# Clear Fund Financial Statements

February 22, 2007 (Inception) to December 31, 2007

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INDEPENDENT AUDITORS’ REPORT

TO THE BOARD OF DIRECTORS
The Clear Fund

We have audited the accompanying statement of financial position of The Clear Fund as of December 31, 2007, and the related statements of activities and change in net assets, and cash flows for the period February 22, 2007 (inception) to December 31, 2007. These financial statements are the responsibility of The Clear Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 Clear Fund as of December 31, 2007, and the changes in its net assets and cash flows for the period February 22, 2007 (inception) to December 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

New York, New York
July 15, 2008
ASSETS

Current Assets
Cash and cash equivalents $237,802

LIABILITIES AND NET ASSETS

Current Liabilities
Accounts payable and accrued expenses $8,724
Due to officers 10,290
Grants payable 65,000
Total Current Liabilities 84,014

Net assets
Unrestricted 149,957
Temporarily restricted 3,831
Total net assets 153,788

TOTAL LIABILITIES AND NET ASSETS $237,802

The accompanying notes are an integral part of these financial statements.
The Clear Fund  
(aka GiveWell)  
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FEBRUARY 22, 2007 (INCEPTION) TO DECEMBER 31, 2007

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and Other Support:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$ 322,783</td>
<td>$ 74,145</td>
<td>$ 396,928</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>70,314</td>
<td>(70,314)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenue and other support</strong></td>
<td>393,097</td>
<td>3,831</td>
<td>396,928</td>
</tr>
</tbody>
</table>

| **Expenses:**                   |              |                        |                 |
| Program expenditures            | 203,362      | -                      | 203,362         |
| Fundraising                     | 3,200        | -                      | 3,200           |
| General and administrative      | 36,578       | -                      | 36,578          |
| **Total expenses**              | 243,140      |                        | 243,140         |

| **Change in net assets**        |              |                        |                 |
| Net assets - beginning of period | -            | -                      | -               |
| Net assets - end of period      | $ 149,957    | $ 3,831                | $ 153,788       |

The accompanying notes are an integral part of these financial statements.
CASH FLOWS FROM OPERATING ACTIVITIES
Change in net assets $153,788

Adjustments to reconcile change in assets to net cash
Provided by operating activities:
  Increase (Decrease) in certain liabilities:
    Accounts payable and accrued expenses 8,724
    Due to officers 10,290
    Grants payable 65,000

CASH PROVIDED BY OPERATING ACTIVITIES 237,802

NET INCREASE IN CASH AND CASH EQUIVALENTS 237,802

CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD -

CASH AND CASH EQUIVALENTS – END OF PERIOD $237,802

The accompanying notes are an integral part of these financial statements.
NOTE 1 - NATURE OF ACTIVITIES

The Clear Fund (aka GiveWell) is a not-for-profit organization incorporated February 22, 2007 under the laws of the State of New York. The Clear Fund publishes public research and recommendations on charities, with the aim of helping individuals to accomplish as much good as possible with their donations. The Clear Fund offers and distributes grants. Through its grant application process, the Clear Fund collects thorough information on charities’ activities and evidence of effectiveness, which is then evaluated and published on its public website (www.givewell.net).

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statement presentation follows the requirements of Statement of Financial Accounting Standards (“SFAS”) No. 117, “Financial Statements of Not-for-Profit Organizations.” Under SFAS No. 117, information regarding financial position and organization activities are reported according to three classes of assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Accordingly, the net assets consist of the following:

Unrestricted
Net assets of The Clear Fund whose use has not been restricted by an outside donor or by law. They are available for any use in carrying out the operations of The Clear Fund.

Temporarily Restricted
Net assets of The Clear Fund whose use has been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of The Clear Fund.

Permanently Restricted
Net assets of The Clear Fund whose use has been permanently limited by donor-imposed restrictions. Such assets include contributions required to be invested in perpetuity, the income from which is available to support organizational purposes designated by the donors.

