 is \$100,000.

**NOTE 13 LINE OF CREDIT**

USBC has a \$4,000,000 revolving line of credit agreement with a bank. Borrowings under the line of credit bear interest, not to be less than 3.50%, (8.50% and 6.25% as of December 31, 2023 and 2022, respectively). The line is unsecured and matured on January 2, 2024. No borrowings on the line of credit were outstanding at December 31, 2023 and 2022.

**NOTE 14 LEASES**

USBC leases office equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2028.

Total operating lease cost of \$86,294 for the year ended December 31, 2023 is included in Equipment Maintenance and Repairs on USBC's statement of activities.

Amounts reported on the statement of financial position as of December 31, 2023, are as follows:

	Amount
Operating Lease Right-of-Use Assets	\$ 256,946
Operating Lease Obligation	256,946
	2023
Weighted-Average Remaining Lease Term	3.4 Years
Weighted-Average Discount Rate	8.27%

**UNITED STATES BOWLING CONGRESS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 LEASES (CONTINUED)**

The following is a schedule of total future minimum lease payments and the present value of future minimum lease payments for operating leases:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 102,601
2025	92,329
2026	40,471
2027	30,099
2028	27,591
Less: Imputed Interest	(36,145)
Total Operating Lease Obligation	<u>256,946</u>
Current Portion	85,804
Long-Term Operating Lease Obligation	<u><u>\$ 171,142</u></u>

Amounts reported on the statement of financial position as of December 31, 2022, are as follows:

	<u>Amount</u>
Operating Lease Right-of-Use Assets	\$ 39,177
Operating Lease Obligation	39,177
	<u>2022</u>
Weighted-Average Remaining Lease Term	Under 1 Year
Weighted-Average Discount Rate	3.25%

The following is a schedule of total future minimum lease payments and the present value of future minimum lease payments for operating leases as of December 31, 2022:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 39,529
Less: Imputed Interest	(352)
Total Operating Lease Obligation	<u>39,177</u>
Current Portion	39,177
Long-Term Operating Lease Obligation	<u><u>\$ -</u></u>

**NOTE 15 SUBSEQUENT EVENTS**

Management evaluated subsequent events through August 14, 2024, the date the financial statements were available to be issued. Events or transactions occurring after December 31, 2023, but prior to August 14, 2024 that provided additional evidence about conditions that existed at December 31, 2023, have been recognized in the financial statements for the year ended December 31, 2023. Events or transactions that provided evidence about conditions that did not exist at December 31, 2023, 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, 2023.



**UNITED STATES BOWLING CONGRESS, INC.**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT)

<b>ASSETS</b>	USBC, Excluding SMART Program	SMART Program	Combining Entries	Total
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 5,240,906	\$ 807,802	\$ -	\$ 6,048,708
Accounts Receivable, Net	521,365	133,290	-	654,655
Due from Related Parties	1,050,460	-	(257,519)	792,941
Inventory	14,472	-	-	14,472
Prepaid Expenses and Other	655,042	-	-	655,042
Total Current Assets	<u>7,482,245</u>	<u>941,092</u>	<u>(257,519)</u>	<u>8,165,818</u>
<b>INVESTMENTS</b>				
Investments, at Fair Value	40,164,557	93,049,038	-	133,213,595
Investment in International Bowling Campus, LLC	4,092,421	-	-	4,092,421
Total Investments	<u>44,256,978</u>	<u>93,049,038</u>	<u>-</u>	<u>137,306,016</u>
<b>PROPERTY AND EQUIPMENT</b>				
Furniture and Fixtures	578,486	-	-	578,486
Tournament Equipment	11,050,293	-	-	11,050,293
Vehicles	117,028	-	-	117,028
Software	4,686,939	910,467	-	5,597,406
Total, at Cost	<u>16,432,746</u>	<u>910,467</u>	<u>-</u>	<u>17,343,213</u>
Less: Accumulated Depreciation	13,997,248	910,467	-	14,907,715
Total Property and Equipment	<u>2,435,498</u>	<u>-</u>	<u>-</u>	<u>2,435,498</u>
<b>OPERATING LEASE RIGHT-OF-USE ASSETS</b>	256,946	-	-	256,946
<b>GOODWILL, NET OF ACCUMULATED AMORTIZATION</b>	<u>331,666</u>	<u>-</u>	<u>-</u>	<u>331,666</u>
Total Assets	<u><u>\$ 54,763,333</u></u>	<u><u>\$ 93,990,130</u></u>	<u><u>\$ (257,519)</u></u>	<u><u>\$ 148,495,944</u></u>

