

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

Year Ended December 31, 2023

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

Year Ended December 31, 2023

CONTENTS

	<u>Pages</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities and Changes in Net Assets	4
Consolidated Statement of Functional Expenses	5
Consolidated Statement of Cash Flows	6
Notes to Consolidated Financial Statements	7 - 18
SUPPLEMENTAL INFORMATION	
Independent Auditors' Report on Supplemental Information	19
Consolidating Statement of Financial Position	20
Consolidating Statement of Activities and Changes in Net Assets	21



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

Opinion

We have audited the consolidated financial statements of **Alcor Life Extension Foundation and Affiliates** (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Organization's ability to continue as a going concern for one year after the date that the financial statements are 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 Organization'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 Organization'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.

CBIZ CPAs P.C.

April 3, 2025

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2023

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	\$ 3,832,260
Accounts receivable, net	1,564,746
Pledges receivable	222,685
Other current assets	<u>739,609</u>
TOTAL CURRENT ASSETS	6,359,300
RESTRICTED CASH	249,356
LONG-TERM ACCOUNTS RECEIVABLE	180,000
PROPERTY AND EQUIPMENT, net	2,173,378
INVESTMENTS	32,427,259
SPLIT INTEREST AGREEMENT ASSET	794,951
PREPAID CRYOPRESERVATION AND STANDBY	<u>16,586,782</u>
TOTAL ASSETS	<u>\$ 58,771,026</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable	\$ 749,583
Accrued expenses	<u>320,664</u>
TOTAL CURRENT LIABILITIES	1,070,247
SPLIT INTEREST AGREEMENT LIABILITY	794,951
DEFERRED CRYOPRESERVATION AND STANDBY REVENUE	16,586,782
DEFERRED COMPREHENSIVE MEMBER STANDBY REVENUE	115,562
DEFERRED REVENUE	289,946
DEFERRED PATIENT CARE RESERVE	<u>17,313,618</u>
TOTAL LIABILITIES	<u>36,171,106</u>
NET ASSETS	
Without donor restrictions	
Controlling interest with designations	15,328,470
Controlling interest without designations	3,209,425
Noncontrolling interest	<u>27,967</u>
Total without donor restrictions	18,565,862
With donor restrictions	<u>4,034,058</u>
TOTAL NET ASSETS	<u>22,599,920</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 58,771,026</u>

See Notes to Consolidated Financial Statements

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2023

	Without donor restrictions	With donor restrictions	Total
REVENUE AND SUPPORT			
Membership dues	\$ 874,614	\$ -	\$ 874,614
Bequests	530,094	151,705	681,799
Contributions	275,979	1,531,085	1,807,064
Interest and distribution income	509,402	-	509,402
Realized and unrealized gains on investments	2,136,269	-	2,136,269
Cryopreservation and standby	1,980,311	-	1,980,311
Rental income	82,416	-	82,416
Other	2,145	-	2,145
Total revenue and support before net assets released from restrictions	6,391,230	1,682,790	8,074,020
Net assets released from restrictions	<u>351,884</u>	<u>(351,884)</u>	<u>-</u>
TOTAL REVENUE AND SUPPORT	6,743,114	1,330,906	8,074,020
EXPENSES			
Payroll and benefits	1,710,136	-	1,710,136
Occupancy	10,384	-	10,384
Office expenses	136,513	-	136,513
Bank charges	28,066	-	28,066
Utilities	94,666	-	94,666
Insurance	124,948	-	124,948
Lease expenses	12,812	-	12,812
Depreciation	173,425	-	173,425
Professional fees	767,615	-	767,615
Equipment and supplies	365,260	-	365,260
Travel	218,092	-	218,092
Publications	66,081	-	66,081
Taxes and licenses	64,992	-	64,992
Repairs and maintenance	21,006	-	21,006
Miscellaneous	19,350	-	19,350
TOTAL EXPENSES	3,813,346	-	3,813,346
LOSS ON SALE OF PROPERTY AND EQUIPMENT	(2,264)	-	(2,264)
CHANGE IN NET ASSETS			
NET ASSETS, BEGINNING OF YEAR	15,638,358	2,703,152	18,341,510
NET ASSETS, END OF YEAR	\$ 18,565,862	\$ 4,034,058	\$ 22,599,920
CHANGE IN NET ASSETS ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ 2,748	\$ -	\$ 2,748
CHANGE IN NET ASSETS ATTRIBUTABLE TO CONTROLLING INTEREST	2,924,756	1,330,906	4,255,662
CHANGE IN NET ASSETS	\$ 2,927,504	\$ 1,330,906	\$ 4,258,410

See Notes to Consolidated Financial Statements

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2023

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Payroll and benefits	\$ 1,072,111	\$ 526,900	\$ 111,125	\$ 1,710,136
Occupancy	8,744	1,640	-	10,384
Office expenses	53,692	82,571	250	136,513
Bank charges	248	27,818	-	28,066
Utilities	25,903	68,763	-	94,666
Insurance	56,498	68,450	-	124,948
Lease expenses	870	11,942	-	12,812
Depreciation	104,534	68,891	-	173,425
Professional fees	452,638	314,948	29	767,615
Equipment and supplies	365,260	-	-	365,260
Travel	195,818	21,084	1,190	218,092
Publications	65,816	265	-	66,081
Taxes and licenses	27,991	37,001	-	64,992
Repairs and maintenance	5,943	15,063	-	21,006
Miscellaneous	3,275	16,075	-	19,350
TOTAL EXPENSES	<u>\$ 2,439,341</u>	<u>\$ 1,261,411</u>	<u>\$ 112,594</u>	<u>\$ 3,813,346</u>

