NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.
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CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
National Bowling Hall of Fame and Museum, Inc.
dba: International Bowling Museum and Hall of Fame, Inc.
Arlington, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the National Bowling Hall of Fame and Museum, Inc., dba: International Bowling Museum and Hall of Fame, Inc., which comprise the statements of financial position as of December 31, 2022 and 2021, 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 the National Bowling Hall of Fame and Museum, Inc., dba: International Bowling Museum and Hall of Fame, Inc., as of December 31, 2022 and 2021, 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 the National Bowling Hall of Fame and Museum, Inc., dba: International Bowling Museum and Hall of Fame, 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 the National Bowling Hall of Fame and Museum, Inc., dba: International Bowling Museum and Hall of Fame, Inc.'s ability to continue as a going concern for one year after 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 the National Bowling Hall of Fame and Museum, Inc., dba: International Bowling Museum and Hall of Fame, 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 the National Bowling Hall of Fame and Museum, Inc., dba: International Bowling Museum and Hall of Fame, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
August 25, 2023

NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	$ 275,049	$ 289,514
Due from Related Parties	12,651	7,046
Accounts Receivable	-	10,000
Pledges Receivable	-	5,000
Note Receivable, Current Portion	402,219	264,051
Investments, at Fair Value	460,235	517,350
Other Current Assets	31,848	23,453
Total Current Assets	1,182,002	1,116,414
FURNITURE, FIXTURES, AND EQUIPMENT, Net	393,006	570,581
Total Assets	$ 1,575,008	$ 1,686,995
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 8,633	$ 6,251
Accrued Liabilities	59,107	58,780
Due to Related Parties	1,782	1,782
Deferred Revenue	57,225	50,225
Total Current Liabilities	126,747	117,038
LONG-TERM LIABILITIES		
Notes Payable	-	190,700
Total Liabilities	126,747	307,738
NET ASSETS		
Without Donor Restrictions	937,520	906,512
With Donor Restrictions	510,741	472,745
Total Net Assets	1,448,261	1,379,257
Total Liabilities and Net Assets	$ 1,575,008	$ 1,686,995

See accompanying Notes to Financial Statements.

NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Museum Operations:			
Admissions	$ 18,897	$ -	$ 18,897
Museum Store	17,826	-	17,826
Other Income	61	-	61
Contributions	341,388	100,000	441,388
In-Kind Contributions	96,006	-	96,006
Forgiveness of Notes Payable	200,000	-	200,000
Tournament Entry Fees	60,471	-	60,471
Sponsorship	10,000	-	10,000
Special Events	39,600	-	39,600
Net Investment Return	(57,115)	28,799	(28,316)
Total	727,134	128,799	855,933
Net Assets Released from Restrictions	90,803	(90,803)	-
Total Support and Revenues	817,937	37,996	855,933
EXPENSES			
Program Activities, Including Museum Store Costs of Sales of $4,993	617,235	-	617,235
Management and General	95,134	-	95,134
Fundraising	74,560	-	74,560
Total Expenses	786,929	-	786,929
CHANGE IN NET ASSETS	31,008	37,996	69,004
Net Assets - Beginning of Year	906,512	472,745	1,379,257
NET ASSETS - END OF YEAR	$ 937,520	$ 510,741	$ 1,448,261

See accompanying Notes to Financial Statements.

NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Museum Operations:			
Admissions	$ 10,066	$ -	$ 10,066
Museum Store	11,818	-	11,818
Other Income	39	-	39
Contributions	276,652	113,000	389,652
In-Kind Contributions	96,715	-	96,715
Tournament Entry Fees	57,085	-	57,085
Sponsorship	20,000	-	20,000
Special Events	20,555	-	20,555
Net Investment Return	48,343	23,795	72,138
Total	541,273	136,795	678,068
Net Assets Released from Restrictions	43,984	(43,984)	-
Total Support and Revenues	585,257	92,811	678,068
EXPENSES			
Program Activities, Including Museum Store Costs of Sales of $4,993	537,072	-	537,072
Management and General	81,027	-	81,027
Fundraising	59,860	-	59,860
Total Expenses	677,959	-	677,959
CHANGE IN NET ASSETS	(92,702)	92,811	109
Net Assets - Beginning of Year	999,214	379,934	1,379,148
NET ASSETS - END OF YEAR	$ 906,512	$ 472,745	$ 1,379,257

See accompanying Notes to Financial Statements.

NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program	Management and General	Fundraising	Total
Salaries and Benefits	$ 103,995	$ 50,744	$ 50,358	$ 205,097
Professional Services	54,560	15,515	-	70,075
Awards	15,521	-	-	15,521
Prizes	25,000	-	-	25,000
Exhibits	2,497	-	-	2,497
Food and Beverage	5,526	1,842	11,052	18,420
Merchandise	7,332	-	580	7,912
Postage and Freight	940	251	63	1,254
Facilities	57,915	4,269	-	62,184
Equipment Maintenance and Repairs	20,765	511	-	21,276
Depreciation	176,956	5,473	-	182,429
Office Supplies	1,041	278	69	1,388
Printing	2,518	671	168	3,357
Travel	61,219	4,684	1,873	67,776
Insurance	29,266	3,252	-	32,518
Advertising and Promotion	-	6,431	713	7,144
Fundraising	-	-	9,409	9,409
Lineage and Construction	3,880	-	-	3,880
Scholarship Grants	31,570	-	-	31,570
Miscellaneous	16,734	1,213	275	18,222
Total Expenses by Function	$ 617,235	$ 95,134	$ 74,560	$ 786,929

See accompanying Notes to Financial Statements.

NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program	Management and General	Fundraising	Total
Salaries and Benefits	$ 81,824	$ 40,477	$ 40,188	$ 162,489
Professional Services	29,287	11,606	-	40,893
Awards	15,911	-	-	15,911
Prizes	25,000	-	-	25,000
Exhibits	3,694	-	-	3,694
Food and Beverage	4,475	1,492	8,950	14,917
Merchandise	4,993	-	-	4,993
Postage and Freight	1,110	296	74	1,480
Facilities	58,869	4,273	-	63,142
Equipment Maintenance and Repairs	13,206	555	-	13,761
Depreciation	180,451	5,580	-	186,031
Office Supplies	1,337	358	89	1,784
Printing	2,060	549	137	2,746
Travel	62,973	4,597	1,839	69,409
Insurance	21,601	2,400	-	24,001
Advertising and Promotion	-	7,536	801	8,337
Fundraising	-	-	7,498	7,498
Lineage and Construction	3,600	-	-	3,600
Scholarship Grants	8,706	-	-	8,706
Miscellaneous	17,975	1,308	284	19,567
Total Expenses by Function	$ 537,072	$ 81,027	$ 59,860	$ 677,959

See accompanying Notes to Financial Statements.

NATIONAL BOWLING HALL OF FAME AND MUSEUM, INC.
DBA: INTERNATIONAL BOWLING MUSEUM AND HALL OF FAME, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 69,004	$ 109
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	182,429	186,031
Forgiveness of Notes Payable	(200,000)	-
Imputed Interest Expense	9,300	8,212
Net Realized and Unrealized (Gains) Losses on Investments	57,115	(48,343)
Effects of Changes in Operating Assets and Liabilities:		
Due from Related Parties	(5,605)	8,137
Accounts Receivable	10,000	(10,000)
Pledges Receivable	5,000	(5,000)
Other Current Assets	(8,395)	8,723
Accounts Payable	2,382	(286)
Accrued Liabilities	327	2,749
Deferred Revenue	7,000	1,655
Net Cash Provided by Operating Activities	128,557	151,987
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	-	(125,000)
Purchase of Furniture, Fixtures, and Equipment	(4,854)	(670)
Issuance of Note Receivable	(400,000)	-
Principal Payments on Note Receivable	261,832	599
Net Cash Used by Investing Activities	(143,022)	(125,071)
NET INCREASE (DECREASE) IN CASH	(14,465)	26,916
Cash - Beginning of Year	289,514	262,598
CASH - END OF YEAR	$ 275,049	$ 289,514

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

National Bowling Hall of Fame and Museum, Inc. dba: International Bowling Museum and Hall of Fame, Inc. (IBM&HF) is a nonprofit organization whose purpose is to collect, preserve and display artifacts, writings, photographs, records, and other mementos related to the history of the sport of bowling. The IBM&HF revenues are derived primarily from admissions and contributions. Significant accounting policies followed by the IBM&HF 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 period. 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 as net investment return, net of investment fees.

Risks and Uncertainties

IBM&HF 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 IBM&HF's account balances and the amounts reported in the financial statements.