**UNITED STATES BOWLING CONGRESS, INC.**  
**COMBINING STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**DECEMBER 31, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT)

<b>LIABILITIES AND NET ASSETS</b>	USBC, Excluding SMART Program	SMART Program	Combining Entries	Total
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 723,228	\$ 105,701	\$ -	\$ 828,929
Due to Related Parties	2,947	257,519	(257,519)	2,947
Accrued Liabilities	3,070,569	-	-	3,070,569
Current Portion of Postretirement Benefit Obligation	78,000	-	-	78,000
Current Portion of Deferred Revenue - Tournament Subsidy	-	-	-	-
Current Portion of Scholarship Awards Payable	-	11,534,175	-	11,534,175
Current Portion of Operating Lease Liability	85,804	-	-	85,804
Deferred Revenue - National Tournaments	14,992,465	-	-	14,992,465
Deferred Revenue - Membership Dues	6,797,035	-	-	6,797,035
Deferred Revenue - BowlTV Subscriptions	141,609	-	-	141,609
Deferred Revenue - Bowlers Journal Subscriptions	226,126	-	-	226,126
Total Current Liabilities	<u>26,117,783</u>	<u>11,897,395</u>	<u>(257,519)</u>	<u>37,757,659</u>
<b>LONG-TERM LIABILITIES</b>				
Deferred Revenue - Tournament Subsidy, Less Current Portion Above	750,000	-	-	750,000
Postretirement Benefit Obligation, Less Current Portion Above	540,930	-	-	540,930
Scholarship Awards Payable	-	87,601,022	-	87,601,022
Long Term Portion of Operating Lease Liability	171,142	-	-	171,142
Total Long-Term Liabilities	<u>1,462,072</u>	<u>87,601,022</u>	<u>-</u>	<u>89,063,094</u>
Total Liabilities	27,579,855	99,498,417	(257,519)	126,820,753
<b>NET ASSETS</b>				
Without Donor Restrictions				
Undesignated	14,399,436	-	-	14,399,436
Board-Designated for SMART Program	-	(5,508,287)	-	(5,508,287)
Board-Designated Operating Reserve	12,784,042	-	-	12,784,042
Total Net Assets	<u>27,183,478</u>	<u>(5,508,287)</u>	<u>-</u>	<u>21,675,191</u>
Total Liabilities and Net Assets	<u>\$ 54,763,333</u>	<u>\$ 93,990,130</u>	<u>\$ (257,519)</u>	<u>\$ 148,495,944</u>

**UNITED STATES BOWLING CONGRESS, INC.**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

<b>ASSETS</b>	<u>USBC, Excluding SMART Program</u>	<u>SMART Program</u>	<u>Combining Entries</u>	<u>Total</u>
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 18,774,591	\$ 618,135	\$ -	\$ 19,392,726
Accounts Receivable, Net	402,065	128,586	-	530,651
Due from Related Parties	1,307,725	-	(284,276)	1,023,449
Inventory	48,001	-	-	48,001
Prepaid Expenses and Other	441,255	-	-	441,255
Total Current Assets	<u>20,973,637</u>	<u>746,721</u>	<u>(284,276)</u>	<u>21,436,082</u>
<b>INVESTMENTS</b>				
Investments, at Fair Value	21,868,886	85,105,605	-	106,974,491
Investment in International Bowling Campus, LLC	4,287,052	-	-	4,287,052
Total Investments	<u>26,155,938</u>	<u>85,105,605</u>	<u>-</u>	<u>111,261,543</u>
<b>PROPERTY AND EQUIPMENT</b>				
Furniture and Fixtures	563,725	-	-	563,725
Tournament Equipment	10,725,261	-	-	10,725,261
Vehicles	117,028	-	-	117,028
Software	4,594,840	910,467	-	5,505,307
Construction in Progress	-	-	-	-
Total, at Cost	<u>16,000,854</u>	<u>910,467</u>	<u>-</u>	<u>16,911,321</u>
Less: Accumulated Depreciation	<u>13,030,627</u>	<u>910,467</u>	<u>-</u>	<u>13,941,094</u>
Total Property and Equipment	<u>2,970,227</u>	<u>-</u>	<u>-</u>	<u>2,970,227</u>
<b>OPERATING LEASE RIGHT-OF-USE ASSETS</b>	39,177	-	-	39,177
<b>GOODWILL, NET OF ACCUMULATED AMORTIZATION</b>	<u>268,333</u>	<u>-</u>	<u>-</u>	<u>268,333</u>
Total Assets	<u>\$ 50,407,312</u>	<u>\$ 85,852,326</u>	<u>\$ (284,276)</u>	<u>\$ 135,975,362</u>