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets attributable to controlling interest	\$ 4,255,662
Adjustments to reconcile the change in net assets attributable to controlling interest to net cash provided by operating activities:	
Change in net assets attributable to noncontrolling interest	2,748
Depreciation	173,425
Realized and unrealized gains on investments	(2,136,269)
Loss on sale of property and equipment	2,264
Changes in operating assets and liabilities:	
Decrease (increase) in:	
Accounts receivable	(737,725)
Pledges receivable	(5,222)
Other current assets	143,464
Prepaid cryopreservation and standby	(188,585)
Long-term accounts receivable	(180,000)
Increase (decrease) in:	
Accounts payable	320,985
Accrued expenses	(358,524)
Deferred cryopreservation revenues	188,585
Deferred comprehensive member standby revenue	60,952
Deferred revenue	92,122
Deferred patient care reserve	2,090,953
Net cash provided by operating activities	<u>3,724,835</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	(395,209)
Proceeds from sale of equipment	1,201
Purchases of investments	(2,065,027)
Proceeds from sale of investments	883,622
Net cash used in investing activities	<u>(1,575,413)</u>

**NET CHANGE IN CASH, CASH EQUIVALENTS, AND
RESTRICTED CASH**

CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF YEAR	1,932,194
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR	<u>\$ 4,081,616</u>

Reconciliation of cash, cash equivalents, and restricted cash from the consolidated statement of financial position to the consolidated statement of cash flows:

Cash and cash equivalents	\$ 3,832,260
Restricted cash	249,356
Cash, cash equivalents, and restricted cash	<u>\$ 4,081,616</u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Investment gain included in deferred patient care reserve	<u>\$ 2,500,230</u>
---	---------------------

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) Nature of operations and summary of significant accounting policies

Nature of operations – *Alcor Life Extension Foundation* is a non-profit organization formed under Section 501(c)(3) of the Internal Revenue Code. Alcor Life Extension Foundation conducts its primary operations in Scottsdale, Arizona. Alcor Life Extension Foundation is funded primarily through contributions and membership dues from its members, and rental income. Alcor Life Extension Foundation's primary exempt purpose is research and education in the science of cryonic storage and cryopreservation. Members guarantee a certain level of funding which will be paid to Alcor Life Extension Foundation upon the legal death of the member to support Comprehensive Member Standby ("CMS"), cryopreservation, long-term care, and, if it becomes possible, resuscitation of the member.

The significant accounting policies of Alcor Life Extension Foundation are as follows:

Principles of consolidation – The consolidated financial statements include all accounts of Alcor Life Extension Foundation and its affiliates: Alcor Endowment Trust Supporting Organization, the Alcor Patient Care Trust, Cryonics Property, LLC, and Alcor Care Trust Supporting Organization. The Alcor Patient Care Trust has an ownership interest of 95.6542% in Cryonics Property, LLC at December 31, 2023. Alcor Life Extension Foundation is the beneficiary of the Alcor Patient Care Trust. The Alcor Patient Care Trust and its affiliate, Cryonics Property, LLC, are consolidated with Alcor Life Extension Foundation as Alcor Life Extension Foundation has control of the Trust. Alcor Life Extension Foundation's Board of Directors appoints the Alcor Patient Care Trust's board members. All significant intercompany transactions have been eliminated in consolidation.

Alcor Life Extension Foundation's operations include performing research and development for the cryopreservation or biostasis process, maintaining current patients in biostasis, placing members into biostasis, eventually restoring all patients to health if it becomes possible, and providing public education.

The Alcor Endowment Trust Supporting Organization, which was formed in 2013, holds and utilizes significant resources that must be used exclusively for the purposes of Alcor Life Extension Foundation. Accordingly, Alcor Life Extension Foundation has an economic interest in the Alcor Endowment Trust Supporting Organization. Additionally, Alcor Life Extension Foundation has control over the Alcor Endowment Trust Supporting Organization through a shared board of directors.

The Alcor Patient Care Trust is an irrevocable trust that maintains amounts funded for patients in biostasis. The Alcor Patient Care Trust pays Alcor Life Extension Foundation for itemized expenses related to patient care.

Cryonics Property, LLC owns the Alcor Life Extension Foundation building and leases space to other tenants in addition to Alcor Life Extension Foundation.

Alcor Care Trust Supporting Organization was formed in June 2016 for the benefit of Alcor Life Extension Foundation, specifically for the purposes of science and education pertaining to achieving indefinitely long life and health, by caring for people placed into cryopreservation or other forms of biostasis as long-term research donors by Alcor Life Extension Foundation.