Note Receivable

Note receivable consists of IBM&HF's share of mortgage notes receivable that IBM&HF has loaned to individuals. The note is considered impaired if full principal or interest payments are not anticipated in accordance with the contractual terms. IBM&HF's practice is to charge off any note or portion of a note when the note is determined by management to be uncollectible due to the borrower's failure to meet repayment terms, the borrower's deteriorating or deteriorated financial condition, the depreciation of the underlying collateral, or for other reasons.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Note Receivable (Continued)

In May 2020, IBM&HF loaned an individual $265,000 at 9.0% interest. The note receivable matures in April 2023, but was paid in full in January 2022. In January 2022, IBM&HF loaned an individual $300,000 at 8.875% interest. The note receivable matures in February 2023, and has been extended to August 2023 at 10.99% interest. In August 2022, IBM&HF loaned an individual $100,000 at 10.25% interest. The note receivable matures in January 2026. No allowance for uncollectible note receivables is recorded as of December 31, 2022 and 2021. Interest revenue of $28,799 and $23,795 was recognized in the statement of activities as net investment return with donor restrictions for the years ending December 31, 2022 and 2021, respectively.

Furniture, Fixtures, and Equipment

Furniture, fixtures, 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 range from 3 to 15 years.

Assets constructed or purchased, including collections, are capitalized at cost. In conformity with the practice followed by many museums, donated collections are not included in the statements of financial position. Collections are not depreciated. IBM&HF's collections policy requires that the proceeds from the deaccessioning of collections be used for acquisition to the collections or direct care of the collections. IBM&HF defines direct care as activities that invest in the existing collections by enhancing their life, usefulness or quality and thereby ensuring they will continue to benefit the public. Direct care activities include an allocable share of salaries for staff engaged in direct care, as well as direct care activities contracted to outside vendors and materials, equipment, systems, and facilities used in connection with direct care activities.

Impairment of Long-Lived Assets

IBM&HF 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 with donor restrictions. The net assets of IBM&HF and changes therein are classified and reported as follows:

Without Donor Restrictions – These represent net assets that are not subject to external donor-imposed restrictions.

With Donor Restrictions – These represent net assets that are subject to donor-imposed time and/or purpose restrictions that have not been met (see Note 6).

Contributions

Contributions, including unconditional promises to give, are recorded when received. All contributions are available for general use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give are reported at the present value of their net realizable value, using a risk-free interest rate. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as without donor-restricted support. Donated property is recorded at fair market value at date of donation, which is then treated as cost.

If necessary, the carrying amount of pledges receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance is based on management's assessment of the collectability of specific contributions. All contributions or portions thereof deemed to be uncollectible are written off to the allowance for uncollectible pledges. There was no allowance for uncollectible pledges recorded as of December 31, 2022 and 2021.

Revenue Recognition

Deferred revenue consists of tournament entry fees. Tournament entry fees are recognized as revenue in the year in which the event is held or the related expenses are incurred.

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

Special event revenue is recognized when the events are held.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Internal Revenue Service (IRS) has issued a determination letter dated November 16, 1991, granting IBM&HF 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.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional 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 facilities and depreciation, which is allocated on a square footage basis, as well as salaries and benefits, professional services, food and beverage, postage and freight, equipment maintenance and repairs, office supplies, printing, travel, insurance, advertising and promotion, and miscellaneous expenses, which are allocated on the basis of estimates of time and effort.

Adoption of New Accounting Standard

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02, *Leases (ASC 842).* The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

IBM&HF adopted the requirements of the guidance effective January 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption, while continuing to present the comparative period in accordance with guidance under the lease standard in effect during that period. IBM&HF has elected to adopt the package of practical expedients available in the year of adoption. IBM&HF does not have any leases required to be recorded in compliance with ASC 842.

In September 2020, the FASB issued Accounting Standards Update (ASU) 2020-07, *Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets*. The new standard increases transparency and comparability among organizations through enhancements to presentation and disclosure requirements for contributed nonfinancial assets. The organization adopted ASU 2020-07 on a retrospective basis as of January 1, 2021. No cumulative-effect adjustment in net assets was necessary with the adoption of ASU 2020-07.

NOTE 2 LIQUIDITY AND AVAILABILITY

IBM&HF's liquidity goal is to have sufficient assets available to meet operational expenditures for a 12-month period. IBM&HF regularly reviews the liquidity required to meet operational expenditures. The primary forms of funds available include cash, investments, and expected collections of note and pledges receivable.

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

	2022	2021
Cash	$ 275,049	$ 289,514
Due from Related Parties	12,651	7,046
Accounts Receivable	-	10,000
Pledges Receivable	-	5,000
Note Receivable, Current Portion	402,219	264,051
Investments, at Fair Value	460,235	517,350
Total	1,150,154	1,092,961
Less: Amounts Not Available to be Used Within One Year Due to Donor Restrictions	(510,741)	(472,745)
Financial Assets Available to Meet General Expenditures Within One Year	$ 639,413	$ 620,216

Further, IBM&HF relies on the continued support of related parties. See Note 9 for past giving from related organizations that will be relied upon for future operations.