**UNITED STATES BOWLING CONGRESS, INC.**  
**COMBINING STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

<b>LIABILITIES AND NET ASSETS</b>	USBC, Excluding SMART Program	SMART Program	Combining Entries	Total
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 530,289	\$ 43,249	\$ -	\$ 573,538
Due to Related Parties	24,885	284,276	(284,276)	24,885
Accrued Liabilities	3,139,544	-	-	3,139,544
Current Portion of Postretirement Benefit Obligation	78,000	-	-	78,000
Current Portion of Deferred Revenue - Tournament Subsidy	166,000	-	-	166,000
Current Portion of Scholarship Awards Payable	-	9,084,649	-	9,084,649
Current Portion of Operating Lease Liability	39,177	-	-	39,177
Deferred Revenue - National Tournaments	13,709,140	-	-	13,709,140
Deferred Revenue - Membership Dues	6,570,258	-	-	6,570,258
Deferred Revenue - BowlTV Subscriptions	124,260	-	-	124,260
Deferred Revenue - Bowlers Journal Subscriptions	202,368	-	-	202,368
Total Current Liabilities	<u>24,583,921</u>	<u>9,412,174</u>	<u>(284,276)</u>	<u>33,711,819</u>
<b>LONG-TERM LIABILITIES</b>				
Deferred Revenue - Tournament Subsidy, Less Current Portion Above	635,000	-	-	635,000
Postretirement Benefit Obligation, Less Current Portion Above	601,046	-	-	601,046
Scholarship Awards Payable	-	84,612,458	-	84,612,458
Total Long-Term Liabilities	<u>1,236,046</u>	<u>84,612,458</u>	<u>-</u>	<u>85,848,504</u>
Total Liabilities	25,819,967	94,024,632	(284,276)	119,560,323
<b>NET ASSETS</b>				
Without Donor Restrictions				
Undesignated	11,803,303	-	-	11,803,303
Board-Designated for SMART Program	-	(8,172,306)	-	(8,172,306)
Board-Designated Operating Reserve	12,784,042	-	-	12,784,042
Total Net Assets	<u>24,587,345</u>	<u>(8,172,306)</u>	<u>-</u>	<u>16,415,039</u>
Total Liabilities and Net Assets	<u>\$ 50,407,312</u>	<u>\$ 85,852,326</u>	<u>\$ (284,276)</u>	<u>\$ 135,975,362</u>

**UNITED STATES BOWLING CONGRESS, INC.**  
**COMBINING STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	USBC, Excluding SMART Program	SMART Program	Combining Entries	Total
<b>REVENUES</b>				
Membership Dues	\$ 14,410,349	\$ -	\$ -	\$ 14,410,349
Merchandise Sales	47,382	-	-	47,382
Workshops and Seminars	239,070	-	-	239,070
Special Events, Booths, and Concessions	964,911	-	-	964,911
Tournament Entry and Prize Fees	16,949,305	-	-	16,949,305
Tournament and Conventions Subsidy	3,970,530	-	-	3,970,530
Brackets	1,624,034	-	-	1,624,034
Advertising	270,369	-	-	270,369
Royalty	719,868	-	-	719,868
Sponsorship	776,868	-	-	776,868
Contributions	77,864	-	-	77,864
Net Investment Gain	2,417,453	10,677,548	-	13,095,001
BowlTV	1,012,906	-	-	1,012,906
Other	699,206	-	-	699,206
Bowlers Journal	325,814	-	-	325,814
Total Revenues	44,505,929	10,677,548	-	55,183,477
<b>EXPENSES</b>				
Salaries	7,227,732	384,202	-	7,611,934
Fringe Benefits	2,221,528	108,885	-	2,330,413
Employee Recruitment and Training	161,845	-	-	161,845
Temporary Agency Services	3,753,202	-	-	3,753,202
Professional Services	5,045,052	313,656	-	5,358,708
Supplies	181,320	238	-	181,558
Resale Merchandise	61,568	-	-	61,568
Prizes	11,424,468	-	-	11,424,468
Awards	965,976	-	-	965,976
Telephone	37,267	-	-	37,267
Postage and Freight	1,243,715	6,348	-	1,250,063
Facilities	1,153,885	-	-	1,153,885
Equipment Maintenance and Repairs	851,366	-	-	851,366
Depreciation	966,619	-	-	966,619
Amortization	36,667	-	-	36,667
Printing	460,172	4,660	-	464,832
Promotion, Sponsorships, and Programs	868,265	4,062	-	872,327
Travel	1,809,177	9,403	-	1,818,580
Insurance	751,431	-	-	751,431
Contributions	438,455	-	-	438,455
Lineage and Construction	1,406,107	-	-	1,406,107
Earnings Allocation	-	7,165,120	-	7,165,120
Miscellaneous	541,523	16,955	-	558,478
Total Expenses	41,607,340	8,013,529	-	49,620,869
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	2,898,589	2,664,019	-	5,562,608
<b>EQUITY IN NET LOSS OF INTERNATIONAL BOWLING CAMPUS, LLC</b>	(277,389)	-	-	(277,389)
<b>CHANGE IN POSTRETIREMENT BENEFIT OBLIGATION, OTHER THAN PERIODIC EXPENSE</b>	(25,067)	-	-	(25,067)
<b>CHANGE IN NET ASSETS</b>	2,596,133	2,664,019	-	5,260,152
Net Assets - Beginning of Year	24,587,345	(8,172,306)	-	16,415,039
<b>NET ASSETS (DEFICIT) - END OF YEAR</b>	\$ 27,183,478	\$ (5,508,287)	\$ -	\$ 21,675,191

