

Financial Statements
Oxfam America Advocacy Fund, Inc.
October 31, 2010 and 2009



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

OXFAM AMERICA ADVOCACY FUND, INC.

Financial Statements

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Mayer Hoffman McCann P.C.

An Independent CPA Firm

Tofias New England Division

350 Massachusetts Avenue

Cambridge, MA 02139

Tel: 617.761.0703 Fax: 617.761.0601

www.mhm-pc.com

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, 2010 and 2009, 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, 2010 and 2009, 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 24, 2011
Cambridge, Massachusetts

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Financial Position

	<i>October 31,</i>	
	<i>2010</i>	<i>2009</i>
Assets		
Cash	\$ 237,207	\$ 233,480
Investments	766,182	684,400
Accounts receivable	-	587
Prepaid expenses	<u>49,000</u>	<u>49,000</u>
Total assets	\$ <u>1,052,389</u>	\$ <u>967,467</u>
Liabilities		
Accounts payable and accrued expenses	\$ <u>61,936</u>	\$ <u>78,164</u>
Total liabilities	<u>61,936</u>	<u>78,164</u>
Net assets:		
Unrestricted	<u>990,453</u>	<u>889,303</u>
Total net assets	<u>990,453</u>	<u>889,303</u>
Total liabilities and net assets	\$ <u>1,052,389</u>	\$ <u>967,467</u>

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Activities

	<i>Years Ended October 31,</i>	
	<i>2010</i>	<i>2009</i>
Revenue and other support:		
Contributions	\$ 663,641	\$ 629,341
Interest	1,797	3,062
	<hr/>	<hr/>
Total revenue	665,438	632,403
	<hr/>	<hr/>
Expenses:		
Program services:		
Policy and advocacy	330,203	441,119
	<hr/>	<hr/>
Total program services	330,203	441,119
	<hr/>	<hr/>
Support services:		
Management and general	33,407	53,403
Fundraising	200,678	155,116
	<hr/>	<hr/>
Total supporting services	234,085	208,519
	<hr/>	<hr/>
Total expenses	564,288	649,638
	<hr/>	<hr/>
Increase (decrease) in net assets	101,150	(17,235)
Net assets, beginning of year	889,303	906,538
	<hr/>	<hr/>
Net assets, end of year	\$ 990,453	\$ 889,303
	<hr/>	<hr/>

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Cash Flows

	<i>Years Ended October 31,</i>	
	<i>2010</i>	<i>2009</i>
Cash flows from operating activities:		
Change in net assets	\$ 101,150	\$ (17,235)
Reconciliation to cash flow:		
Change in:		
Accounts receivable	587	1,699
Accounts payable and accrued expenses	<u>(16,228)</u>	<u>7,038</u>
Net cash provided by (used in) operating activities	<u>85,509</u>	<u>(8,498)</u>
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	-	228,008
Purchases of investments	<u>(81,782)</u>	<u>(415,062)</u>
Net cash used in investing activities	<u>(81,782)</u>	<u>(187,054)</u>
Net change in cash	3,727	(195,552)
Cash, beginning of year	<u>233,480</u>	<u>429,032</u>
Cash, end of year	\$ <u>237,207</u>	\$ <u>233,480</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 2010 and 2009.

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 2010 and 2009.

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-adjusted 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. Given the limited taxable activities of the Fund, management has concluded that disclosures relative to tax provisions are not necessary.

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 its only significant tax position; however, the Fund has determined that such tax position does not result in an uncertainty requiring recognition. Oxfam America, Inc. and Affiliates is not currently under examination by any taxing jurisdiction. Its Federal and state income tax returns are generally open for examination for the past three years.

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 Measurements

The Fund reports required types of financial instruments in accordance with fair value accounting standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. In addition, the Fund reports certain investments using the net asset value per share as determined by investment managers under the so called “practical expedient”. The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met. Fair value standards also require the Fund to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value (NAV) practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

OXFAM AMERICA ADVOCACY FUND, INC.

Notes to Financial Statements

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

Fair Value Measurements (Continued)

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments which are generally included in this category include listed equity and debt securities publicly traded on a stock exchange.

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. Level 2 also includes practical expedient investments with notice periods for redemption of 90 days or less.

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. Level 3 also includes practical expedient investments with notice periods for redemption of more than 90 days.

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

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 active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements.

For more information on the fair value of the Fund's financial instruments, see Note 4 - Fair Values of Financial Instruments.

OXFAM AMERICA ADVOCACY FUND, INC.

Notes to Financial Statements

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

Subsequent Events

The Fund has evaluated subsequent events through February 24, 2011, 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>2010</i>	<i>2009</i>
(Due to) due from Oxfam America, Inc.	\$ (26,320)	\$ 1,021
Total charges to the Fund from Oxfam America for payroll, fringe, facilities, publicity and related costs	\$ 88,027	\$ 117,530

Note 3 - Investments

The \$766,182 and \$684,400 balance in investments consists of money market funds for the years ended October 31, 2010 and 2009, respectively.

Note 4 - Fair Values of Financial Instruments

The valuation of the Fund's instruments using the fair value hierarchy consisted of the following at October 31, 2010:

	<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>
Money Market Funds	\$ <u>766,182</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>766,182</u>

OXFAM AMERICA ADVOCACY FUND, INC.

Notes to Financial Statements

Note 4 - Fair Values of Financial Instruments (Continued)

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>
Money Market Funds	\$ <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.