

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 13, 2003**

CRYO-CELL International, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-23386
(Commission File Number)

22-3023093
(IRS Employer
Identification No.)

3165 McMullen Booth Road, Bldg. B, Clearwater, FL
(Address of principal executive offices)

33761
(Zip Code)

Registrant's telephone number, including area code: **(727) 450-8000**

Not applicable
(Former name or former address, if changed since last report)

Item 4. Changes to Registrant's Certifying Accountant.

On May 13, 2003, Ernst & Young LLP ("E&Y") notified the Company that E&Y had resigned as the Company's independent auditors effective immediately.

E&Y was engaged on March 11, 2003, to conduct an audit of the Company's consolidated financial statements for the year ending November 30, 2003. However, as a result of E&Y's resignation prior to completing any audits or quarterly reviews, E&Y has not rendered any reports on the Company's consolidated financial statements as of any date or for any period.

From the date of E&Y's engagement through the date of its resignation, there were no disagreements with E&Y on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to E&Y's satisfaction, would have caused them to make reference to the subject matter in connection with any reports they may have rendered on the Company's consolidated financial statements provided, however:

E&Y informed the Company that information had come to its attention that if further investigated may materially impact the fairness and reliability of previously issued financial statements and financial statements to be issued covering subsequent periods.

Specifically, in connection with a review of the Company's condensed consolidated financial statements for the three month period ended February 28, 2003, which E&Y commenced but was unable to complete prior to its resignation, E&Y raised questions to management and the Audit Committee with respect to the Company's historical accounting treatment of stem cell storage fees and revenue sharing agreements (RSAs). First, E&Y questioned whether the Company's recognition of revenue for annual storage fees received from customers at the time of receipt was in conformity with generally accepted accounting principles. E&Y expressed its belief that such annual storage fees should be accounted for by initially recording a deferred liability with revenue recognized ratably over the period covered by the annual storage fee. The Company concurs with E&Y with respect to the treatment of such storage fees, and intends to restate prior period financial statements as soon as possible with respect to this matter.

Second, with respect to the RSAs, E&Y questioned whether the Company's historical accounting practice of immediately recognizing revenue at the time the RSA was entered into was in conformity with generally accepted accounting principles. Upon review, the Company concurs with E&Y that the amount of each RSA should not be recognized immediately as revenue. However, the Company continues to evaluate the proper accounting treatment for its RSAs. Due to E&Y's resignation, E&Y did not expand the scope of its review or conduct further investigation to reach a definitive conclusion as to the proper accounting treatment related to the Company's RSAs.

In May 2003, the Company initiated a discussion with the staff of the Office of Chief Accountant of the Securities and Exchange Commission to assist the Company in its determination of the proper accounting treatment for the RSAs.

Other than as set forth above, there have been no “reportable events” as described in Item 304(a)(1)(v) of Regulation S-K during the period of E&Y’s engagement.

The Company has authorized E&Y to respond fully to any inquiries of the successor accountant, when appointed, concerning these matters.

A copy of the letter from E&Y to the Securities and Exchange Commission dated May 20, 2003, stating whether or not it agrees with the above statements, is included as Exhibit 16.1 to this report.

The Company is in the process of selecting new independent auditors. The Audit Committee and the Board of Directors have identified several potential accounting firms and are currently in discussions with these firms.

Item 7. Financial Statements and Exhibits

(c) Exhibits.

16.1 Letter from Ernst & Young, LLP dated May 20, 2003

99.1 Press Release dated May 20, 2003

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CRYO-CELL INTERNATIONAL, INC.
(Registrant)

Date: May 20, 2003

By: /s/ Jill M. Taymans

Name: Jill M. Taymans
Title: Vice President, Finance

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
16.1	Letter from Ernst & Young, LLP dated May 20, 2003
99.1	Press Release dated May 20, 2003

[Ernst & Young LLP Letterhead]

May 20, 2003

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Ladies and Gentlemen:

We have read Item 4 of Form 8-K dated May 20, 2003 of CRYO-CELL International, Inc. and are in agreement with the statements contained in paragraphs 1-6 and 8-10 on pages 2 and 3 therein. We have no basis to agree or disagree with other statements of the registrant contained therein.

Very truly yours,

Ernst & Young, LLP
Tampa, Florida

For Immediate Release

Contact: Jill Taymans
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investor.relations@cryo-cell.com

**CRYO-CELL ANNOUNCES RESIGNATION OF AUDITOR AND CONTINUED ASSESSMENT OF
CERTAIN REVENUE RECOGNITION ACCOUNTING POLICIES**

Clearwater, FL B May 20, 2003 (NASDAQ-CCELE)—CRYO-CELL International, Inc. announced today that Ernst & Young, LLP resigned as the Company's independent auditor. Mercedes Walton, the Company's Chairman and Interim Chief Executive Officer stated "while the resignation of Ernst & Young LLP is unfortunate, the Company continues to move forward with its new strategic focus and is expecting to engage new independent auditors in the near future."

The Company is presently awaiting guidance from the SEC with respect to the proper accounting treatment for its revenue sharing agreements and is working with its former auditor, Weinick Sanders Leventhal & Co., LLP in connection with the Company's anticipated restatement of its prior financial statements, which, as previously announced, has delayed the Company's filing of its Form 10-QSB for the quarter ended February 28, 2003.

As previously announced, the Company received notification from Nasdaq that its common stock is subject to delisting for noncompliance with Nasdaq Marketplace Rule 4310(e)(14), for failure to file its Form 10-QSB. The Company has requested a hearing with Nasdaq regarding its listing which is currently scheduled for May 22, 2003. Jill Taymans, the Company's Vice President of Finance and Chief Financial Officer indicated, "The Company is working to expeditiously finalize the proper accounting treatment for the revenue sharing agreements and bring its filings current."

About CRYO-CELL International, Inc.

Based in Clearwater, Florida, CRYO-CELL is the world's largest and fastest growing U-Cord™ stem cell banking firm, offering high-quality cord blood preservation exclusively for the benefit of newborn babies and possibly other members of their family. CRYO-CELL is accredited by the American Association of Blood Banks (AABB).

CRYO-CELL is a publicly traded company. NASDAQ Symbol ... CCELE. Expectant parents or healthcare professionals may call 1-800-STOR-CELL (1-800-786-7235) or visit www.cryo-cell.com.

Forward Looking Statement

Statements wherein the terms "believes", "intends", "projects" or "expects" as used are intended to reflect "forward looking statements" of the Company. The information contained herein is subject to various risks, uncertainties and other factors, including but not limited to the risks and uncertainties associated with the ongoing assessment of certain revenue recognition policies and the Nasdaq notification and compliance process, that could cause actual results to differ materially from the results anticipated in such forward looking statements or paragraphs. Readers should carefully review the risk factors described in other documents the Company files from time to time with the Securities and Exchange Commission, including the most recent Annual Report on Form 10-KSB, Quarterly Reports on Form 10-QSB and any Current Reports on Form 8-K filed by the Company.