

Financial Statements
Oxfam America Advocacy Fund, Inc.
October 31, 2009 and 2008



Mayer Hoffman McCann P.C.
An Independent CPA Firm
Tofias New England Division

OXFAM AMERICA ADVOCACY FUND, INC.

Financial Statements

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Independent Auditors' Report

Board of Directors
Oxfam America Advocacy Fund, Inc.
Boston, Massachusetts

We have audited the accompanying statements of financial position of Oxfam America Advocacy Fund, Inc. (the "Fund") as of October 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Oxfam America Advocacy Fund, Inc. as of October 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Mayer Hoffman McCann P.C.

February 11, 2010
Cambridge, Massachusetts

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Financial Position

	<i>October 31,</i>	
	<i>2009</i>	<i>2008</i>
Assets		
Cash	\$ 233,480	\$ 429,032
Investments	684,400	497,346
Accounts receivable	587	2,286
Prepaid expenses	<u>49,000</u>	<u>49,000</u>
Total assets	<u>\$ 967,467</u>	<u>\$ 977,664</u>
Liabilities		
Accounts payable and accrued expenses	\$ <u>78,164</u>	\$ <u>71,126</u>
Total liabilities	<u>78,164</u>	<u>71,126</u>
Net assets:		
Unrestricted	<u>889,303</u>	<u>906,538</u>
Total net assets	<u>889,303</u>	<u>906,538</u>
Total liabilities and net assets	<u>\$ 967,467</u>	<u>\$ 977,664</u>

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Activities

	<i>Years Ended October 31,</i>	
	<i>2009</i>	<i>2008</i>
Revenue and other support:		
Contributions	\$ 629,341	\$ 811,579
Interest	3,062	12,313
	<hr/>	<hr/>
Total revenue	632,403	823,892
Expenses:		
Program services:		
Policy and advocacy	441,119	365,177
	<hr/>	<hr/>
Total program services	441,119	365,177
Support services:		
Management and general	53,403	34,249
Fundraising	155,116	186,368
	<hr/>	<hr/>
Total supporting services	208,519	220,617
	<hr/>	<hr/>
Total expenses	649,638	585,794
Increase (decrease) in net assets	(17,235)	238,098
Net assets, beginning of year	906,538	668,440
	<hr/>	<hr/>
Net assets, end of year	\$ 889,303	\$ 906,538
	<hr/>	<hr/>

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Cash Flows

	<i>Years Ended October 31,</i>	
	<i>2009</i>	<i>2008</i>
Cash flows from operating activities:		
Change in net assets	\$ (17,235)	\$ 238,098
Reconciliation to cash flow:		
Change in:		
Accounts receivable	1,699	300
Prepaid expenses	-	(26,500)
Accounts payable and accrued expenses	7,038	(333,669)
	<u> </u>	<u> </u>
Net cash used in operating activities	<u>(8,498)</u>	<u>(121,771)</u>
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	228,008	700,000
Purchases of investments	(415,062)	(267,281)
	<u> </u>	<u> </u>
Net cash provided by (used in) investing activities	<u>(187,054)</u>	<u>432,719</u>
Net change in cash	(195,552)	310,948
Cash, beginning of year	429,032	118,084
	<u> </u>	<u> </u>
Cash, end of year	\$ <u>233,480</u>	\$ <u>429,032</u>

OXFAM AMERICA ADVOCACY FUND, INC.

Notes to Financial Statements

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

Oxfam America Advocacy Fund, Inc. (the “Fund”) is a non-profit organization incorporated in Massachusetts, created to foster an environment supportive of long-term development and to serve as advocate and lobbyist for change in global public policy on poverty and social justice. The Fund promotes policy change at the national level and produces educational materials for the United States public on these same issues. The Fund is related to Oxfam America, Inc. (“Oxfam”). Oxfam appoints the Board of Directors to the Fund and is the sole corporate member of the Fund. In addition, Oxfam provides certain supporting and other services to the Fund for which Oxfam charges the actual cost of services rendered.

Oxfam International is a non-profit organization comprised of fourteen independent members around the world which includes Oxfam America. Oxfam America’s board chair and president are members of the Oxfam International Board.

A summary of the accounting policies consistently applied in the financial statements follows:

Financial Statement Preparation

The financial statements have been prepared on the accrual basis of accounting.

The financial statements of the Fund are categorized into classes of net assets based on the existence of donor-imposed restrictions as follows:

Unrestricted Net Assets – are contributions that are not restricted by donors or for which restrictions have expired.