Basis of presentation – The consolidated financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Not-for-Profit Entities – Presentation of Financial Statements*. Under FASB ASC 958-205, Alcor Life Extension Foundation is required to report information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are those whose use by Alcor Life Extension Foundation is limited by donors to a specific time period or purpose.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) Nature of operations and summary of significant accounting policies (continued)

Management's use of estimates – The preparation of consolidated 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 consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Estimates related to the deferred patient care reserve are particularly sensitive due to the nature of the estimate being highly sensitive to changes outside of management's control and the uncertainty surrounding future developments in the cryopreservation process, which relate specifically to patient maintenance and potential revival.

Cash and cash equivalents – Cash includes cash and, at times, cash equivalents, which consist of highly liquid financial investments purchased with an original maturity of three months or less. Accounts at each institution are insured in limited amounts by the Federal Deposit Insurance Corporation ("FDIC").

Restricted cash – Restricted cash is specifically reserved to provide comprehensive member standby services as well as underfunded cryopreservation and standby services for Alcor Life Extension Foundation's members. Restricted cash is collected through monthly dues and released when services are performed. At December 31, 2023, funds collected that had not been spent for their intended purpose are reported as restricted cash and included in deferred comprehensive member standby and other deferred revenue in the accompanying consolidated statement of financial position.

Accounts receivable – Accounts receivable consists primarily of amounts due for membership dues, CMS dues, and cryopreservations performed. Accounts receivable are stated at the amount management expects to collect. Management provides for 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, historical bad debts, current economic conditions, and changes in payment trends. Accounts receivable are considered impaired if full payments are not received in accordance with the contractual terms. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2023, accounts receivable are net of an allowance for doubtful accounts of \$114,706.

Promises to give – Unconditional promises to give (pledges) that are to be collected within one year are recorded at net realizable value. Conditional promises to give are recognized when the conditions on which they depend are substantially met. At December 31, 2023, all of the pledges receivable on the accompanying consolidated statement of financial position are due within one year. Pledges receivable are considered by management to be fully collectible at December 31, 2023.

Property and equipment – Property and equipment is recorded at cost. Donated property and equipment is recorded at its fair value at the date of gift to Alcor Life Extension Foundation. Additions and betterments in excess of \$1,000 are capitalized. The cost of assets sold, retired, or otherwise disposed of, and the related accumulated depreciation are eliminated from the accounts, and any resulting gain or loss is recorded in the statement of changes in net assets. Maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) Nature of operations and summary of significant accounting policies (continued)

Depreciation is computed using the straight-line method over the following general range of estimated useful lives:

Buildings and leasehold improvements	5 - 39 years
Machinery and office equipment	5 - 20 years
Vehicles	5 years

Impairment of long-lived assets – Alcor Life Extension Foundation accounts for long-lived assets in accordance with the provisions of FASB ASC 360, *Property, Plant and Equipment*. FASB ASC 360 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that 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 the carrying amount or fair value less costs to sell. No impairment charges were recorded for the year ended 2023.

Investments – Alcor Life Extension Foundation accounts for its investments in accordance with FASB ASC 958-320, *Not-for-Profit Entities – Investments – Debt Securities* and FASB ASC 958-321, *Not-for-Profit Entities – Investments – Equity Securities*. Under FASB ASC 958-320 and FASB ASC 958-321, Alcor Life Extension Foundation is required to report investments in debt and equity securities, including negotiable certificates of deposit, at fair value. The fair value of equity securities with readily determinable fair values is based upon quoted market prices or publicly available net asset values. Negotiable certificates of deposit are valued using proprietary valuation models incorporating live data from active market makers and inter-dealer brokers as reported on electronic communication networks. The valuation models incorporate benchmark yields, reported trades, broker/dealer quotes, bids, offers, and other data.

In 2013, the Alcor Patient Care Trust purchased an investment of preferred stock in a privately held company for which one of Alcor Life Extension Foundation's board members is an officer. Alcor Life Extension Foundation has elected the practical expedient to measure investments in non-marketable equity securities at carrying value, less impairment, and adjusted for observable price changes in orderly transactions. During the year ended December 31, 2023, there were no observable price changes in orderly transactions or indications of impairment.

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 consolidated financial statements.

Prepaid cryopreservation and standby – Prepaid cryopreservation and standby services are refundable until services are provided and are recorded as a liability. Cryopreservation revenues and expenses are recognized upon the cryopreservation of a patient. Standby revenues and expenses are recognized upon providing emergency staff and transportation services to patients prior to cryopreservation, including all rescue activities up through the time the patient is transferred to the Alcor Life Extension Foundation's facilities for cryopreservation. At the time of providing these services, Alcor Life Extension Foundation utilizes the assets held in prepaid cryopreservation and standby to fund the services.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) Nature of operations and summary of significant accounting policies (continued)

Alcor Life Extension Foundation is required to report prepaid cryopreservation and standby funds invested in equity securities that have readily determinable fair values and all investments in debt securities, at fair value. The fair value is based on quoted market prices. The certificates of deposit are valued at estimated fair market value based on the certificates' stated interest rate and current market interest rate. The life insurance policies are valued at the cash surrender value as of year-end as reported by the policy provider.

Revenue from contracts – Alcor Life Extension Foundation's revenue streams that are accounted for as exchange transactions are described below.

