

Alcor Life Extension Foundation, Inc. and Subsidiaries

Consolidated Financial Statements

Year Ended December 31, 2003

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Accountants' Compilation Report

To the Board of Directors
Alcor Life Extension Foundation, Inc.
Scottsdale, Arizona

We have compiled the accompanying consolidated statements of financial position of Alcor Life Extension Foundation, Inc. (a non-profit organization) and subsidiaries as of December 31, 2003, and the related consolidated statements of activities and cash flows for the year then ended, and the accompanying supplementary information contained in the Schedules of Departmental Assets, Liabilities and Net Assets and Departmental Revenues and Expenses, 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 and supplemental schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplemental schedules and accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



November 15, 2004

Alcor Life Extension Foundation, Inc. and Subsidiaries
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(See Accountants' Compilation Report)

December 31, 2003

ASSETS

Current assets	
Cash and cash equivalents	\$ 454,500
Investments	1,125,096
Accounts receivable	164,329
Employee receivables	3,000
Deposits	41,168
Total current assets	1,788,093
Property and equipment, net	
Land	199,410
Building and improvements	860,382
Equipment	909,784
	1,969,576
Less accumulated depreciation	562,246
	1,407,330
Prepaid suspensions and standby	2,666,542
Employee receivables	21,500
Total assets	\$ 5,883,465

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable and accrued expenses	\$ 29,518
Current portion of long-term debt	28,351
Total current liabilities	57,869
Security deposits	7,390
Deferred suspension revenue	2,666,542
Deferred patient care reserve	2,159,357
Total liabilities	4,891,158
Net assets	
Unrestricted controlling interests	850,629
Minority interests	141,678
Total net assets	992,307
Total liabilities and net assets	\$ 5,883,465

Alcor Life Extension Foundation, Inc. and Subsidiaries

CONSOLIDATED STATEMENT OF ACTIVITIES

(See Accountants' Compilation Report)

Year Ended December 31, 2003

	Total
Revenue and support:	
Membership dues	\$ 160,780
Rental income	112,135
Contributions	385,490
Suspension and standby	222,152
Interest	62,246
Gain on investments	170,684
Other	49,449
Total revenue and support	1,162,936
Expenses:	
Personnel services	372,270
Marketing	121,462
Depreciation and amortization	82,631
Educational literature	12,003
Insurance	45,731
Interest	12,899
Legal and professional	265,594
Medical supplies	175,908
Office expense	56,477
Other	48,417
Postage	12,458
Repairs and maintenance	38,214
Suspension and standby	98,658
Telephone	31,433
Travel	57,979
Licenses	34,686
Utilities	27,627
Total expenses	1,494,447
Decrease in net assets before minority interest	(331,511)
Minority interest in income of subsidiary	(716)
Decrease in net assets	(332,227)
Net assets, beginning of year, before minority interest	1,182,856
Net assets, end of year, before minority interest	\$ 850,629

Alcor Life Extension Foundation, Inc. and Subsidiaries
CONSOLIDATED STATEMENT OF CASH FLOWS
(See Accountants' Compilation Report)
Year Ended December 31, 2003

Cash flows from operating activities	
Decrease in net assets	\$ (332,227)
Adjustment to reconcile change in net assets to net cash provided by operating activities	
Minority interest in income	716
Depreciation and amortization	82,631
Gain on investments	(170,684)
Increase in accounts receivable	(6,674)
Increase in employee receivable	(500)
Decrease in deposits	666
Decrease in accounts payable and accrued expenses	<u>(66,867)</u>
Net cash used by operating activities	(492,939)
 Cash flows from investing activities	
Purchase of investments	(119,398)
Decrease in prepaid suspensions/standby	(751,635)
Purchase of equipment	<u>(271,145)</u>
Net cash used by investing activities	(1,142,178)
 Cash flows from financing activities	
Proceeds from deferred suspension revenue	815,135
Payments on capital leases	<u>(12,483)</u>
Net cash provided by financing activities	<u>802,652</u>
 Net decrease in cash and cash equivalents	(832,465)
 Cash and cash equivalents, beginning of year	<u>1,286,965</u>
 Cash and cash equivalents, end of year	<u>\$ 454,500</u>
 <u>Supplemental Disclosures</u>	
Cash paid for interest during the year	\$ 12,899

Alcor Life Extension Foundation, Inc. and Subsidiaries
SCHEDULE OF DEPARTMENTAL ASSETS, LIABILITIES AND NET ASSETS
(See Accountants' Compilation Report)

