

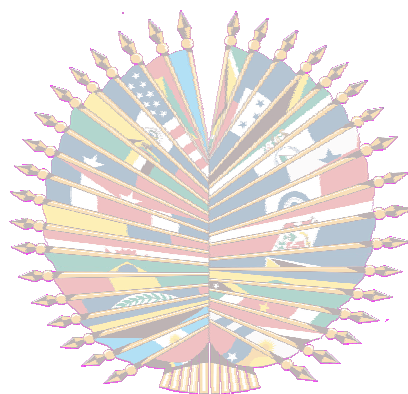
CHAPTER 3

ROWE MEMORIAL BENEFIT FUND

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SB & COMPANY, LLC
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INDEPENDENT PUBLIC ACCOUNTANTS' REPORT

The Board of External Auditors
Organization of American States

We have audited the accompanying statement of financial position of the Rowe Memorial Benefit Fund (the Fund), as of December 31, 2005, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Fund as of and for the year ended December 31, 2004, were audited by other auditors whose report dated April 1, 2005, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 the Fund as of December 31, 2005, and the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

March 22, 2006

SB & Company, LLC

ROWE MEMORIAL BENEFIT FUND

Statements of Financial Position

As of December 31	2005	2004
Assets		
Equity in the OAS Treasury Fund	\$ 248,252	\$ 8,122
Investments at market value	-	239,137
<i>Total unrestricted net assets</i>	\$ 248,252	\$ 247,259
Liabilities and net assets		
Unrestricted net assets	\$ 248,252	\$ 247,259
<i>Total liabilities and net assets</i>	\$ 248,252	\$ 247,259

Statements of Activities

For the years ended December 31	2005	2004
Income		
Dividends and interest income from OAS Treasury Fund	\$ 7,233	\$ 4,998
<i>Total additions</i>	7,233	4,998
Expenses		
Official Recognition	740	-
Subsidies	2,000	12,500
Technical Services	3,500	6,500
<i>Total deductions</i>	6,240	19,000
Change in net assets	993	(14,002)
Unrestricted net assets, beginning of year	247,259	261,261
<i>Unrestricted net assets, end of year</i>	\$ 248,252	\$ 247,259

Statements of Cash Flows

For the years ended December 31	2005	2004
Operating activities		
Change in net assets	\$ 993	\$ (14,002)
<i>Net cash provided by (used in) operating activities</i>	993	(14,002)
Investing activities		
Proceeds from securities	245,563	-
Dividends and capital gains reinvested	(6,426)	(4,662)
<i>Net cash provided by (used in) investing activities</i>	239,137	(4,662)
Net increase (decrease) in cash and cash equivalents	240,130	(18,664)
Equity in OAS Treasury Fund, beginning of year	8,122	26,786
<i>Equity in OAS Treasury Fund, end of year</i>	\$ 248,252	\$ 8,122

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND FINANCING

The assets of the Rowe Memorial Benefit Fund (the Fund) have been accumulated principally from contributions received from Dr. Leo S. Rowe, a former Director General of the Pan American Union. These assets are held in trust to provide certain welfare benefits for employees of the Organization of American States (OAS). Administrative functions of the Fund are provided without charge by the General Secretariat of the (GS/OAS).

2. BASIS OF ACCOUNTING

Use of Estimates

The accompanying financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

In-Kind Contributions

No amounts are recorded in the accompanying financial statements relating to the use of services and facilities provided to the Fund by the GS/OAS since no objective basis is available to value such contributions.

Income Tax Status

As an international organization, the OAS is exempt from United States of America Federal income taxes. This exemption also applies to the Fund.

3. EQUITY IN OAS TREASURY FUND

All U.S. dollar available for use in carrying out the activities of the various funds of the OAS are consolidated in the Treasury Fund. Each fund administered by the GS/OAS maintains equity to the extent of its cash balance retained therein. The Treasury Fund is administered by the GS/OAS and amounts not immediately required for operations are invested. Income earned by the Treasury Fund is added to the equity of each fund in proportion to its balance.

4. COMMITMENTS AND CONTINGENCIES: LITIGATION

The Fund is not subject to any lawsuits which management believes will have a material adverse effect on the Fund's financial condition.

