



REPORT OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS

CELEBRITY FIGHT NIGHT FOUNDATION, INC.

May 31, 2019 and 2018

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Report of Independent Auditors

To the Board of Directors
Celebrity Fight Night Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Celebrity Fight Night Foundation, Inc. (the "Organization"), which is comprised of the statements of financial position as of May 31, 2019 and 2018, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Celebrity Fight Night Foundation, Inc. as of May 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, Celebrity Fight Night Foundation, Inc. adopted Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The Accounting Standards Update has been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

Moss Adams LLP

Phoenix, Arizona
December 3, 2019

Celebrity Fight Night Foundation, Inc.
Statements of Financial Position

ASSETS

	May 31,	
	2019	2018
ASSETS		
Cash and cash equivalents	\$ 764,948	\$ 992,500
Investments	35,056	12,775
Receivables	1,738,034	215,114
Related-party loan receivable	271,689	160,000
Prepaid and other	32,444	32,444
Total assets	\$ 2,842,171	\$ 1,412,833

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable	\$ 11,607	\$ 35,216
Accrued liabilities	89,232	89,232
Agency liabilities	1,814,500	1,054,100
Deferred revenue	6,000	6,000
Total liabilities	1,921,339	1,184,548
NET ASSETS		
Without donor restrictions	920,832	228,285
Total net assets	920,832	228,285
Total liabilities and net assets	\$ 2,842,171	\$ 1,412,833

Celebrity Fight Night Foundation, Inc.
Statements of Activities and Changes in Net Assets

	Year Ended May 31, 2019		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Special events revenue	\$ 4,456,945	\$ -	\$ 4,456,945
Special events revenue designated as agency transactions	(1,902,500)	-	(1,902,500)
Special events revenue, net	2,554,445	-	2,554,445
Contributions	1,932,750	-	1,932,750
Contributions designated as agency transactions	(808,000)	-	(808,000)
Contributions, net	1,124,750	-	1,124,750
In-kind donations	787,250	-	787,250
Total revenues and support	4,466,445	-	4,466,445
EXPENSES			
Program expenses	56,950	-	56,950
Management and general expenses	203,064	-	203,064
Fundraising expenses	3,521,105	-	3,521,105
Total expenses	3,781,119	-	3,781,119
OTHER CHANGES IN NET ASSETS			
Investment income	6,460	-	6,460
Interest income	761	-	761
Total other changes in net assets	7,221	-	7,221
Change in net assets	692,547	-	692,547
Net assets, beginning of year	228,285	-	228,285
Net assets, end of year	\$ 920,832	\$ -	\$ 920,832

Celebrity Fight Night Foundation, Inc.
Statements of Activities and Changes in Net Assets (Continued)

	Year Ended May 31, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Special events revenue	\$ 3,090,254	\$ -	\$ 3,090,254
Special events revenue designated as agency transactions	(962,125)	-	(962,125)
Special events revenue, net	2,128,129	-	2,128,129
Contributions	1,137,275	-	1,137,275
Contributions designated as agency transactions	(470,000)	-	(470,000)
Contributions, net	667,275	-	667,275
In-kind donations	867,000	-	867,000
Total revenues and support	3,662,404	-	3,662,404
EXPENSES			
Program expenses	38,125	-	38,125
Management and general expenses	181,728	-	181,728
Fundraising expenses	3,845,908	-	3,845,908
Total expenses	4,065,761	-	4,065,761
OTHER CHANGES IN NET ASSETS			
Investment income	4,514	-	4,514
Interest income	666	-	666
Total other changes in net assets	5,180	-	5,180
Change in net assets	(398,177)	-	(398,177)
Net assets, beginning of year	626,462	-	626,462
Net assets, end of year	\$ 228,285	\$ -	\$ 228,285