**UNITED STATES BOWLING CONGRESS, INC.**  
**COMBINING STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	USBC, Excluding SMART Program	SMART Program	Combining Entries	Total
<b>REVENUES</b>				
Membership Dues	\$ 13,227,000	\$ -	\$ -	\$ 13,227,000
Merchandise Sales	59,323	-	-	59,323
Workshops and Seminars	212,862	-	-	212,862
Special Events, Booths, and Concessions	210,993	-	-	210,993
Tournament Entry and Prize Fees	15,351,278	-	-	15,351,278
Tournament and Conventions Subsidy	2,192,354	-	-	2,192,354
Brackets	1,609,051	-	-	1,609,051
Advertising	219,384	-	-	219,384
Royalty	675,791	-	-	675,791
Sponsorship	837,646	-	-	837,646
Contributions	73,410	-	-	73,410
Net Investment Return	(1,598,789)	(17,631,640)	-	(19,230,429)
BowlTV	454,251	-	-	454,251
Other	275,791	-	-	275,791
Bowlers Journal	263,016	-	-	263,016
Total Revenues	<u>34,063,361</u>	<u>(17,631,640)</u>	<u>-</u>	<u>16,431,721</u>
<b>EXPENSES</b>				
Salaries	6,828,381	386,199	-	7,214,580
Fringe Benefits	1,901,267	101,165	-	2,002,432
Employee Recruitment and Training	158,696	161	-	158,857
Temporary Agency Services	3,298,665	-	-	3,298,665
Professional Services	3,757,314	304,929	-	4,062,243
Supplies	189,532	41	-	189,573
Resale Merchandise	25,657	-	-	25,657
Prizes	10,832,310	-	-	10,832,310
Awards	813,969	-	-	813,969
Telephone	33,220	-	-	33,220
Postage and Freight	1,142,763	3,122	-	1,145,885
Facilities	1,153,818	-	-	1,153,818
Equipment Maintenance and Repairs	773,014	-	-	773,014
Depreciation	973,549	-	-	973,549
Amortization	35,000	-	-	35,000
Printing	366,498	1,333	-	367,831
Promotion, Sponsorships, and Programs	457,157	6,444	-	463,601
Travel	1,367,564	1,842	-	1,369,406
Insurance	608,973	-	-	608,973
Contributions	529,832	-	-	529,832
Lineage and Construction	1,046,324	-	-	1,046,324
Earnings Allocation	-	6,750,000	-	6,750,000
Miscellaneous	296,184	599	-	296,783
Total Expenses	<u>36,589,687</u>	<u>7,555,835</u>	<u>-</u>	<u>44,145,522</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<u>(2,526,326)</u>	<u>(25,187,475)</u>	<u>-</u>	<u>(27,713,801)</u>
<b>EQUITY IN NET LOSS OF INTERNATIONAL BOWLING CAMPUS, LLC</b>	<u>(260,829)</u>	<u>-</u>	<u>-</u>	<u>(260,829)</u>
<b>CHANGE IN POSTRETIREMENT BENEFIT OBLIGATION, OTHER THAN PERIODIC EXPENSE</b>	<u>117,960</u>	<u>-</u>	<u>-</u>	<u>117,960</u>
<b>CHANGE IN NET ASSETS</b>	<u>(2,669,195)</u>	<u>(25,187,475)</u>	<u>-</u>	<u>(27,856,670)</u>
Net Assets - Beginning of Year	<u>27,256,540</u>	<u>17,015,169</u>	<u>-</u>	<u>44,271,709</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 24,587,345</u>	<u>\$ (8,172,306)</u>	<u>\$ -</u>	<u>\$ 16,415,039</u>



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