Cryopreservation and standby revenue – Cryopreservation contracts include three performance obligations, two of which are recognized at the point in time in which they occur upon cryopreservation of the individual and one of which is recognized over time as costs to maintain biostasis are incurred or until resuscitation occurs. Revenue recognized over time is limited by the proceeds received from the patient in accordance with the individual's contract. Certain members select the option to prepay for standby services based on their geographical location, with a charge included in annual membership dues.

Comprehensive member standby revenue is recognized at the point in time in which they occur upon cryopreservation of the individual. Funds received in advance are included in prepaid cryopreservation and standby in the accompanying consolidated statement of financial position.

Cryopreservation contract proceeds are required to be paid in advance, resulting in contract liabilities. The funds received in advance may be in the form of cash, investments, or insurance contracts. The funds received are segregated in the accompanying consolidated statement of financial position as prepaid cryopreservation and standby. Prior to cryopreservation occurring, contract liabilities are included in deferred cryopreservation and standby revenue in the accompanying consolidated statement of financial position. Upon cryopreservation, the funds are transferred to the Alcor Patient Care Trust and Alcor Care Trust Supporting Organization for investment. Investment return earned by the portfolio in excess of costs incurred for patient care are allocated to contract liabilities as the cryopreservation contract stipulates these funds are to be used for patient care. Costs to maintain the patient until such time that potential revival may be possible are expensed as incurred.

Contract liabilities associated with the revenue streams above as of the beginning and end of the year are summarized as follows:

	<u>1/1/2023</u>	<u>12/31/2023</u>
Deferred cryopreservation and standby revenue	\$ 16,398,197	\$ 16,586,782
Deferred comprehensive member standby revenue	54,610	115,562
Deferred patient care reserve	<u>12,722,435</u>	<u>17,313,618</u>
Total contract liabilities	\$ 29,175,242	\$ 34,015,962

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) Nature of operations and summary of significant accounting policies (continued)

Contributions – Alcor Life Extension Foundation accounts for contributions in accordance with FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*. In accordance with ASC 958-605, Alcor Life Extension Foundation evaluates grants and contributions for evidence of the transfer of commensurate value from Alcor Life Extension Foundation to the resource provider. The transfer of commensurate value from the Organization to the resource provider may include instances when a) the goods or services provided by the Organization directly benefit the grantor or resource provider or are for the sole use of the grantor or resource provider or b) the grantor or resource provider obtains proprietary rights or other privileges from the goods or services provided by Alcor Life Extension Foundation. When such factors exist, Alcor Life Extension Foundation accounts for the grants or contributions as exchange transactions under ASC 606, or other appropriate guidance. In the absence of these factors, Alcor Life Extension Foundation accounts for the award under the contribution accounting model.

In the absence of the transfer of commensurate value from Alcor Life Extension Foundation to the resource provider, Alcor Life Extension Foundation evaluates the contribution for criteria indicating the existence of measurable barriers to entitlement for Alcor Life Extension Foundation or the right of return from the resource provider. A barrier to entitlement is subject to judgment and generally represents an unambiguous threshold for entitlement that provides clarity to both Alcor Life Extension Foundation and resource provider whether the threshold has been met and when. These factors may include measurable performance thresholds or limited discretion on the part of Alcor Life Extension Foundation to use the funds. Should the existence of a measurable barrier to entitlement exist and be accompanied by a right of return of the funds to the resource provider or release of the resource provider from the obligation, the contribution is treated as a conditional contribution. If both the barrier to entitlement and right of return do not exist, the contribution is unconditional.

Contributions received are recorded as with or without donor restriction depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions. Restricted support, where restrictions are met in the same period as the donation is made, is shown as additions to net assets without donor restrictions.

Membership dues – Individuals can become members for annual periods and there are various membership levels for a member to choose from that each provide different benefits. Alcor Life Extension Foundation has determined that there are no performance obligations associated with membership. The full value of membership dues is recognized as a contribution at the time the membership begins. Members generally pay the annual fee in advance.

Bequests – Bequests are recognized as contribution revenue in the period Alcor Life Extension Foundation receives notification the court has found the will of the donor's estate to be valid and all conditions have been substantially met.

Functional expense allocation – The costs of providing program and supporting services activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. The consolidated financial statements report expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The following table summarizes the allocation methods used.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) Nature of operations and summary of significant accounting policies (continued)

Payroll and benefits	Time and effort
Occupancy, utilities, depreciation, repairs and maintenance, lease expenses	Purpose and utilization of space

Contributions made – Alcor Life Extension Foundation adopted the amendments of FASB Accounting Standards Update (“ASU”) No. 2018-08, *Not-For-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* in 2020 on a modified prospective basis for contributions made. In accordance with ASU 2018-08, conditional grants are not recorded until such conditions are met.

Limited liability company – Based on the type of organization of Cryonics Property, LLC (an indefinite life entity) and as otherwise provided in the operating agreement executed by the members of this company, no member is personally liable for any acts, debts or liabilities beyond the members’ capital contributions.

Fair value measurements – FASB ASC 820, *Fair Value Measurement*, establishes a common definition for fair value to be applied to accounting principles generally accepted in the United States of America requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements. FASB ASC 820 also establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values by requiring that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

- Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities.
- Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3: Unobservable inputs for the asset or liability.