Celebrity Fight Night Foundation, Inc.
Statements of Functional Expenses

	Year Ended May 31, 2019			
	Program Expenses	Management and General Expenses	Fundraising Expenses	Total
Direct costs of special events	\$ -	\$ -	\$ 2,441,778	\$ 2,441,778
Contributions made	56,950	-	-	56,950
Salaries and payroll taxes	-	54,252	471,492	525,744
Rent	-	19,627	39,255	58,882
Public relations and advertising	-	41,455	373,091	414,546
Accounting and legal	-	14,131	28,263	42,394
Contract labor	-	26,260	52,521	78,781
Miscellaneous	-	-	41,836	41,836
Postage and shipping	-	1,674	3,347	5,021
Insurance	-	6,042	54,380	60,422
Office supplies	-	-	6,669	6,669
Website	-	2,167	4,334	6,501
Telephone	-	7,141	-	7,141
Subscriptions	-	18,215	-	18,215
Travel	-	-	4,139	4,139
Accounts receivable written off	-	12,100	-	12,100
Total expenses	\$ 56,950	\$ 203,064	\$ 3,521,105	\$ 3,781,119

Celebrity Fight Night Foundation, Inc.
Statements of Functional Expenses (Continued)

	Year Ended May 31, 2018			
	Program Expenses	Management and General Expenses	Fundraising Expenses	Total
Direct costs of special events	\$ -	\$ -	\$ 2,787,207	\$ 2,787,207
Contributions made	38,125	-	-	38,125
Salaries and payroll taxes	-	52,658	482,082	534,740
Rent	-	17,260	34,520	51,780
Public relations and advertising	-	42,864	385,773	428,637
Accounting and legal	-	13,917	27,835	41,752
Contract labor	-	15,194	30,388	45,582
Miscellaneous	-	-	29,789	29,789
Postage and shipping	-	1,499	2,999	4,498
Insurance	-	5,601	50,411	56,012
Office supplies	-	-	7,672	7,672
Website	-	1,318	2,636	3,954
Telephone	-	10,029	-	10,029
Subscriptions	-	21,388	-	21,388
Travel	-	-	4,596	4,596
	<u>\$ 38,125</u>	<u>\$ 181,728</u>	<u>\$ 3,845,908</u>	<u>\$ 4,065,761</u>

Celebrity Fight Night Foundation, Inc.
Statements of Cash Flows

	Years Ended May 31,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 692,547	\$ (398,177)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Special events receivable written off	12,100	-
Donated investments	(220,311)	(52,814)
Unrealized gains on investments	(2,316)	(2,094)
Change in assets and liabilities		
Receivables	(1,535,020)	(200,114)
Prepaid and other assets	-	650
Accounts payable	(23,609)	378
Accrued liabilities	-	(77,000)
Agency liabilities	760,400	1,044,100
	<u>760,400</u>	<u>1,044,100</u>
Net cash (used in) provided by operating activities	<u>(316,209)</u>	<u>314,929</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	200,346	235,100
Payments to related party for loan receivable	(271,689)	(160,000)
Proceeds from related party for loan receivable	160,000	-
	<u>160,000</u>	<u>-</u>
Net cash provided by investing activities	<u>88,657</u>	<u>75,100</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(227,552)</u>	<u>390,029</u>
CASH AND CASH EQUIVALENTS, beginning of year	<u>992,500</u>	<u>602,471</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 764,948</u>	<u>\$ 992,500</u>

Celebrity Fight Night Foundation, Inc.

Notes to Financial Statements

Note 1 – Nature of Business

Celebrity Fight Night Foundation, Inc. (the “Organization”) is an Arizona not-for-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization’s primary purpose is to plan and administer the annual “Celebrity Fight Night” charity event (“Phoenix event”). Celebrity Fight Night is a star-studded evening with celebrities and professional athletes from all over the country participating in a night filled with incredible live auction items, and live musical performances by many of today’s brightest stars. The Barrow Neurological Institute is a significant beneficiary of donations collected from this annual charity event.

