

Notes to Consolidated Financial Statements

than 1% of revenue in the quarter of adoption), related to over time revenue recognition for customer-controlled inventory and point in time revenue recognition for intellectual property with a right to use. In addition, the impact from the adoption did not have a material impact on any of the Company's balance sheet accounts. The Company implemented changes to its accounting policies, internal controls and disclosures to support the new standard; however, these changes were not material.

2. CONCENTRATIONS OF CREDIT RISK

The Company's principal financial instrument subject to potential concentration of credit risk is accounts receivable, which is unsecured. The Company provides an allowance for doubtful accounts equal to estimated losses expected to be incurred in the collection of accounts receivable. The Company has adopted credit policies and standards intended to accommodate industry growth and inherent risk and it believes that credit risks are moderated by the financial stability of its major customers, conservative payment terms and the Company's strict credit policies.

Revenue from significant customers, those representing 10% or more of revenue for the respective periods, are summarized as follows:

	Fiscal Year		
	2019	2018	2017
Apple Inc. ("Apple")	32%	36%	34%
Huawei Technologies Co., Ltd. ("Huawei")	13%	8%	11%

The Company provided its products to Apple through sales to multiple contract manufacturers.

These customers primarily purchase RF and Wi-Fi solutions for cellular base stations and a variety of mobile devices, including smartphones, wearables, laptops, tablets and cellular-based applications for the IoT.

Accounts receivable related to these customers (which includes multiple contract manufacturers) accounted for 49%, 26%, and 40% of the Company's total net accounts receivable balance as of March 30, 2019, March 31, 2018 and April 1, 2017, respectively.

On May 16, 2019, the Bureau of Industry and Security (BIS) of the U.S. Department of Commerce placed Huawei and 68 of its non-U.S. affiliates on the "entity list" under Export Administration Regulations (EAR), which had the effect of prohibiting all future sales by the Company of any product to Huawei or its affiliates, absent obtaining a license from BIS. While BIS has broad authority to issue licenses, the rulemaking imposes a presumption that licenses will be denied.

Although Huawei is not prohibited from paying (and the Company is not restricted from collecting) accounts receivable for products sold to Huawei prior to the BIS action, the credit risks associated with these accounts may have increased as a result of this development. As of the date of this report, the Company is unable to predict the scope or duration of the new EAR restrictions on Huawei or the impact to the Company's business or future results of operations.

3. INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Debt Securities

The following is a summary of available-for-sale debt securities as of March 30, 2019 and March 31, 2018 (in thousands):

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
March 30, 2019				
Auction rate securities ⁽¹⁾	\$1,950	\$—	\$ —	\$1,950
March 31, 2018				
Auction rate securities ⁽¹⁾	\$1,950	\$—	\$(107)	\$1,843

(1) The Company's available-for-sale debt securities have contractual maturity dates of greater than ten years.

The estimated fair value of available-for-sale debt securities was based on the prevailing market values on March 30, 2019 and March 31, 2018. The Company determines the cost of an investment sold based on the specific identification method.

Equity Investment Without a Readily Determinable Fair Value

As of March 30, 2019, the Company has invested \$60.0 million to acquire preferred shares of a private limited company. This investment was determined to be an equity investment without a readily determinable fair value and is accounted for using the measurement alternative in accordance with ASU 2016-01. As of March 30, 2019, there was no impairment or observable price change for this investment. This investment is classified in "Long-term investments" in the Consolidated Balance Sheets.

Fair Value of Financial Instruments

Marketable securities are measured at fair value and recorded in "Cash and cash equivalents," "Other current assets" and "Long-term investments" in the Consolidated Balance Sheets, and the related unrealized gains and losses are included in "Accumulated other comprehensive loss," a component of stockholders' equity, net of tax (debt securities) and "Other expense" on the Consolidated Statements of Operations (equity securities).