

ALCOR LIFE EXTENSION FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 1993

(818) 240-7343

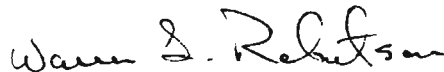
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Board of Directors
Alcor Life Extension Foundation
Scottsdale, Arizona

I have compiled the accompanying balance sheet of Alcor Life Extension Foundation, a non-profit organization, as of December 31, 1993, and the related statements of revenues and expenses and changes in net assets and combined statement of cash flows for the period then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and , accordingly, do not express an opinion or any other form of assurance on them.



WARREN L. ROBERTSON, CPA

Glendale, California
April 30, 1994

**ALCOR LIFE EXTENSION FOUNDATION
BALANCE SHEET**

DECEMBER 31, 1993

ASSETS	General Fund	Patient Care Fund	Research Fund	Endowment Fund	Building Fund	Total
Cash & cash equivalents	\$32,699	\$0	\$2,563	\$0	\$40,704	\$75,966
Investments:						
Cash & equivalents	---	800,840	---	64,691	---	865,531
Property	---	214,000	---	55,000	39,000	308,000
Accounts receivable, net of allowance for doubtful accounts of \$3,000	86,295	---	---	99,352	---	185,647
Other assets	5,094	---	100,012	---	---	105,106
Property & equipment, net of accumulated depreciation	<u>15,136</u>	<u>178,007</u>	<u>41,643</u>	<u>---0---</u>	<u>---0---</u>	<u>234,786</u>
	<u>\$139,224</u>	<u>\$1,192,847</u>	<u>\$144,218</u>	<u>\$219,043</u>	<u>\$79,704</u>	<u>\$1,775,036</u>
LIABILITIES AND NET ASSETS						
Accounts payable & other liabilities	\$28,886	(\$15)	\$482	\$0	\$0	\$29,353
Capital lease obligations	7,870	---	---	---	---	7,870
Deferred patient care reserve	---	1,080,520	100,000	---	---	1,180,520
Due to(from) other funds	<u>60,640</u>	<u>16,873</u>	<u>81,442</u>	<u>(183,504)</u>	<u>24,549</u>	<u>---0---</u>
Total liabilities	<u>97,396</u>	<u>1,097,378</u>	<u>181,924</u>	<u>(183,504)</u>	<u>24,549</u>	<u>1,217,743</u>
Net assets						
Unrestricted:						
Available for operations	26,692	---	---	---	---	26,692
Net investment in plant	<u>15,136</u>	---	---	---	---	<u>15,136</u>
	41,828	---	---	---	---	41,828
Restricted	<u>---0---</u>	<u>95,469</u>	<u>(37,706)</u>	<u>402,547</u>	<u>55,155</u>	<u>515,465</u>
Total net assets	<u>41,828</u>	<u>95,469</u>	<u>(37,706)</u>	<u>402,547</u>	<u>55,155</u>	<u>557,293</u>
	<u>\$139,224</u>	<u>\$1,192,847</u>	<u>\$144,218</u>	<u>\$219,043</u>	<u>\$79,704</u>	<u>\$1,775,036</u>

The accompanying accountant's compilation report and notes
should be read with these financial statements.

**ALCOR LIFE EXTENSION FOUNDATION
STATEMENT OF REVENUES AND EXPENSES
AND CHANGES IN NET ASSETS**

FOR THE YEAR ENDED DECEMBER 31, 1993

	General Fund	Patient Care Fund	Research Fund	Endowment Fund	Building Fund	Total
Revenues:						
Membership fees	\$83,494	\$0	\$0	\$0	\$0	\$83,494
Public donations	178,783	19,286	4,819	464	65,682	269,034
Interest income	6,456	47,525	120	3,929	279	58,309
Investment value gain/(loss)	—	42,700	—	(1,497)	—	41,203
Other	<u>21,934</u>	<u>100</u>	<u>—0—</u>	<u>—0—</u>	<u>—0—</u>	<u>22,034</u>
Total revenues	<u>290,667</u>	<u>109,611</u>	<u>4,939</u>	<u>2,896</u>	<u>65,961</u>	<u>474,074</u>
Expenses:						
Depreciation	9,514	10,603	2,204	—	—	22,321
Salaries	66,214	17,001	13,593	—	5,500	102,308
Education/magazine	24,980	—	—	—	—	24,980
Emergency response	—	—	17,601	—	—	17,601
Facility repair/maintenance	17,758	—	—	—	—	17,758
Insurance	10,558	672	360	—	(37)	11,553
Interest	1,260	—	32	—	—	1,292
Legal	11,357	7,797	—	—	3,436	22,590
Medical supplies	—	—	3,205	—	—	3,205
Liquid nitrogen	—	13,663	—	—	—	13,663
Postage	11,229	366	795	—	607	12,997
Professional fees	19,278	—	—	—	—	19,278
Rent	26,263	—	—	—	—	26,263
Supplies	5,778	947	60	—	—	6,785
Suspension expenses	—	—	16,709	—	—	16,709
Taxes & licenses	(1,216)	—	—	—	—	(1,216)
Telephone	19,824	—	246	—	(79)	19,991
Travel	3,927	—	505	—	617	5,049
Other	<u>14,611</u>	<u>9,279</u>	<u>9,246</u>	<u>—</u>	<u>762</u>	<u>33,898</u>
Total expenses	<u>241,335</u>	<u>60,328</u>	<u>64,556</u>	<u>—0—</u>	<u>10,806</u>	<u>377,025</u>
Excess of revenues over expenses (expenses over revenues)	49,332	49,283	(59,617)	2,896	55,155	97,049
Net assets:						
Beginning of period	(7,504)	46,186	21,911	399,651	—0—	460,244
End of period	<u>\$41,828</u>	<u>\$95,469</u>	<u>(\$37,706)</u>	<u>\$402,547</u>	<u>\$55,155</u>	<u>\$557,293</u>