Income tax status – Alcor Life Extension Foundation, Alcor Endowment Trust Supporting Organization, the Alcor Patient Care Trust, and the Alcor Care Trust Supporting Organization qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code (the “Code”) and, accordingly, there is no provision for income taxes. Alcor Life Extension Foundation, Alcor Endowment Trust Supporting Organization, Alcor Patient Care Trust Supporting Organization, and the Alcor Care Trust Supporting Organization are also exempt from state income tax. In addition, Alcor Life Extension Foundation, Alcor Endowment Trust Supporting Organization, Alcor Care Trust Supporting Organization and the Alcor Patient Care Trust Supporting Organization qualify for the charitable contribution deduction under Section 170 of the Code and have been classified as organizations that are not private foundations. Income determined to be unrelated business taxable income (“UBTI”) would be taxable.

Cryonics Property, LLC files its income tax return on the cash basis as a partnership for federal and state income tax purposes. As such, Cryonics Property, LLC will not pay income taxes, as any income or loss will be included in the tax returns of the members.

In November 2021, Alcor Life Extension Foundation filed articles of incorporation in Arizona to become an Arizona entity. Alcor Life Extension Foundation, Alcor Endowment Trust Supporting Organization, the Alcor Patient Care Trust, and the Alcor Care Trust Supporting Organization evaluate their uncertain tax positions, if any, on a continual basis through review of their policies and procedures, review of their regular tax filings, and discussions with outside experts.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) Nature of operations and summary of significant accounting policies (continued)

Alcor Life Extension Foundation's, Alcor Care Trust Supporting Organization, and Alcor Endowment Trust Supporting Organization's federal Return of Organization Exempt from Income Tax (Form 990) and Cryonics Property LLC's Form 1065 for 2023, and 2022, and 2021 are subject to examination by the IRS, generally for three years after they were filed. The Alcor Patient Care Trust is included within Alcor Life Extension Foundation's Form 990.

Recent accounting pronouncements – In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments-Credit Losses (Topic 326)*, which provides updated guidance on how an entity should measure credit losses on financial instruments. Since June 2016, the FASB has issued several amendments to this original standard. Current guidance requires the recognition of credit losses based on an incurred loss impairment methodology that reflects losses once the losses are probable. Under the new standard, the Organization will be required to use a current expected credit loss model (CECL) that will immediately recognize an estimate of credit losses that are expected to occur over the life of the financial instruments that are in the scope of this update, including trade receivables. The CECL model uses a broader range of reasonable and supportable information in the development of credit loss estimates. The new standard and related amendments are effective for fiscal years beginning after December 15, 2022. The Organization adopted ASU No. 2016-13 in 2023. The adoption did not have a material impact on the consolidated financial statements..

Subsequent events – Alcor Life Extension Foundation has evaluated subsequent events through April 3, 2025 which is the date the consolidated financial statements were available to be issued.

(2) Investments

Investments consist of the following at December 31, 2023:

Negotiable certificates of deposit (fair value)	\$ 4,582,501
Cash and cash equivalents	1,715,037
Total stock market mutual fund	7,142,374
S&P 500 based exchange traded funds	4,155,486
Precious metal mutual funds	9,354,707
Fixed income mutual fund	1,950,922
Unregistered preferred stock	12,667
US federal agency securities	3,337,043
Other	176,522
Total investments	\$ 32,427,259

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(3) Property and equipment

Property and equipment consists of the following at December 31, 2023:

Cost or donated value:

Land	\$ 183,608
Building and leasehold improvements	2,268,522
Machinery and office equipment	1,565,202
Vehicles	74,549
Construction in process	<u>412,424</u>
Total cost or donated value	4,504,305
Accumulated depreciation	<u>(2,330,927)</u>
Net property and equipment	<u><u>\$ 2,173,378</u></u>

Depreciation expense charged to operations was \$173,425 for the year ended December 31, 2023.

(4) Split interest agreements

Alcor Life Extension Foundation is the beneficiary of 5 irrevocable trusts that are held by third parties in perpetuity.

For one such trust, Alcor Life Extension Foundation is the income beneficiary and records the contribution at the fair value of the beneficial interest in the trust assets. Income earned on the trust assets is recorded as income from beneficial interests in perpetual trusts in the accompanying consolidated statement of activities and changes in net assets. Subsequent changes in fair value of the beneficial interest in the trust assets are recorded as realized and unrealized gains on investment on the consolidated statement of activities and changes in net assets. Alcor Life Extension Foundation records its interest in the trust assets described above at the fair value of the underlying assets of the trust. The beneficial interests in the trusts is classified as with donor restrictions. The unit of account for fair value measurement related to the beneficial interests is the beneficial interest itself, and not the underlying assets of the trust. There are no unadjusted quoted market prices in active markets for identical beneficial interests (Level 1 inputs) and no other observable inputs in active or inactive markets specific to beneficial interests (Level 2 inputs). Accordingly, the fair value of the beneficial interest is based upon unobservable inputs for the beneficial interest (Level 3 inputs).

