



Financial Statements
Oxfam America Action Fund, Inc.
March 31, 2023 and 2022



OXFAM AMERICA ACTION FUND, INC.

Financial Statements

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Independent Auditors' Report

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

Opinion

We have audited the financial statements of Oxfam America Action Fund, Inc. ("OAAF"), which comprise the statements of financial position as of March 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of OAAF as of March 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OAAF and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about OAAF's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 OAAF's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about OAAF's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Maya Hoffman McCann P.C.

July 24, 2023
Boston, Massachusetts

OXFAM AMERICA ACTION FUND, INC.

Statements of Financial Position

March 31,

	2023	2022
Assets		
Cash	\$ 538,331	\$ 238,844
Investments	171,305	170,891
Prepaid expenses	50,701	48,962
Pledge receivable	-	230,000
Accounts receivable	<u>7,554</u>	<u>9,330</u>
Total assets	\$ <u>767,891</u>	\$ <u>698,027</u>
Liabilities and Net Assets		
Accounts payable	\$ 45,204	\$ 54,367
Accrued payroll and other accrued expenses	14,766	17,939
Other liabilities	<u>1,951</u>	<u>1,951</u>
Total liabilities	<u>61,921</u>	<u>74,257</u>
Net assets:		
Without donor restrictions	523,159	480,544
With donor restrictions	<u>182,811</u>	<u>143,226</u>
Total net assets	<u>705,970</u>	<u>623,770</u>
Total liabilities and net assets	\$ <u>767,891</u>	\$ <u>698,027</u>

OXFAM AMERICA ACTION FUND, INC.

Statement of Activities

Year Ended March 31, 2023
(with comparative totals for 2022)

	2023			2022
	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>	<i>Total</i>
Revenue and other support:				
Contributions	\$ 383,921	\$ 250,000	\$ 633,921	\$ 785,589
Investment return	414	-	414	47
Net assets released from restrictions	210,415	(210,415)	-	-
Total revenue	594,750	39,585	634,335	785,636
Expenses:				
Program services:				
Campaigning for social justice	347,185	-	347,185	457,227
Public education	66,183	-	66,183	59,857
Total program services	413,368	-	413,368	517,084
Supporting services:				
Management and general	46,300	-	46,300	30,677
Fundraising	92,467	-	92,467	143,604
Total supporting services	138,767	-	138,767	174,281
Total expenses	552,135	-	552,135	691,365
Change in net assets	42,615	39,585	82,200	94,271
Net assets, beginning of year	480,544	143,226	623,770	529,499
Net assets, end of year	\$ 523,159	\$ 182,811	\$ 705,970	\$ 623,770

OXFAM AMERICA ACTION FUND, INC.

Statement of Activities

Year Ended March 31, 2022

	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
Revenue and other support:			
Contributions	\$ 535,589	\$ 250,000	\$ 785,589
Investment return	47	-	47
Net assets released from restrictions	<u>259,320</u>	<u>(259,320)</u>	<u>-</u>
Total revenue	<u>794,956</u>	<u>(9,320)</u>	<u>785,636</u>
Expenses:			
Program services:			
Campaigning for social justice	457,227	-	457,227
Public education	59,857	-	59,857
Total program services	<u>517,084</u>	<u>-</u>	<u>517,084</u>
Supporting services:			
Management and general	30,677	-	30,677
Fundraising	143,604	-	143,604
Total supporting services	<u>174,281</u>	<u>-</u>	<u>174,281</u>
Total expenses	<u>691,365</u>	<u>-</u>	<u>691,365</u>
Change in net assets	103,591	(9,320)	94,271
Net assets, beginning of year	<u>376,953</u>	<u>152,546</u>	<u>529,499</u>
Net assets, end of year	<u>\$ 480,544</u>	<u>\$ 143,226</u>	<u>\$ 623,770</u>

See accompanying notes to the financial statements.

OXFAM AMERICA ACTION FUND, INC.