At December 31, 2007, no net assets of The Clear Fund are permanently restricted.
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Support
The Clear Fund’s primary source of revenue is contributions from individuals. Cash contributions and unconditional promises to give from donors are recorded as received. Donated securities are recorded at market value at the time of donation. The Clear Fund reports contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Use of Estimates
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, contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents
For the purpose of the statements of cash flows, The Clear Fund considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risk
The Clear Fund places its cash in what it believes to be credit-worthy financial institutions. However, cash balances may exceed FDIC insured levels at various times during the year.

Expense Allocation
Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time analysis. Fundraising, general and administrative expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of The Clear Fund.

Tax-Exempt Status
The Clear Fund is a non-profit organization exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code and a similar provision under New York State income tax laws. In addition, The Clear Fund qualifies for the charitable contribution deduction under Section 170(b) (1) (a) and has been classified as an organization that is not a private foundation under Section 509(a) (1).
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising costs
The Clear Fund uses advertising specifically aimed at encouraging potential donors to use its research, featured at its public website, for their own giving. The Website provides prominent links for donating to recommended charities. Accordingly, a substantial portion of advertising costs have been allocated to program expenditures and costs are expensed as incurred. For the period February 22, 2007 (inception) to December 31, 2007, advertising costs totaled $3,699.

NOTE 3 - DUE TO OFFICERS

Two officers of The Clear Fund personally paid for various expenses on behalf of The Clear Fund. At December 31, 2007, amounts due to the officers totaled $10,290, all of which was paid in full in 2008.

NOTE 5 - GRANTS PAYABLE

The Clear Fund made grants to various causes during the period February 22, 2007 to December 31, 2007. Grants payable, in the amount of $65,000, represents the amount that has been committed for two grants, but not yet paid as of December 31, 2007. These grants were paid in 2008.

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets in the amount of $3,831 are available for various causes for the year ended December 31, 2008.
INDEPENDENT AUDITORS’ REPORT
ON ADDITIONAL INFORMATION

TO THE BOARD OF DIRECTORS
The Clear Fund

Our report on our audit of the basic financial statements of The Clear Fund as of December 31, 2007, appears on Page 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements as a whole.

FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

New York, New York
July 15, 2008
<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Program</th>
<th>Fundraising</th>
<th>General and Administrative</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$140,000</td>
<td>$-</td>
<td>$-</td>
<td>$140,000</td>
</tr>
<tr>
<td>Research fees</td>
<td>2,751</td>
<td>$-</td>
<td>$-</td>
<td>2,751</td>
</tr>
<tr>
<td>Public website</td>
<td>4,056</td>
<td>$-</td>
<td>$-</td>
<td>4,056</td>
</tr>
<tr>
<td>Salaries and employee benefits</td>
<td>52,351</td>
<td>2,800</td>
<td>19,234</td>
<td>74,385</td>
</tr>
<tr>
<td>Advertising</td>
<td>3,329</td>
<td>370</td>
<td>$-</td>
<td>3,699</td>
</tr>
<tr>
<td>Professional fees</td>
<td>$-</td>
<td>$-</td>
<td>13,071</td>
<td>13,071</td>
</tr>
<tr>
<td>General insurance</td>
<td>$-</td>
<td>$-</td>
<td>632</td>
<td>632</td>
</tr>
<tr>
<td>Office expense</td>
<td>715</td>
<td>30</td>
<td>1,340</td>
<td>2,085</td>
</tr>
<tr>
<td>Registration fees</td>
<td>$-</td>
<td>$-</td>
<td>1,265</td>
<td>1,265</td>
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<tr>
<td>Software</td>
<td>160</td>
<td>$-</td>
<td>492</td>
<td>652</td>
</tr>
<tr>
<td>Travel and conferences</td>
<td>$-</td>
<td>$-</td>
<td>332</td>
<td>332</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$-</td>
<td>$-</td>
<td>212</td>
<td>212</td>
</tr>
<tr>
<td>Totals</td>
<td>$203,362</td>
<td>$3,200</td>
<td>$36,578</td>
<td>$243,140</td>
</tr>
</tbody>
</table>