NOTE 3 INVESTMENTS

Investments consist of the following at December 31:

	2022	2021
Investments:		
Interest-Bearing Cash	$ 1,030	$ 37,003
Mutual Funds	459,205	480,347
Total	$ 460,235	$ 517,350

NOTE 4 FAIR VALUE MEASUREMENTS

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

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used at December 31, 2022 for assets measured at fair value.

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

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth by level, within the fair value hierarchy, IBM&HF's assets at fair value at December 31, 2022:

	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
Mutual Funds:				
Fixed Income	$ 176,229	$ -	$ -	$ 176,229
Large Cap Growth	282,976	-	-	282,976
Total Assets at Fair Value	$ 459,205	$ -	$ -	459,205
Assets Not Valued Under				
Fair Value Measurements				
Interest-Bearing Cash				1,030
Total Investments				$ 460,235

The following table sets forth by level, within the fair value hierarchy, IBM&HF's assets at fair value at December 31, 2021:

	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
Mutual Funds:				
Fixed Income	$ 169,839	$ -	$ -	$ 169,839
Large Cap Growth	310,508	-	-	310,508
Total Assets at Fair Value	$ 480,347	$ -	$ -	480,347
Assets Not Valued Under				
Fair Value Measurements				
Interest-Bearing Cash				37,003
Total Investments				$ 517,350

NOTE 5 FURNITURE, FIXTURES, AND EQUIPMENT

Furniture, fixtures, and equipment consist of the following at December 31:

	2022	2021
Furniture, Fixtures, and Equipment	$ 2,972,387	$ 2,969,572
Less: Accumulated Depreciation	(2,613,206)	(2,430,777)
Total Net Depreciable Assets	359,181	538,795
Collections	33,825	31,786
Total Fixed Assets, Net	$ 393,006	$ 570,581

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31:

	2022	2021
Funds to Allow Students from the Inner City or Underprivileged Areas to Attend the Museum's Educational Programs	$ 24,481	$ 24,481
Hometown Heroes Fund	30,843	30,843
Frame 4 Frame	35,902	86,285
Daroll & Dolores Frewing College Scholarship Fund	419,515	321,836
Restricted Due to Time	-	9,300
Total	$ 510,741	$ 472,745

NOTE 7 RETIREMENT PLAN

IBM&HF participates in a 401(k) retirement plan (along with United States Bowling Congress, Inc. (USBC), Bowling Proprietors' Association of America, Inc. (BPAA), International Bowling Campus, LLC (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. IBM&HF matches 100% of the first 3% of employee contributions, plus 50% of the next 2% of the employee's contribution. Total expense was $3,858 and $2,897 for the years ended December 31, 2022 and 2021, respectively.

NOTE 8 REVENUE

The following tables shows IBM&HF's revenue disaggregated according to the timing of the transfer of goods or services at December 31:

Revenue Recognized at a Point in Time:	2022	2021
Admissions	$ 18,897	$ 10,066
Museum Store	17,826	11,818
Other Income	61	39
Tournament Entry Fees	60,471	57,085
Special Events	39,600	20,555
Total Revenue Recognized at a Point in Time	$ 136,855	$ 99,563
Revenue Recognized Over Time:		
Sponsorship	$ 10,000	$ 20,000

NOTE 8 REVENUE (CONTINUED)

IBM&HF's contract assets and liabilities as of December 31 consist of:

	2022	2021	2020
Accounts Receivable - Sponsorships	$ -	$ 10,000	$ -
Deferred Revenue - Tournament Entry Fees	$ 57,225	$ 50,225	$ 48,570

NOTE 9 RELATED PARTY TRANSACTIONS

IBM&HF leases its facilities from International Bowling Campus, LLC (see Note 10). Included in due to related parties at December 31, 2022 and 2021, are $1,782 and $1,782, respectively, due to IBC for operating expenses. IBC contributed rent to IBM&HF for the years ended December 31, 2022 and 2021. IBM&HF recognizes this in-kind rent as a contribution and rent expense of $59,184 for each of the years ended December 31, 2022 and 2021. The fair market value is approximated by the percentage of operating expenses incurred. Contributed rent does not have any donor restrictions.

IBM&HF has a receivable due from BPAA for payments made on behalf of BPAA of $6,994 and $6,747 at December 31, 2022 and 2021, respectively. BPAA contributed $210,886 and $90,649 to IBM&HF during the years ended December 31, 2022 and 2021, respectively.