The accompanying accountant's compilation report and notes
should be read with these financial statements.

**ALCOR LIFE EXTENSION FOUNDATION
COMBINED STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 1993

Cash flows provided by operating activities:		
Excess of revenues over expenses	\$97,049	
Depreciation expense	<u>22,321</u>	\$119,370
Changes in assets and liabilities:		
(Increase) in assets:		
Accounts receivable	(77,816)	
Other assets	(41,752)	
Increase/(decrease) in liabilities:		
Accounts payable	(22,910)	
Deferred patient care reserve	<u>107,538</u>	
Total adjustments		<u>(34,940)</u>
Net cash provided by operating activities		84,430
Cash flows used for investing activities:		
Short-term investments	(26,813)	
Purchase of property & equipment - net	<u>(9,055)</u>	
Net cash used for investing activities		(35,868)
Cash flows provided by (used for) financing activities:		
Increase in capital lease obligations - net	1,933	
Notes payable	<u>(24,947)</u>	
Net cash used for financing activities		<u>(23,014)</u>
Net increase in cash & cash equivalents		25,548
Cash & cash equivalents, beginning of year		<u>50,418</u>
Cash & cash equivalents, end of year		<u>\$75,966</u>

The accompanying accountant's compilation report and notes
should be read with these financial statements.

**ALCOR LIFE EXTENSION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1993**

1. Summary of significant accounting policies:

Fund accounting

To ensure observance of limitations and restrictions placed on the use of resources, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. All financial transactions have been recorded by fund group into the following funds:

General: Revenues which are not restricted as to usage and expenses for the general operations of the Foundation are classified into the general fund. The Board of Directors has determined that 10% of certain general fund revenues should be set aside for patient care and accordingly, approximately \$12,272 has been transferred to the patient care fund.

Patient care: Upon deanimation, a pre-established amount, received generally from insurance proceeds, is estimated for the long-term care of patients, placed in the patient care fund and classified as Deferred Patient Care Reserve. Such amounts are invested in fixed income and equity securities, the income of which is restricted in use to the costs of patient care and for any ultimate costs of reanimation.

Research: The portion of the proceeds received upon deanimation which is not designated for long term patient care is placed in the research fund and used for the initial costs of suspension. Any excess over such costs is transferred to the general fund and is available for the operations of the Foundation. Research grants restricted to specific research activities are also placed in the research fund.

Endowment: The Foundation received a bequest from a member which was, per the last will and testament, unrestricted as to usage. However, the Board of Directors restricted usage of the bequest to investments in securities and for short-term loans to the general fund for operating purposes. Income earned by endowment fund investments is unrestricted and, accordingly, is classified as general fund income.

**ALCOR LIFE EXTENSION FOUNDATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1993**

Building fund: Donations received are placed in the building fund for use on the expenses to be incurred on Alcor's move to Arizona.

Property & equipment

Property & equipment & leasehold improvements are recorded at cost. Major additions and betterments are charged to property accounts while replacements, maintenance and repairs which do not improve or extend the life of the respective assets are expensed in the year acquired. When property is retired or otherwise disposed of, the cost is removed from the asset account, accumulated depreciation is charged for the depreciation provided and the difference, after taking into account any salvage amount, is charged or credited to operations.

Income taxes

The Foundation is a non-profit organization exempt from income taxes under Internal Revenue Code section 501(c)3. Accordingly, no income taxes are provided in the accompanying financial statements.

2. Investments:

Investments in cash and equivalents are presented in the financial statements at market value and consist of mutual funds, U. S. Government obligations and corporate stocks and bonds. Investments in property consists of the following:

Investment in Arizona building	\$195,000
Investment in U.K. building	28,000
Investment in Symbex limited partnership	<u>85,000</u>
	\$308,000
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**ALCOR LIFE EXTENSION FOUNDATION
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 1993**

3. Other assets:

Other assets consist of the following:

Prepaid suspension fees	\$100,012
Prepaid expenses	<u>5,094</u>
	\$105,106
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4. Property & equipment:

Machinery & equipment	\$315,528
Leasehold improvements	<u>19,655</u>
	335,183
Less accumulated depreciation & amortization	<u>(100,397)</u>
	\$234,786
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5. Contingencies:

The Foundation is negotiating with the heirs of a member in suspension with regard to a disputed interest in royalties from certain artistic properties, of which \$73,320 and \$99,352 have been recorded in the general fund and endowment fund, respectively, as accounts receivable in the accompanying financial statements.