December 31, 2003

	General	Clinical Research	Laboratory Research	Endowment	Patient Care Trust	State of the Art	Cryonics Property, LLC	Consolidating and Eliminating	Total
ASSETS									
Cash and cash equivalents	\$ 20,139	\$ 155,942	\$ 1,583	\$ 2,955	\$ 154,370	\$ 62,265	\$ 57,246		\$ 454,500
Investments		7,372		23,748	1,063,038		30,938		1,125,096
Accounts receivable	47,351	111,000					5,978		164,329
Deposits							41,168		41,168
Employee receivables	3,000								3,000
Due to/from other departments	(420,301)	(167,477)	(38,949)	443,309	(4,895)	188,313			
Total current assets	(349,811)	106,837	(37,366)	470,012	1,212,513	250,578	135,330		1,788,093
Property and equipment									
Land							150,000	\$ 49,410	199,410
Building and improvements							712,152	148,230	860,382
Equipment	148,270	43,697	30,742		404,548	282,527			909,784
	148,270	43,697	30,742		404,548	282,527	862,152	197,640	1,969,576
Less accumulated depreciation	98,545	22,714	27,601		206,012	27,316	180,058		562,246
	49,725	20,983	3,141		198,536	255,211	682,094	197,640	1,407,330
Prepaid suspensions and standby		2,666,542							2,666,542
Employee receivables	21,500								21,500
Mortgage note					407,967		(407,967)		
Investment in Cryonics Property, LLC					470,895			(470,895)	
Total assets	\$ (278,586)	\$ 2,794,362	\$ (34,225)	\$ 470,012	\$ 2,289,911	\$ 505,789	\$ 409,457	\$ (273,255)	\$ 5,883,465
LIABILITIES AND NET ASSETS									
Current liabilities									
Accounts payable and accrued expenses	\$ 433	\$ 1,794			\$ 1,908	\$ 22,400	\$ 2,983		\$ 29,518
Current portion of capital lease obligations	19,119	224			9,008				28,351
Total current liabilities	19,552	2,018			10,916	22,400	2,983		57,869
Security deposits							7,390		7,390
Deferred suspension revenue		2,666,542							2,666,542
Deferred patient care reserve					2,159,357				2,159,357
Total liabilities	19,552	2,668,560			2,170,273	22,400	10,373		4,891,158
Net assets									
Unrestricted controlling interests	(298,138)	125,802	\$ (34,225)	\$ 470,012	119,638	483,389	399,084	\$ (414,933)	850,629
Minority interests								141,678	141,678
Total net assets	(298,138)	125,802	(34,225)	470,012	119,638	483,389	399,084	(273,255)	992,307
Total liabilities and net assets	<u>\$(278,586)</u>	<u>\$2,794,362</u>	<u>\$ (34,225)</u>	<u>\$ 470,012</u>	<u>\$2,289,911</u>	<u>\$ 505,789</u>	<u>\$ 409,457</u>	<u>\$(273,255)</u>	<u>\$ 5,883,465</u>

Alcor Life Extension Foundation, Inc. and Subsidiaries
SCHEDULE OF DEPARTMENTAL REVENUES AND EXPENSES
(See Accountants' Compilation Report)
Year Ended December 31, 2003

	General	Clinical Research	Laboratory Research	Endowment	Patient Care Trust	State of the Art	Cryonics Property, LLC	and Eliminating	Total
Revenue and support:									
Membership dues	\$ 152,530	\$ 8,250							\$ 160,780
Rental income							\$ 140,539	\$(28,404)	112,135
Contributions	374,990	10,000		\$ 500					385,490
Suspensions and standby		222,152							222,152
Interest	126	22,976	\$ 8		\$ 77,187	\$ 2,999	670	(41,720)	62,246
Gain on investments		141		50,210	120,333				170,684
Other	45,911	3,000			538				49,449
Total revenues	573,557	266,519	8	50,710	198,058	2,999	141,209	(70,124)	1,162,936
Expenses:									
Personnel services	303,460	2,070			25,162	41,578			372,270
Allocation	19,121		(19,121)						
Marketing	121,462								121,462
Depreciation and amortization	12,779	124	2,500		22,816	26,152	18,260		82,631
Educational literature	8,003	4,000							12,003
Insurance	18,185	14,426	2,086		8,869		2,165		45,731
Interest	8,790	2,384			1,180	545	41,720	(41,720)	12,899
Legal and professional	116,488	19,033			106	119,828	10,139		265,594
Medical supplies		59,249			25,714	90,945			175,908
Office expense	52,145	3,975				357			56,477
Other	31,881	4,151				10,229	2,156		48,417
Postage	12,458								12,458
Repairs and maintenance	10,964	8,132					19,118		38,214
Rent	780	17,607	2,904		4,931	2,182		(28,404)	
Suspension and standby		98,658							98,658
Telephone	29,666	1,767							31,433
Travel	14,925	22,339			297	20,418			57,979
Licenses							34,686		34,686
Utilities	17,262						10,365		27,627
Total expenses	778,369	257,915	(11,631)		89,075	312,234	138,609	(70,124)	1,494,447
(Decrease) increase in net assets before minority interest	\$(204,812)	\$ 8,604	\$ 11,639	\$ 50,710	\$ 108,983	\$ (309,235)	\$ 2,600	\$	\$(331,511)