The fair value of this beneficial interest was \$126,756 as of December 31, 2023 and is included within pledges receivable in the accompanying consolidated statement of financial position.

Each of the remaining beneficial interests include performance conditions that are generally satisfied on an annual basis. Accordingly, Alcor recognizes income annually for the distributions to which they are entitled. As of December 31, 2023, Alcor met the conditions to receive approximately \$43,172 of distributions for which payments had not yet been received. This amount is included within pledges receivable in the accompanying consolidated statement of financial position.

Additionally, Alcor Life Extension Foundation is the trustee of an irrevocable trust. The trust includes conditional provisions that, if satisfied on an ongoing basis, permit annual distributions of a percentage of trust assets to Alcor. Alcor Life Extension Foundation recognizes the assets of this trust, which consist of publicly traded mutual funds, at fair value with an offsetting liability due to the ongoing conditions related to the trust agreements. The assets and related liability associated with this trust agreement totaled \$794,951 as of December 31, 2023.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(5) Prepaid cryopreservation and standby

Alcor Life Extension Foundation must maintain funds for prepaid cryopreservation and standby services in separate accounts for each member, per the cryopreservation contracts. Alcor Life Extension Foundation requires a minimum level of funding to be paid by the member. The member provides proof of minimum funding such as a transfer of ownership of a life insurance policy to Alcor Life Extension Foundation, naming Alcor Life Extension Foundation as the beneficiary of a life insurance policy, or payment through cash. Policies can be returned to members if membership is terminated.

The following is a summary of those investments and life insurance policies at December 31, 2023:

Member investments in cash	\$ 7,660,022
Member investments in other equities and mutual funds	852,068
Cash surrender value of member life insurance policies	<u>8,074,692</u>
Total prepaid cryopreservation and standby	<u>\$ 16,586,782</u>

Alcor Life Extension Foundation has a financial obligation to provide standby services to members residing in the continental U.S. and Canada. Standby services include emergency staff and transportation services to patients prior to cryopreservation, including all rescue activities necessary to bring the patient to the Alcor Life Extension Foundation facilities for cryopreservation. Members pay cryopreservation and standby fees to Alcor Life Extension Foundation to fund future standby expenses. Cryopreservation and standby fees will be recognized as revenue as standby expenses are incurred.

(6) Net assets

With donor restrictions - Net assets with donor restrictions are assets whose use by Alcor Life Extension Foundation has been limited by donors to a specific time period, purpose, or both. At December 31, 2023, net assets with donor restrictions include net assets restricted for the specified purpose of research and development. During the year ended December 31, 2020, the Board designated that approximately \$1.5 million of the donor restricted net assets be used exclusively to cover 5 years of salary and benefits for research personnel for ongoing research and development purposes. Releases from restriction during the year ended December 31, 2023 related to using restricted funds for their restricted purpose.

Designated net assets without donor restrictions - As of December 31, 2023, total board designated net assets was \$1,186,452. The funds are intended to be used as a long-term operating reserve and cannot be used without Board approval.

The net assets of Alcor Endowment Support Trust are designed by the Board for long-term income support for the organization. Additionally, the net asset of Alcor Patient Care Trust and Alcor Care Trust are designated for patient care. The net assets of these entities may be used for these designated purposes and in accordance with the constituent documents of these entities.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(7) Line of credit

Alcor Life Extension Foundation has a \$100,000 revolving line of credit agreement which was amended in November 2014 to remove the maturity date and change the terms of the line of credit such that it is due upon 90 days notice from the lender. The line of credit is subject to interest at the prime rate plus 1.3% (9.8% at December 31, 2023) with a minimum of 3% to be paid monthly. The line of credit is collateralized by future rights, title, interest and claims of Alcor Life Extension Foundation, and substantially all property of Alcor Life Extension Foundation. As of December 31, 2023, no amounts were outstanding under this line of credit.

(8) Leases and commitments

Cryonics Property, LLC is the lessor for office space under operating leases. The leases expire at various periods through October 2026. Rental income totaled \$82,416 for the year ended December 31, 2023. The remaining expected rental income to be received under these agreements as of December 31, 2023 are as follows:

Years Ending December 31.

2024	\$ 62,704
2025	64,604
2026	52,350
Total future minimum payments	<u>\$ 179,658</u>

Alcor Life Extension Foundation has an agreement to pay royalty fees to a third party for the use of certain medical technologies. The fee is paid in annual installments due on or before September of each contract year, expiring in September 2025. The remaining commitments for this agreement require a final payment of \$20,000 in 2024 as of December 31, 2023.

(9) Retirement plan

Alcor Life Extension Foundation has a 401(k) defined contribution plan (the "Plan") covering all employees meeting certain eligibility requirements. The Plan calls for contributions equal to 100% of the first 3% of eligible employee deferrals. Effective for the 2019 plan year, the Plan was amended to adopt a Safe Harbor non-elective contribution on behalf of each eligible employee in an amount equal to 5% of the eligible employee's compensation for the Plan year. All employer matching and non-elective contributions are discretionary. Alcor Life Extension Foundation contributed \$83,611 to the Plan for the year ended December 31, 2023.