The Organization collects donations for this charity event through a live auction, silent auction, table sales, event sponsors, general donations, and in-kind donations. The Organization also raises money through its “Founders Club” which is comprised of 31 and 54 couples as of May 31, 2019 and 2018, respectively. The members of the Founders Club contribute \$20,000 per year. Half of this money is for the benefit of charities specified by each Founders Club member.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

The Organization adopted Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities* as of June 1, 2018, and has adjusted the presentation of these statements accordingly. This ASU revises the current net asset classification requirements and information presented in financial statements and notes about a not-for-profit entity’s liquidity, financial performance, and cash flows. The ASU has been applied retrospectively to all periods presented.

Net asset classification – The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions – Net assets without donor restrictions are assets not subject to stipulations imposed by the donor and are currently available for expenditures. Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by explicit donor restrictions. Contributions are reported as net assets without donor restrictions where donor-imposed restrictions are met in the same reporting period as they are received. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Net assets without donor restrictions include net assets transferred from net assets with donor restrictions after the restrictions imposed by the donor have been accomplished or the stipulated time period has elapsed.

Celebrity Fight Night Foundation, Inc.

Notes to Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Net assets with donor restrictions – Net assets with donor restrictions are assets subject to explicit restrictions imposed by the donor on the expenditure of contributions or income and gains on contributed assets. The restrictions may expire due to the passage of time or the occurrence of expenditures that fulfill the restrictions. The Organization does not have any net assets with donor restrictions as of May 31, 2019 or 2018.

Accounting 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.

Cash and cash equivalents – The Organization considers all short-term highly liquid investments that are readily convertible to known amounts of cash, and have original maturities of three months or less as cash equivalents. At times, the Organization's cash and cash equivalent balances in financial institutions may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

Investments – Investments are reported at fair value, with realized and unrealized gains and losses included in the statements of activities. Investments consist solely of domestic common stock. Fair value for these investments is based upon the closing price reported on the active market on which the individual securities are traded. Realized gains or losses are recorded using the specific identification method. Investment transactions, including transfers between the levels of fair value inputs, are recognized as of the date of the end of the year.

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the accompanying financial statements.

Receivables – Receivables are stated at the amount management expects to collect under the terms of the agreements. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual balances. The Organization wrote off \$12,100 of receivables deemed to be uncollectible during the year ended May 31, 2019. The Organization did not deem any receivables to be uncollectible during the year ended May 31, 2018. All receivables at May 31, 2019 and 2018, are considered by management to be fully collectible and accordingly, an allowance for uncollectible amounts has not been provided.

Note 2 – Summary of Significant Accounting Policies (continued)

Property, equipment, and depreciation – The Organization capitalizes all expenditures in excess of \$500 for property and equipment at cost. Major renewals and improvements are charged to the asset accounts while replacements, maintenance, and repairs that do not improve or extend the lives of the respective assets are expensed. At the time assets are retired or otherwise disposed of, the asset and related accumulated depreciation accounts are relieved of the applicable amounts. Gains or losses from retirements or sales are credited or charged to changes in net assets. Depreciation is computed on a straight-line basis over terms ranging from five to seven years for financial reporting purposes.

As of May 31, 2019 and 2018, there was \$29,390 of office equipment which was fully depreciated.

Agency transactions – The Organization collects contributions (including promises to give) on behalf of unrelated not-for-profit entities and remits such contributions directly to these entities as directed by donors. The Organization records these transactions as an increase in cash (or promises to give if cash is not collected during the event) and agency liabilities in the statements of financial position. The cash received in connection with these agency transactions is not required to be segregated in a separate account. The Organization does not guarantee the collectability of promises to give as they are subject to the credit risk of the individual donor. To the extent promises to give are not ultimately collected, the Organization will reduce the amount of its agency liability by this amount.

Deferred revenue – Deferred revenue consists of cash received in advance for the Celebrity Fight Night event in the following fiscal year and will be recognized as revenue upon occurrence of the event.