IBM&HF has a receivable due from USBC for payments made on behalf of USBC of $5,657 and $299 at December 31, 2022 and 2021, respectively. USBC contributed $195,086 and $90,649 to IBM&HF during the years ended December 31, 2022 and 2021, respectively.

Effective February 1, 2018, USBC and BPAA each provided IBM&HF a $100,000 loan at 0% interest. Full payment of both loans is due February 1, 2023. IBM&HF recognized $200,000 of Loan Forgiveness related to these agreements during the year ended December 31, 2022.

NOTE 10 RELATED PARTY LEASE COMMITMENTS (ASC 840)

IBM&HF leases its facilities from International Bowling Campus, LLC (which is jointly owned by USBC and BPAA) under a five-year operating lease agreement, which automatically extends at five-year intervals until cancelled by either party, for $1 per year, plus 18.65% of operating expenses of IBC. IBM&HF is responsible for its share of operating expenses. Further, IBM&HF has leasehold improvements being depreciated through December 2025. Based on the FASB definition of lease term, the lease term ends December 2025.

NOTE 11 COMMITMENTS, CONCENTRATIONS, AND CONTINGENCIES

Commitments

IBM&HF has entered into an agreement to provide room accommodations for its future tournaments in 2023, 2024, and 2025. Committed amounts related to these agreements are approximately $81,000 at December 31, 2022.

IBM&HF has entered into a Master Services Agreement, which includes two statements of work. The first statement of work (SOW 1), to create a virtual vault and package and sell the Heritage Naming Rights Platform, is effective February 15, 2018. Required payments are $200,000 upon acceptance, $50,000 on January 31, 2020, and $50,000 on January 31,2021. IBM&HF made the initial required payment of $200,000 during the year ended December 31, 2020 and is still obligated to pay the two remaining $50,000 payments as of the report date. The $50,000 due on January 31, 2020 is included in accrued liabilities on the statement of financial position as of December 31, 2022 and 2021. During the year ended December 31, 2022, the $50,000 due on January 31, 2020 has not been paid or recognized in the statement of activities due to the failure of meeting certain performance obligations stipulated in SOW 1. The second statement of work (SOW 2) has a 10-year term, starting with the successful sale of the Heritage Naming Rights Platform, as outlined in SOW 1. SOW 2 is to preserve and restore IBM&HF artifacts and could require payments up to $2,000,000, incurred as $200,000 per year for 10 years.

Contingencies

During the years ended December 31, 2022 and 2021, IBM&HF awarded $25,000 and $25,000 in scholarships as part of the Daroll & Dolores Frewing College Scholarship Fund, respectively. These scholarships carry certain conditions that must be met in order for disbursement to occur. At December 31, 2022 and 2021, awarded scholarships with unsatisfied conditions were $35,173 and $41,294, respectively. IBM&HF recognized $31,120 and $8,706 scholarship expense related to the Daroll & Dolores Frewing College Scholarship Fund during the years ended December 31, 2022 and 2021, respectively.

Concentrations

Accounting principles generally accepted in the United States of America require disclosure of information about current vulnerabilities due to certain concentrations. IBM&HF maintains the majority of its cash in one commercial bank. Balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of these limits are uninsured.

NOTE 12 PAYCHECK PROTECTION PROGRAM LOAN

On April 7, 2020, IBM&HF received proceeds from JPMorgan Chase Bank in the amount of $30,857 to fund payroll, rent, and utilities through the Paycheck Protection Program (the PPP Loan). The PPP loan includes potential forgiveness by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the loan agreement and the CARES Act. Therefore, IBM&HF has classified this loan as a conditional contribution for accounting purposes.

IBM&HF recognized $30,857 of PPP Loan Forgiveness related to this agreement during the year ended December 31, 2020, which represents the portion of the PPP Loan funds for which the performance barriers have been met. On June 23, 2021, the SBA formally forgave the full $30,857 of IBM&HF's obligation under this PPP Loan.

The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on IBM&HF's financial position.

NOTE 13 SUBSEQUENT EVENTS

Management evaluated subsequent events through August 25, 2023, the date the financial statement were available to be issued. Events or transactions occurring after December 31, 2022, but prior to August 25, 2023 that provided additional evidence about conditions that existed at December 31, 2022, have been recognized in the financial statements for the year ended December 31, 2022. Events or transactions that provided evidence about conditions that did not exist at December 31, 2022, but arose before the financial statements were available to be issued, have not been recognized in the financial statements for the December 31, 2022.