

UERMMMC ALUMNI FOUNDATION, INC.

FINANCIAL REPORT

DECEMBER 31, 2011

ROMEO CORONACION
CERTIFIED PUBLIC ACCOUNTANT
12 THIRD AVENUE
PORT WASHINGTON, NY 11050
(516) 467-4987

UERMMMC ALUMNI FOUNDATION, INC.

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As at December 31, 2011

ROMEO CORONACION, C.P.A.

12 THIRD AVENUE
PORT WASHINGTON, NY 11050

(516) 883-1121

ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees
UERMMMC Alumni Foundation, Inc.
2 Deer Run
Sparta, NJ 07871

I have reviewed the accompanying statements of financial position of UERMMMC Alumni Foundation, Inc. as of December 31, 2011 and 2010 and the related statements of activities and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of foundation management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my reviews, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles accepted in the United States of America.

Romeo Coronacion

Port Washington, New York
February 26, 2012

UERMMMC ALUMNI FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31,

ASSETS	2011	2010
Cash		
Business checking account	\$7,157	\$18,101
Business money market	51,863	54,389
Savings account	12,183	11,415
Interest checking account	5,355	9,550
Cash in brokerage accounts	29,056	22,998
Total cash	105,614	116,453
Investments in Mutual Funds - at fair value - held at		
Chase Investment Services Corp	93,591	95,730
Merrill Lynch Endowment Management Account	197,208	199,183
Ameriprise Financial	342,751	354,296
Total investments	633,550	649,209
Other current assets		
Prepaid expenses	299	
Miscellaneous receivables		2,833
Total other current assets	299	2,833
Fixed assets		
Office equipment	3,454	3,454
Less: Accumulated depreciation	3,454	3,454
	0	0
Total assets	\$739,463	\$768,495
NET ASSETS		
Unrestricted	\$182,871	\$176,559
Temporarily restricted	357,026	392,908
Permanently restricted	199,566	199,028
Total net assets (Exhibit B)	\$739,463	\$768,495

See accountant's review report.

UERMMMC ALUMNI FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31,

	2011	2010
Revenues		
Contributions	\$27,030	\$45,103
Fund raising, net	5,796	\$4,910
Investment income		
Dividends, capital gains and interest	15,192	14,845
Unrealized appreciation (depreciation in value of investments)	(14,291)	45,141
Net investment income	901	59,986
Total revenues	33,727	109,999
Expenses		
Supported activities	52,553	63,848
Management and general	10,206	18,434
Total expenses	62,759	82,282
Change in assets	(29,032)	27,717
Net assets - beginning of year	768,495	740,778
Net assets - end of year (Exhibit A)	\$739,463	\$768,495

See accountant's review report.

UERMMMC ALUMNI FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	2011	2010
Cash flows from operating activities		
Change in net assets (Exhibit B)	(\$29,032)	\$27,717
Adjustment to reconcile changes in net assets to cash provided by operating activities		
Unrealized (appreciation) in value of investments	14,291	(45,141)
Working capital changes		
Prepaid expenses	(299)	
Miscellaneous receivables	2,833	(2,833)
Net cash provided (used) by operations	(12,207)	(20,257)
Cash provided (used) in investing activities		
Purchase (sale) of investments	1,368	9,077
(Decrease) in cash	(10,839)	(11,180)
Cash - beginning of year	116,453	127,633
Cash -end of year	<u>\$105,614</u>	<u>\$116,453</u>

See accountant's review report.

UERMMMC ALUMNI FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

1. Organization

UERMMMC Alumni Foundation, Inc., USA is a not-for-profit publicly supported organization incorporated under the laws of the State of New York on November 4, 1981. Its main objective is to support medical education and research in the Philippines and in the United States.

2. Financial reporting

Accrual basis financial statements

The accompanying financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities.

Functional allocation of expenses

Expenses are classified according to the programs for which they were incurred and are summarized on a functional basis in the accompanying statement of activities. The programs are as follows:

Supported Activities -

The Foundation directly support institutions providing medical education, primarily UERMMMC Colleges of Medicine and Physiotherapy, departments of Ramon Macsaysay Memorial Medical Center, a non-profit institution affiliated but not incorporated with the University of the East in Manila, Philippines.

Awards are granted for programs deemed essential in improving the quality of education, research, and faculty development. Books and tuition assistance are also given to deserving students.

Management and general - involves the direction of the overall affairs of the Foundation, which includes governance, accounting, leadership workshop and related areas.

Use of 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, liabilities, revenues and expenses. Actual results may differ from those estimates.

UERM MMC ALUMNI FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

2. (continued)

Investments

Investments are reported at fair value. Gains and losses are included in the statements of activities. The investment portfolio is subject to the volatility of the securities marketplace, and, accordingly, its fair value may rise or decline on a basis unrelated to management's investment decisions.

Investments in mutual funds are valued at the net asset value (NAV) of shares held at year end.

Net assets

The net assets of the organization and changes therein are classified and reported as follows:

a. Unrestricted

Unrestricted net assets are those resources not subject to donor-imposed restrictions

b. Temporarily restricted

Temporarily restricted net assets are those resources that are subject to donor-imposed restrictions that will be met either by actions of the Foundation and/or the passage of time. Net assets released from restrictions represent the satisfaction of the restricted purposes specified by the donor, or by the occurrence of other events.

c. Permanently restricted

Permanently restricted net assets are subject to donor-imposed stipulations that may be maintained permanently by the Organization. Generally, the donors permit the Organization to use all or part of these assets, including income earned on related investments and capital appreciation thereon, for specified purposes

Volunteer Services

A significant portion of the Organization's functions are conducted by unpaid volunteer officers and committees. These services do not satisfy the criteria established under generally accepted accounting principles for valuation and recognition in the accompanying financial statements.

UERMMMC ALUMNI FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

3. (concluded)

Contributions

Contributions are recorded as revenue upon receipt of cash or unconditional pledges. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Fixed assets

Fixed assets are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of 7 years.

Contingent asset

The Foundation is owner and beneficiary of a \$10,000 insurance on the life of an alumnus. Premiums are being paid by the insured.

Income taxes

The Organization is exempt from Federal and New York State income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes is required.