Statements of Functional Expenses

Years Ended March 31,

2023							
Program Services			Supporting Services				
Campaigning for Social Justice	Public Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expense	
Payroll and related expenses	\$ 158,813	\$ 17,289	\$ 176,102	\$ 14,678	\$ 13,952	\$ 28,630	\$ 204,732
Professional fees and services	38,048	-	38,048	14,623	7,000	21,623	59,671
Occupancy costs	13,175	1,434	14,609	1,218	1,158	2,376	16,985
Travel, meetings and conferences	28,067	-	28,067	-	-	-	28,067
Supplies, postage and printing	12,389	47,460	59,849	410	63,462	63,872	123,721
Other expenses	57,943	-	57,943	15,371	6,895	22,266	80,209
Grants and partner support	38,750	-	38,750	-	-	-	38,750
Total expenses	\$ 347,185	\$ 66,183	\$ 413,368	\$ 46,300	\$ 92,467	\$ 138,767	\$ 552,135

2022							
Program Services			Supporting Services				
Campaigning for Social Justice	Public Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expense	
Payroll and related expenses	\$ 224,236	\$ 29,151	\$ 253,387	\$ 12,235	\$ 11,719	\$ 23,954	\$ 277,341
Professional fees and services	45,161	-	45,161	13,300	13,307	26,607	71,768
Occupancy costs	18,138	1,861	19,999	781	748	1,529	21,528
Supplies, postage and printing	4,675	28,845	33,520	128	108,292	108,420	141,940
Other expenses	129,517	-	129,517	4,233	9,538	13,771	143,288
Grants and partner support	35,500	-	35,500	-	-	-	35,500
Total expenses	\$ 457,227	\$ 59,857	\$ 517,084	\$ 30,677	\$ 143,604	\$ 174,281	\$ 691,365

See accompanying notes to the financial statements.

OXFAM AMERICA ACTION FUND, INC.

Statements of Cash Flows

Years Ended March 31,

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 82,200	\$ 94,271
Reconciliation to cash flow:		
Net realized and unrealized gains on investments	(414)	(47)
Change in:		
Prepaid expenses	(1,739)	38
Pledge receivable	230,000	(230,000)
Accounts receivable	1,776	(1,855)
Accounts payable and accrued payroll and other accrued expenses	<u>(12,336)</u>	<u>(39,863)</u>
Net cash provided by (used in) operating activities	<u>299,487</u>	<u>(177,456)</u>
Net increase (decrease) in cash	299,487	(177,456)
Cash, beginning of year	<u>238,844</u>	<u>416,300</u>
Cash, end of year	\$ <u>538,331</u>	\$ <u>238,844</u>

OXFAM AMERICA ACTION FUND, INC.

Notes to Financial Statements

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

Oxfam America Action Fund (“OAAF”) is a wholly-owned subsidiary of Oxfam America, Inc. (“OA”). OA is OAAF’s sole corporate member and as such appoints the board to OAAF. OAAF is a non-profit organization incorporated in Massachusetts, created to foster an environment supportive of long-term development and to serve as an advocate and lobbyist for change in global public policy on issues of poverty and social justice. OAAF promotes policy change at the national and international level and produces educational materials for the U.S. public on these same issues.

OA provides certain supporting and other services to OAAF for which OA charges the actual cost of services rendered as more fully described in Note 3.

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

Basis of Presentation

The financial statements of OAAF have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America which requires that information regarding its financial position and activities are reported based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for general use and not subject to donor restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by the passage of time, the events specified by the donor or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets were restricted for policy platform related matters and OAAF has no permanently restricted resources.

Pledges Receivable

Pledges receivable represent contributions verifiably committed by donors that are scheduled for payment in the future. Such amounts are initially recorded at fair value using Level 2 inputs as described in the fair value policies later in this section. Those measurements include the effects of estimated collections and risk adjusted discount rates applied to pledges expected to be collected over a period of one year at the date of commitment. The pledge receivable as of March 31, 2022 was due in less than one year, was considered current and did not include any donor-imposed restrictions. This amount was fully received in fiscal 2023.

There were no conditional contributions or intentions as of March 31, 2023 and 2022.

Cash

OAAF maintains cash in various banking institutions which periodically may exceed federally insured limits. Cash accounts are stated at cost plus accrued interest. Management monitors its depository institutions and has not experienced losses associated with its accounts.

OXFAM AMERICA ACTION FUND, INC.

Notes to Financial Statements

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

Investments

Investments are carried at fair value. Fair value is determined as per the fair value policies described in this section.