Special events revenue – Special events revenue is comprised of proceeds from table sales, the live and silent auction, and sponsorship for the annual Celebrity Fight Night fundraising event. Special events revenue is recorded net of proceeds from the live auction that represent agency transactions. These agency transaction amounts totaled \$407,500 and \$104,000 for the years ended May 31, 2019 and 2018, respectively. The Organization also raised donations during the event for the Alzheimer's and Memory Disorders Program at Barrow Neurological Institute totaling \$1,495,000 and \$858,125 for the years ended May 31, 2019 and 2018, respectively, recorded as agency transactions. The direct costs associated with organizing and conducting special events are recorded as fundraising expenses on the statements of activities and changes in net assets.

Contribution revenue and support – Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets less contributions representing agency transactions. These agency transaction amounts totaled \$808,000 and \$470,000 for the years ended May 31, 2019 and 2018, respectively. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the discounted present value of future contributions. Gifts of goods and equipment are reported at fair value as without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions.

Celebrity Fight Night Foundation, Inc.

Notes to Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Absent donor stipulations about how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributed services – A substantial number of volunteers donate time to the Organization’s program services and fund-raising campaigns; however, these donated services are not reflected in the financial statements since these services do not require specialized skills. A number of entertainers donate their time and skills to the Organization for the night of the Organization’s main event. The Organization recognizes amounts as in-kind donation revenue and entertainment expense. As of May 31, 2019 and 2018, in-kind donations in the amount of \$787,250 and \$867,000, respectively, represent donated live auction items and event sponsorships.

Allocation of expenditures – The costs of providing the various program services and supporting activities of the Organization have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the program services and supporting activities based upon the nature of the services provided or allocated based on management’s estimates. Program expenses consist of donations made to various charitable organizations based on available funds. Management and general expenses and fundraising expenses consist primarily of general overhead expenses as summarized in the statements of functional expenses. Administrative costs are allocated based on usage and headcount. All other expenses are allocated based on direct costs.

Reclassifications – Certain prior year amounts have been reclassified to conform with the current year’s presentation. The reclassifications had no effect on the Organization’s financial condition, results of operations, or cash flows.

Public relations and advertising – Advertising and promotional costs are charged to operations as incurred. For the years ended May 31, 2019 and 2018, advertising and promotional expenses totaled \$414,546 and \$428,637, respectively, of which \$366,250 and \$370,000, respectively, were in-kind donations from media partners.

Income tax status – The Organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and under Section 43, 1201(4) of the Arizona Revised Statutes. The Organization files an exempt organization return in the United States federal jurisdiction and with the State of Arizona. The Organization evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts. As of May 31, 2019, the Organization had no uncertain tax positions.

Celebrity Fight Night Foundation, Inc.

Notes to Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU will replace all current U.S. GAAP guidance on this topic and eliminate all industry-specific guidance. The new revenue recognition standard provides a unified model to determine when and how revenue is recognized. The core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration for which the entity expects to be entitled in exchange for those goods or services. This guidance will be effective at the beginning of the Organization's 2020 fiscal year and can be applied either retrospectively to each period presented or as a cumulative-effect adjustment as of the date of adoption. The Organization will continue to evaluate the impact, if any, of adopting this new accounting standard on its financial statements.

Subsequent events – Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are available to be issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position, but arose after the statement of financial position date and before financial statements are available to be issued.

The Organization has evaluated subsequent events through December 3, 2019, which is the date the financial statements are available to be issued.

Note 3 – Availability and Liquidity

The Organization donates the proceeds from the annual event and contributions, net of direct costs of the event and agency transactions to charities, primarily the Muhammad Ali Parkinson Center at the Barrow Neurological Institute. The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments as they come due, so that it can direct as much proceeds as possible to its beneficiaries after its annual event each year.

The following represents the Organization's financial assets available to meet general expenditures over the next twelve months as of May 31 2019:

Cash and cash equivalents	\$ 764,948
Investments	35,056
Receivables due in upcoming year	1,738,034
Related-party note receivable due in upcoming year	271,689
Less: agency liabilities	<u>(1,814,500)</u>
Total financial assets available	<u>\$ 995,227</u>

Celebrity Fight Night Foundation, Inc.

Notes to Financial Statements

Note 4 – Investments and Fair Value of Assets

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability.

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.