(10) Contingencies

From time to time, Alcor Life Extension Foundation is involved in various claims and legal action arising in the normal course of operations. In the opinion of management, based on consultation with legal counsel, losses, if any, from those matters are not material to the consolidated financial position or results of operations of Alcor Life Extension Foundation.

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(11) Fair value measurements

The following table sets forth the level, within the fair value hierarchy of Alcor Life Extension Foundation's assets and liabilities subject to recurring fair value measurement as of December 31, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Total stock market mutual fund	\$ 7,142,374	\$ -	\$ -
S&P 500 based exchange traded funds	4,532,682	-	-
Precious metal funds	9,354,707	-	-
Fixed income mutual funds	1,950,922	-	-
Certificates of deposit	-	4,636,980	-
US federal agency securities	3,533,482	-	-
Other equities and mutual funds	751,194	-	-
Other	176,522	-	-
Beneficial interest in trusts held by third-party	-	-	126,756
Total	<u>\$ 27,441,883</u>	<u>\$ 4,636,980</u>	<u>\$ 126,756</u>

Alcor Life Extension Foundation had no other assets or liabilities subject to fair value measurements other than at initial recognition.

(12) Liquidity and availability of resources

Alcor Life Extension Foundation monitors its cash position to ensure the fulfillment of all obligations. The Alcor Life Extension Foundation's policy is to maintain financial assets to meet thirty days of operating expenses. As part of Alcor Life Extension Foundation's liquidity plan, excess cash may be invested in short-term investments, certificates of deposit ("CDs"), common stock and mutual funds, with the overall objective of the portfolio to have securities mature concurrent with cash needs.

Alcor Life Extension Foundation's financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows at December 31, 2023:

Cash and cash equivalents	\$ 3,832,260
Restricted cash	249,356
Accounts receivable, net	1,564,746
Pledges receivable	222,685
Investments	<u>32,427,259</u>
 Total financial assets available within one year	 38,296,306
Less assets designated by the Board for long-term operating reserve	(1,186,452)
Less assets in trust designated for long-term organization income support	(7,142,374)
Less assets designated for comprehensive member standby	(115,562)
Less net assets with donor restrictions	(4,034,058)
Less assets in trust designated for patient care	<u>(22,047,341)</u>
 Financial assets available for general expenditures within one year	 <u>\$ 3,770,519</u>

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

(12) Liquidity and availability of resources (continued)

Additionally, the Alcor Life Extension Foundation maintains a \$100,000 line of credit (Note 7). As of December 31, 2023, \$100,000 remained available for use.



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors of

ALCOR LIFE EXTENSION FOUNDATION AND AFFILIATES

We have audited the consolidated financial statements of Alcor Life Extension Foundation and Affiliates as of and for the year ended December 31, 2023, and our report thereon dated April 3, 2025 which contained an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities and changes in net assets presented on pages 20 and 21 are presented for the purpose of additional analysis of the consolidated financial statements rather than to present the financial information and results of operations of the individual entities, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CBIZ CPAs P.C.

April 3, 2025

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

SUPPLEMENTAL INFORMATION

December 31, 2023

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

ASSETS							
	Alcor Life Extension Foundation	Alcor Patient Care Trust	Cryonics Property, LLC	Alcor Endowment Trust Supporting Organization	Alcor Care Trust Supporting Organization	Consolidating and Eliminating	Total
CURRENT ASSETS							
Cash and cash equivalents	\$ 2,707,636	\$ 988,401	\$ 136,223	\$ -	\$ -	\$ -	\$ 3,832,260
Accounts receivable, net	668,903	856,516	2,417	-	1,950,438	(1,913,528)	1,564,746
Pledges receivable	179,513	43,172	-	-	-	-	222,685
Notes receivable - current	-	39,249	-	-	-	(39,249)	-
Other current assets	673,575	40,096	26,979	-	-	(1,041)	739,609
TOTAL CURRENT ASSETS	4,229,627	1,967,434	165,619	-	1,950,438	(1,953,818)	6,359,300
RESTRICTED CASH	249,356	-	-	-	-	-	249,356
	180,000	-	-	-	-	-	180,000
PROPERTY AND EQUIPMENT, net	793,893	807,370	572,115	-	-	-	2,173,378
INVESTMENTS	4,225,945	12,667	-	7,142,374	21,046,273	-	32,427,259
SPLIT INTEREST AGREEMENT ASSET	-	794,951	-	-	-	-	794,951
OPERATING LEASE RIGHT-OF-USE ASSET	352,542	-	-	-	-	(352,542)	-
NOTES RECEIVABLE	-	13,435	-	-	-	(13,435)	-
PREPAID CRYOPRESERVATION AND STANDBY	15,755,484	-	-	831,298	-	-	16,586,782
TOTAL ASSETS	\$ 25,786,847	\$ 3,595,857	\$ 737,734	\$ 7,973,672	\$ 22,996,711	\$ (2,319,795)	\$ 58,771,026
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts payable	\$ 1,138,112	\$ 1,290,931	\$ 40,944	\$ (150)	\$ 193,274	\$ (1,913,528)	\$ 749,583
Accrued expenses	320,664	-	1,041	-	-	(1,041)	320,664
Short term operating lease liability	115,911	-	-	-	-	(115,911)	-
Notes payable - current	-	-	39,249	-	-	(39,249)	-
TOTAL CURRENT LIABILITIES	1,574,687	1,290,931	81,234	(150)	193,274	(2,069,729)	1,070,247
SPLIT INTEREST AGREEMENT LIABILITY	-	794,951	-	-	-	-	794,951
NOTES PAYABLE	-	-	13,435	-	-	(13,435)	-
LONG TERM OPERATING LEASE LIABILITY	236,631	-	-	-	-	(236,631)	-
DEFERRED CRYOPRESERVATION AND STANDBY REVENUE	15,755,184	-	-	831,598	-	-	16,586,782
DEFERRED COMPREHENSIVE MEMBER STANDBY REVENUE	115,562	-	-	-	-	-	115,562
DEFERRED REVENUE	289,946	-	-	-	-	-	289,946
DEFERRED PATIENT CARE RESERVE	-	-	-	-	17,313,618	-	17,313,618
TOTAL LIABILITIES	17,972,010	2,085,882	94,669	831,448	17,506,892	(2,319,795)	36,171,106
NET ASSETS							
Without donor restrictions	3,780,779	1,509,975	615,098	7,142,224	5,489,819	-	18,537,895
Controlling Interest	-	-	27,967	-	-	-	27,967
Noncontrolling interest	-	-	-	-	-	-	-
Total without donor restrictions	3,780,779	1,509,975	643,065	7,142,224	5,489,819	-	18,565,862
With donor restrictions	4,034,058	-	-	-	-	-	4,034,058
TOTAL NET ASSETS	7,814,837	1,509,975	643,065	7,142,224	5,489,819	-	22,599,920
TOTAL LIABILITIES AND NET ASSETS	\$ 25,786,847	\$ 3,595,857	\$ 737,734	\$ 7,973,672	\$ 22,996,711	\$ (2,319,795)	\$ 58,771,026