Temporarily Restricted Net Assets – carry specific, donor-imposed restrictions on the expenditure or other use of the funds. Temporary restrictions may expire either because of passage of time or because certain actions are taken by the Fund which fulfilled the restriction. Temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the Statement of Activities as net assets released from restrictions in the period in which the donor-imposed condition is met or the stipulated time restrictions have passed. The Fund had no temporarily restricted net assets in 2009 and 2008.

Permanently Restricted Net Assets – are those that are subject to donor-imposed restrictions which will never lapse, thus requiring the funds be retained permanently, but permit the Fund to use or expend part or all of the economic benefits derived from the donated assets. The Fund had no permanently restricted net assets in 2009 and 2008.

Contributions

Contributions are recorded as support at the time the donor makes an unconditional promise to give. The existence or absence of restrictions on the gift will determine if it should be classified as unrestricted, temporarily restricted or permanently restricted. Contributions not expected to be collected within one year are recorded at the estimated present value of future cash flows, utilizing a risk-free rate of return.

OXFAM AMERICA ADVOCACY FUND, INC.

Notes to Financial Statements

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (Continued)

Estimates Used in the Preparation of the Financial Statements

In preparing financial statements in conformity with U.S. generally accepted accounting standards, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of combined financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Tax Status

The Fund received a determination letter dated October 20, 2006 from the Internal Revenue Service recognizing it as an organization described in Section 501(c)(4) of the Internal Revenue Code and, as such, it is generally exempt from federal and state income taxes on related income. Accordingly, no provision for income taxes is made in the financial statements.

Uncertain Tax Positions

The Fund accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. Interest and penalties assessed, if any, are accrued as income tax expense.

The Fund has identified its tax status as a tax exempt entity as a tax position; however, the Fund has determined that such tax position does not result in an uncertainty requiring recognition.

Cash

The Fund maintains its cash in bank deposit accounts, which at times exceed federally insured limits. The Fund has not experienced any losses in such accounts.

Fair Value

The Fund measures certain of its financial instruments at fair market value. Fair market value standards require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs to determine value. Fair value standards also require the Fund to classify its financial instruments into a three level hierarchy, based on the priority of inputs to the valuation technique, as follows:

Level 1 - Quoted prices are available in active markets for identical instruments as of the reporting date. The type of instruments included in Level 1 includes listed equity and debt securities publicly traded on a stock exchange.

OXFAM AMERICA ADVOCACY FUND, INC.

Note to Financial Statements

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (Continued)

Fair Value (Continued)

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Instruments which are generally included in this category include less liquid and restricted equity securities and over-the-counter derivatives including corporate bonds and loans and public company equity securities with legal restrictions.

Level 3 - Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation. Instruments that are included in this category generally include investments in privately held portfolio companies, promissory notes to privately held companies and interests in other investment partnerships.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Subsequent Events

The fund has evaluated subsequent events through February 11, 2010, the date the financial statements were authorized to be issued.

Note 2 - Related Party Transactions

The Fund purchases a significant portion of its services from Oxfam America including management services. Oxfam and the Fund have executed an agreement where Oxfam charges the Fund actual costs incurred for services provided.

A summary of transactions between the Fund and Oxfam America is as follows:

	<i>2009</i>	<i>2008</i>
Accounts payable and accrued expenses due to Oxfam America	\$ 1,021	\$ 3,094
Total charges to the Fund from Oxfam America for payroll, fringe, facilities, publicity and related costs	\$ 117,530	\$ 127,486

Note 3 - Investments

The \$684,400 and \$497,346 balance in investments consists of money market funds for the years ended October 31, 2009 and 2008, respectively.

OXFAM AMERICA ADVOCACY FUND, INC.

Note to Financial Statements

Note 4 - Fair Value Measurements

The Fund follows the fair value measurement standards for its financial instruments. These standards require enhanced disclosures about instruments that are measured and reported at fair value and establish a hierarchal disclosure framework which prioritizes and ranks the level of market price used in measuring instruments at fair value. Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available quoted prices or for which fair value can be measured for actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

The valuation of the Fund's instruments using the fair value hierarchy consisted of the following at October 31, 2009:

	<i>Quoted prices in active markets Level 1</i>	<i>Significant observable inputs Level 2</i>	<i>Significant unobservable inputs Level 3</i>	<i>Total</i>
Investments	\$ <u>684,400</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>684,400</u>

Fair values of financial instruments includes cash, accounts receivable and accounts payable. Management believes the carrying amount of these instruments approximates their fair value. The fair values of such instruments have been derived, in part, by management's assumptions, the estimated amount and timing of future cash flows and estimated discount rates. Different assumptions could significantly affect these estimated fair values. Accordingly, the net realizable values could be materially different. In addition, the estimates are only indicative of the value of individual financial instruments.