The following table summarizes the valuation of the Organization's assets and liabilities measured at fair value on a recurring basis as of May 31:

	2019 (Level 1)	2018 (Level 1)
Domestic common stock	\$ 35,056	\$ 12,775

Note 5 – Agency Liabilities

Agency liabilities consist of contributions received on behalf of unrelated nonprofit entities, but not yet paid by the Organization. As of May 31, 2019, total agency liabilities were \$1,814,500, of which \$1,745,000 was due to the Alzheimer's and Memory Disorders Program at Barrow Neurological Institute and the remainder due to various charities selected by Founders Club members and auction item donors. Total agency liabilities were \$1,054,100 as of May 31, 2018, of which \$889,100 was due to the Alzheimer's and Memory Disorders Program at Barrow Neurological Institute and the remainder due to various charities selected by Founders Club members and auction item donors.

Celebrity Fight Night Foundation, Inc. Notes to Financial Statements

Note 6 – Retirement Plan

The Organization has established a defined contribution plan as authorized under Internal Revenue Code Section 401(k). The Plan requires the Organization to match 50% of employee contributions up to 6% of the employee's salary. The Organization made contributions of \$10,088 and \$9,478 for the years ended May 31, 2019 and 2018, respectively.

Note 7 – Related-Party Transactions

Celebrity Fight Night Foundation International, Inc. ("CFNF Int'l") was established in January 2015, and granted status as a 501(c)(3) entity in January 2016. A member of the board of directors for the Organization serves on the board of directors of CFNF Int'l. The Organization does not have a majority voting interest, economic interest, or control over CFNF Int'l. Therefore, the operations of CFNF Int'l are not consolidated with the Organization, and are not presented within these financial statements.

During the year ended May 31, 2018, the Organization loaned \$160,000 to CFN Int'l. The loan was noninterest-bearing and was paid in full during the year ended May 31, 2019. During the year ended May 31, 2019 the Organization loaned an additional \$271,689 to CFN Int'l. The loan was also noninterest bearing and does not have a maturity date but is expected to be collected in full during the year ending May 31, 2020.

Note 8 – Commitments

The Organization has a commercial rental agreement to lease a facility in Phoenix, Arizona for a 39-month period ending February 28, 2020. The monthly rent payments start at \$3,683 per month and increases by \$110 every 12 months. Rent expense for the facilities was \$58,882 and \$51,780 for the years ended May 31, 2019 and 2018, respectively. Future minimum rental payments are \$40,843 due in the year ending May 31, 2020.

Note 9 – Concentrations

Table sales and live auction sales represent a significant portion of gross revenue for the Arizona event as set forth in the table below for the years ended May 31:

	2019	2018
Table sales	62%	61%
Live auction sales	30%	32%

During the years ended May 31, 2019, approximately 47% of total table sales and live auction sales were contributed by two individuals. During the year ended May 31, 2018, there was no concentration within table sales and live auction sales. During the years ended May 31, 2019 and 2018, 79% and 53%, respectively, of in-kind donations of services and merchandise were received from three individuals.

Celebrity Fight Night Foundation, Inc.

Notes to Financial Statements

Note 10 – Charitable Support

In addition to contributions made directly to nonprofit entities, included in program expenses, the Organization raises certain funds on behalf of unrelated not-for-profit entities (See Note 2). The Organization also makes contributions to unrelated nonprofit entities in exchange for certain auction items and celebrity performances during the event, included in fundraising expenses on the statements of activities and changes in net assets. The table below summarizes all sources of support for unrelated nonprofit entities for the years ended May 31:

	<u>2019</u>	<u>2018</u>
Contributions made	\$ 56,950	\$ 38,125
Special events revenue designated by donors for other nonprofit entities	1,902,500	962,125
Founders Club and other contributions designated for other nonprofit entities	808,000	470,000
Payments made to nonprofit entities in exchange for celebrity performances	<u>757,000</u>	<u>145,000</u>
Total charitable support	<u>\$ 3,524,450</u>	<u>\$ 1,615,250</u>