See Independent Auditors' Report
on Supplemental Information

**ALCOR LIFE EXTENSION FOUNDATION
AND AFFILIATES**

SUPPLEMENTAL INFORMATION

Year Ended December 31, 2023

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

	Alcor Life Extension Foundation	Alcor Patient Care Trust	Cryonics Property, LLC	Alcor Endowment Trust Supporting Organization	Alcor Care Trust Supporting Organization	Consolidating and Eliminating	Total
REVENUE AND SUPPORT							
Membership dues	\$ 874,614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 874,614
Bequests	681,799	-	-	-	-	-	681,799
Contributions	1,807,064	-	-	-	-	-	1,807,064
Interest and distribution income	128,250	3,350	236	148,858	231,640	(2,932)	509,402
Realized and unrealized gains on investments	134,688	-	-	1,334,954	666,627	-	2,136,269
Cryopreservation and standby	1,750,037	230,274	-	-	-	-	1,980,311
Rental income	-	-	202,332	-	-	(119,916)	82,416
Other	132,220	215	-	-	-	(130,290)	2,145
TOTAL REVENUE AND SUPPORT	5,508,672	233,839	202,568	1,483,812	898,267	(253,138)	8,074,020
EXPENSES							
Payroll and benefits	1,698,002	12,134	-	-	-	-	1,710,136
Occupancy	9,815	569	-	-	-	-	10,384
Office expenses	134,822	1,691	-	-	-	-	136,513
Bank charges	28,066	-	-	-	-	-	28,066
Utilities	59,987	10,042	24,637	-	-	-	94,666
Insurance	89,060	35,888	-	-	-	-	124,948
Lease expenses	104,567	28,161	-	-	-	(119,916)	12,812
Depreciation	54,700	75,138	43,587	-	-	-	173,425
Professional fees	743,884	8,191	15,540	-	-	-	767,615
Equipment and supplies	310,463	54,797	-	-	-	-	365,260
Travel	215,742	-	2,350	-	-	-	218,092
Publications	66,081	-	-	-	-	-	66,081
Taxes and licenses	31,567	100	33,325	-	-	-	64,992
Repairs and maintenance	17,965	315	2,726	-	-	-	21,006
Grant expense	-	-	-	130,290	-	(130,290)	-
Miscellaneous	3,112	-	19,170	-	-	(2,932)	19,350
TOTAL EXPENSES	3,567,833	227,026	141,335	130,290	-	(253,138)	3,813,346
GAIN (LOSS) ON SALE/DISPOSAL OF PROPERTY AND EQUIPMENT	1,200	(3,464)	-	-	-	-	(2,264)
CHANGE IN NET ASSETS	1,942,039	3,349	61,233	1,353,522	898,267	-	4,258,410
NET ASSETS, BEGINNING OF YEAR	5,872,798	1,506,626	581,832	5,788,702	4,591,552	-	18,341,510
NET ASSETS, END OF YEAR	\$ 7,814,837	\$ 1,509,975	\$ 643,065	\$ 7,142,224	\$ 5,489,819	\$ -	\$ 22,599,920
NON-CONTROLLING INTERESTS' NET ASSETS, Beginning of year				\$ 25,306			
Net income				2,661			
NON-CONTROLLING INTERESTS' NET ASSETS, End of year				\$ 27,967			

See Independent Auditors' Report
on Supplemental Information