

Financial Statements

Oxfam America Advocacy Fund, Inc.

March 31, 2014 and 2013



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

OXFAM AMERICA ADVOCACY FUND, INC.

Financial Statements

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An Independent CPA Firm

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Independent Auditors' Report

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

We have audited the accompanying financial statements of Oxfam America Advocacy Fund, Inc. (the "Fund"), which comprise the statements of financial position as of March 31, 2014 and 2013 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 March 31, 2014 and 2013 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mayer Hoffman McCann P.C.

July 15, 2014
Boston, Massachusetts

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Financial Position

	<i>March 31,</i>	
	<i>2014</i>	<i>2013</i>
Assets		
Cash	\$ 70,736	\$ 209,822
Investments	890,201	769,453
Prepaid expenses	54,750	49,000
Accounts receivable	<u>10,483</u>	<u>6,807</u>
Total assets	\$ <u>1,026,170</u>	\$ <u>1,035,082</u>
Liabilities and Net Assets		
Accounts payable	\$ 75,163	\$ 127,866
Accrued payroll and other accrued expenses	11,021	14,600
Other liabilities	<u>-</u>	<u>1,100</u>
Total liabilities	<u>86,184</u>	<u>143,566</u>
Net assets:		
Unrestricted	<u>939,986</u>	<u>891,516</u>
Total net assets	<u>939,986</u>	<u>891,516</u>
Total liabilities and net assets	\$ <u>1,026,170</u>	\$ <u>1,035,082</u>

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Activities

Years Ended March 31,

	<i>2014</i>	<i>2013</i>
Revenue and other support:		
Contributions	\$ 475,552	\$ 467,214
Investment income	820	704
Other income	-	456
	<hr/>	<hr/>
Total revenue	476,372	468,374
	<hr/>	<hr/>
Expenses:		
Program services:		
Saving lives: emergency response and preparedness	410	-
Campaigning for social justice	156,085	186,198
Public education	87,990	112,689
	<hr/>	<hr/>
Total program services	244,485	298,887
	<hr/>	<hr/>
Supporting services:		
Management and general	32,482	37,837
Fundraising	150,935	169,215
	<hr/>	<hr/>
Total supporting services	183,417	207,052
	<hr/>	<hr/>
Total expenses	427,902	505,939
	<hr/>	<hr/>
Increase (decrease) in net assets	48,470	(37,565)
Net assets, beginning of year	891,516	929,081
	<hr/>	<hr/>
Net assets, end of year	\$ 939,986	\$ 891,516
	<hr/>	<hr/>

OXFAM AMERICA ADVOCACY FUND, INC.

Statements of Cash Flows

Years Ended March 31,

	<i>2014</i>	<i>2013</i>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 48,470	\$ (37,565)
Reconciliation to cash flow:		
Net realized and unrealized gains on investments	(748)	-
Change in:		
Accounts receivable and other assets	(9,426)	24,837
Accounts payable, accrued payroll expenses, and other accrued expenses	(56,282)	16,411
Other liabilities	<u>(1,100)</u>	<u>683</u>
Net cash provided by (used in) operating activities	<u>(19,086)</u>	<u>4,366</u>
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	375,000	100,000
Purchases of investments	<u>(495,000)</u>	<u>(195,680)</u>
Net cash used in investing activities	<u>(120,000)</u>	<u>(95,680)</u>
Net change in cash	(139,086)	(91,314)
Cash, beginning of year	<u>209,822</u>	<u>301,136</u>
Cash, end of year	\$ <u><u>70,736</u></u>	\$ <u><u>209,822</u></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 seventeen independent members around the world which includes Oxfam. Oxfam’s board chair is a member 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 as to their use 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 at March 31, 2014 and 2013.

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 at March 31, 2014 and 2013.

OXFAM AMERICA ADVOCACY FUND, INC.

Notes to Financial Statements

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

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.

Estimates Used in the Preparation of the Financial Statements

In preparing financial statements in conformity with accounting standards generally accepted in the United States of America, 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 is recognized by the Internal Revenue Service 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. The Fund is not currently under examination by any taxing jurisdiction. Its Federal and state income tax returns are generally open for examination for three years following the date filed.

Cash

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

OXFAM AMERICA ADVOCACY FUND, INC.

Notes to Financial Statements

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

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” method. The practical expedient method 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.

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 that can be redeemed within 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 that cannot be redeemed within 90 days.

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.

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 changes 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 3 - Investments and 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 July 15, 2014, 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 including management services. Oxfam and the Fund have executed an agreement whereby Oxfam charges the Fund actual costs incurred for services provided.

A summary of transactions between the Fund and Oxfam America are as follows for the years ending March 31:

	2014		2013	
Amounts prepaid to Oxfam America	\$	49,000	\$	49,000
Amounts due to Oxfam America	\$	(75,163)	\$	(127,411)
Total charges to the Fund from Oxfam America for payroll, fringe, facilities, publicity and related costs	\$	277,344	\$	335,993

Note 3 - Investments and Fair Values of Financial Instruments

The fair value of the Fund's investments using the fair value hierarchy consisted of the following at March 31:

		2014			
		Level 1	Level 2	Level 3	Total
Money market funds	\$	<u>890,201</u>	<u>-</u>	<u>-</u>	<u>890,201</u>
		2013			
		Level 1	Level 2	Level 3	Total
Money market funds	\$	<u>769,453</u>	<u>-</u>	<u>-</u>	<u>769,453</u>