

ITHACA HEALTH ALLIANCE INC.

Ithaca, New York

Review Report on Financial Statements

**For the Year Ended
December 31, 2011**

ITHACA HEALTH ALLIANCE INC.
December 31, 2011

Independent Accountant's Review Report.....	1
Statements of Assets, Liabilities and Net Assets.....	2
Statement of Revenues and Expenses.....	3
Statements of Cash Flows.....	4
Notes to Financial Statements.....	5

Paul V. Stearns, CPA

Individual & Business Taxes, Accounting Systems

Board of Directors

Ithaca Health Alliance Inc.

Ithaca, New York

I have reviewed the accompanying statements of assets, liabilities and net assets of Ithaca Health Alliance, Inc. as of December 31, 2011 and the related statements of revenue, expenses and changes in net assets and cash flows for the year then ended. A review includes primarily applying analytical procedures to managements financial data and making inquiries of the organizations 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 review in accordance with 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 review, 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 accounting principles general accepted in the United States of America.



February 6, 2012
Ithaca, New York

2415 N. Triphammer Rd.
Ithaca, NY 14850

607-330-1161/cell 607-279-0192
Fax 607-277-4994

ITHACA HEALTH ALLIANCE INC.
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
December 31, 2011

ASSETS

	<u>2011</u>
Current Assets:	
Cash	\$ 88,900
Certificates of Deposit (Note 2)	82,127
Prepaid expenses	<u>3,865</u>
Total Current assets	174,892
Property and equipment, at cost, less accumulated depreciation of \$22,805	35,872
Security deposits	<u>6,181</u>
Total Assets	<u><u>\$ 216,945</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Deferred revenues (Note 4)	\$ 14,423
Net Assets	
Unrestricted	200,260
Temporarily restricted	<u>2,262</u>
Total Net Assets	<u>202,522</u>
Total Liabilities and Net Assets	<u><u>\$ 216,945</u></u>

**ITHACA HEALTH ALLIANCE
STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>2011</u>
	<u>Amount</u>
Revenues:	
Contributions	\$ 125,333
Government revenues	35,920
Grants	63,480
Interest income	1,269
Net assets released from restriction	<u>2,153</u>
Total Revenues	228,155
Expenses	
Program Services	26,128
Professional fees	11,231
Payroll & related expenses	103,746
Occupancy	42,015
Insurance	17,641
Office	11,850
Depreciation	4,009
Miscellaneous expense	<u>2,296</u>
Total Operating Expenses	<u>218,916</u>
Increase in Unrestricted Net Assets	9,239
Changes in Temporarily Restricted Net Assets	
Net assets released from restrictions	(2,153)
Decrease in Temporarily Restricted Net Assets	<u>(2,153)</u>
Increase in Net Assets	7,086
Net Assets, January 1, 2011	<u>195,436</u>
Net Assets, December 31, 2011	<u>\$ 202,522</u>

See Independent Accountant's Review Report and Notes to Financial Statements

**ITHACA HEALTH ALLIANCE INC.
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	2010
Cash Flows from Operating Activities:	
Changes in net assets	\$ (8,931)
Adjustments to reconcile net assets to net cash provided by operating activities:	
Decrease in accounts receivable	1,406
Decrease in prepaid expenses	249
Decrease in deferred revenues	(19,575)
Depreciation	4,009
Net Cash Provided (used) by Operating Activities	(22,842)
Cash Flows from Investing Activities	
Purchase of investments	-0-
Proceeds from the sale of investments	-0-
Purchase of property and equipment	1,458
Net Cash (Used) by Investing Activities	1,458
Cash Flows from Financing Activities:	-0-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVILANTS	(24,300)
Cash and Cash Equivilants, January 1, 2011	195,327
Cash and Cash Equivilants, December 31, 2011	\$ 171,027

See Independent Accountant's Review Report and Notes to Financial Statements

ITHACA HEALTH ALLIANCE INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2011

Note 1-Nature of Activities

Nature of the Organization

Ithaca Health Alliance, Inc. is a not-for-profit corporation located in Ithaca, New York, whose purpose is to facilitate access to health care for all with a focus on the needs of the uninsured.

Basis of Accounting

The Organization's accounts are maintained, and these financial statements are presented, on the accrual basis of accounting under which income, expenses and liabilities are recognized when incurred.

Cash Equivalents and Short-term Investments

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are recorded at fair market value.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principals includes the use of estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from estimates.

Income Taxes

Ithaca Health Alliance, Inc. is a nonprofit organization as defined by the Internal Revenue code section 501 (c)(3), and consequently is exempt from federal and state income taxes.

Note 2 - Investments

The following represents investments as of December 31, 2011

	Cost	Fair Value	Excess of Fair Value (Cost)
Certificates of deposit	\$ 82,127	\$ 82,127	\$ -0-

Note 3 - Temporarily Restricted Net Assets

Temporarily restricted net assets consist of funds being held for specific expenses in the future as specified by the donor. These funds are released as the relative expenses are incurred.

Note 4-Deferred Revenues

Deferred revenues represent funds received from donors late in the year that are specified for use in the following fiscal year. Management has elected to recognize these revenues in the period the related expenses are expected to be incurred.