Investment return (loss) is reported in the Statements of Activities and consists of interest, dividends, realized and unrealized gains and losses, less external and direct internal investment expenses. Returns are allocated based on the underlying funds if such funds are with donor restrictions.

Fair Value Measurements

OAAF reports required types of financial instruments in accordance with fair value accounting standards. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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) to determine fair value. Recurring fair value measurements are OAAF's investments. Fair value standards also require OAAF to classify financial instruments into a three-level hierarchy, based on the priority of inputs used to value instruments. 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 actively traded publicly listed equity and debt securities.

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 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.

All of OAAF's investments were valued using Level 1 methods at March 31, 2023 and 2022.

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.

OXFAM AMERICA ACTION FUND, INC.

Notes to Financial Statements

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

Fair Value Measurements (Continued)

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. It is possible that redemption rights may be restricted or eliminated by investment managers in the future in accordance with the underlying fund agreements.

Revenue Recognition and Operations

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Investment returns are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed restrictions on net assets, such as the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed, are reported as “net assets released from restriction” between the classes of net assets.

Contributions

Contributions are recorded as support at the time the donor makes an unconditional promise to give. The existence or absence of donor restrictions on the gift determines its classification as being with donor restrictions or without donor restrictions. Conditional contributions are not recognized as revenue until the conditions have been met. Contribution intentions are not recorded as revenue. It is OAAF's policy to recognize real estate contributions when a fair market value is determinable.

Functional Allocation of Expenses

The costs of providing the various programs and activities and supporting services have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. No costs have been allocated to programs for fundraising-related activities.

Use of Estimates

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 the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

OXFAM AMERICA ACTION FUND, INC.

Notes to Financial Statements

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

Tax Status

OAAF 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 OAAF, management has concluded that disclosures relative to tax provisions are not necessary.

Uncertain Tax Positions

OAAF 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.

OAAF has identified its tax status and its classification of revenue as its only significant tax positions; however, OAAF has determined that such tax positions do not result in an uncertainty requiring recognition. OAAF is not currently under examination by any taxing jurisdiction and its Federal and state income tax returns are generally open for examination for three years following the date filed.

Concentration of Credit Risk

OAAF has a concentration of credit risk associated with pledges receivable, however that risk has been judged to be modest based on history and the wherewithal of donors, most of which are foundations or individuals well known to OAAF. OAAF had one donor that represented 100% of pledges receivable as of March 31, 2022. OAAF had two donors that collectively represented 60% and 61% of contribution revenue for the year ended March 31, 2022.

Subsequent Events

OAAF has evaluated subsequent events through July 24, 2023, the date the financial statements were authorized to be issued. No matters were identified for adjustment or disclosure during this evaluation.

Note 2 - Liquidity and Availability

OAAF regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. OAAF has various sources of liquidity at its disposal, including cash and marketable debt and equity securities.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, OAAF considers all expenditures related to its ongoing program activities as well as the conduct of services undertaken to support those activities to be general expenditures.

OXFAM AMERICA ACTION FUND, INC.

Notes to Financial Statements

Note 2 - Liquidity and Availability (Continued)

In addition to the financial assets available to meet general expenditures over the next 12 months, OAAF seeks to operate within its available resources from the current period or accumulated from the past based on current priorities. Operations can be scaled as needed to ensure a match of resources.

The following table shows the total financial assets available within one year to meet general expenditures at March 31:

	2023	2022
Financial assets available to meet general expenditures over the next 12 months:		
Cash	\$ 538,331	\$ 238,844
Pledge receivable	-	230,000
Accounts receivable	7,554	9,330
Investments not encumbered by donor or board restrictions	<u>171,305</u>	<u>170,891</u>
Total financial assets available to meet general expenditures over the next 12 months	\$ <u>717,190</u>	\$ <u>649,065</u>

Note 3 - Related Party Transactions

A summary of transactions between OAAF and OA is as follows for the years ended March 31:

	2023	2022
Amounts prepaid to OA	\$ 49,000	\$ 49,000
Pledge due from OA	\$ -	\$ 230,000
Amounts due to OA (included in accounts payable and accrued payroll and other accrued expenses)	\$ (278,742)	\$ (294,401)
Total charges to OAAF from OA for payroll, fringe, facilities, publicity and related costs	\$ 288,381	\$ 319,206