

THE CLEAR FUND
(aka GIVEWELL)

FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

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DECEMBER 31, 2009 AND 2008

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS

The Clear Fund

We have audited the accompanying statements of financial position of The Clear Fund as of December 31, 2009 and 2008, and the related statements of activities and change in net assets, and cash flows for the years ended December 31, 2009 and 2008. 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 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 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 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 The Clear Fund as of December 31, 2009 and 2008, and the changes in its net assets and cash flows for the years ended December 31, 2009 and 2008, in conformity with accounting principles generally accepted in the United States of America.

The financial statements include certain prior year summarized comparative information in total, but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with The Clear Fund's financial statements for the year ended December 31, 2008 from which the summarized information was derived.

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

New York, New York
July 13, 2010

THE CLEAR FUND
(aka GIVEWELL)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

	2009	2008
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 450,383	\$ 725,840
Contributions receivable	318,306	-
Investment in marketable securities	15,456	25,000
Prepaid expenses	1,502	1,036
TOTAL ASSETS	785,647	751,876
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	7,100	\$ 11,446
Due to officers	8,256	4,181
Total Current Liabilities	15,356	15,627
 Net Assets		
Unrestricted	463,705	368,239
Temporarily restricted	306,586	368,010
Total Net Assets	770,291	736,249
TOTAL LIABILITIES AND NET ASSETS	\$ 785,647	\$ 751,876

The accompanying notes are an integral part of the financial statements.

THE CLEAR FUND
(aka GIVEWELL)
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009			2008
	Unrestricted	Temporarily Restricted	Total	
Revenue and other support:				
Contributions	\$ 327,855	\$ 38,224	\$ 366,079	\$ 768,517
Donated goods and services	11,850	-	11,850	2,375
Interest income	7,792	-	7,792	55
Miscellaneous income	664	-	664	-
Net assets released from restrictions	99,648	(99,648)	-	-
Total revenue and other support	447,809	(61,424)	386,385	770,947
Expenses:				
Program expenditures	274,767	-	274,767	126,225
Fundraising	9,081	-	9,081	8,126
General and administrative	68,495	-	68,495	54,135
Total expenses	352,343	-	352,343	188,486
Changes in net assets	95,466	(61,424)	34,042	582,461
Net assets - beginning of period	368,239	368,010	736,249	153,788
Net assets - end of period	<u>\$ 463,705</u>	<u>\$ 306,586</u>	<u>\$ 770,291</u>	<u>\$ 736,249</u>

The accompanying notes are an integral part of the financial statements.

THE CLEAR FUND
(aka GIVEWELL)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 34,042	582,461
Adjustments to reconcile changes in assets to net cash provided by operating activities:		
(Increase) Decrease in certain assets:		
Contributions receivable	(318,306)	-
Prepaid expenses	(466)	(1,036)
Increase (Decrease) in certain liabilities:		
Accounts payable and accrued expenses	(4,346)	2,722
Grants Payable	-	(65,000)
	<u>(289,076)</u>	<u>519,147</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITY		
Sale of marketable security	9,544	-
Acquisition of marketable security	-	(25,000)
	<u>9,544</u>	<u>(25,000)</u>
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITY		
Due to officers	4,075	(6,109)
	<u>4,075</u>	<u>(6,109)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(275,457)	488,038
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u>725,840</u>	<u>237,802</u>
CASH AND CASH EQUIVALENTS - END OF PERIOD	<u>\$ 450,383</u>	<u>\$ 725,840</u>

The accompanying notes are an integral part of the financial statements.

THE CLEAR FUND
(aka GIVEWELL)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

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 finds outstanding charities and publishes the full details of its analysis to help donors decide where to give. The Clear Fund sometimes gives grants to outstanding charities, to improve incentives for doing demonstrably effective work and sharing information on that work. More information, including all recommendations, grants and reasoning, is available at www.givewell.org.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statement presentation follows the requirements of Statement of Financial Accounting Standards Codification "Financial Statements of Not-for-Profit Organizations." Under FASB ASC, information regarding financial position and organization activities is 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

Unrestricted net assets of The Clear Fund are assets whose use has not been restricted by an outside donor or by law. The unrestricted net assets represent the portion of expendable funds that are available for the support of the operations of The Clear Fund. Unrestricted – Board Designated are unrestricted net assets that the Board of Directors has set aside to be contributed to various charities.

Temporarily Restricted

Temporarily restricted net assets are used to differentiate resources, the use of which is restricted by donors or grantors to a specific time period or for a specific purpose. Temporarily restricted gifts are recorded as additions to temporarily restricted net assets in the period received. When restricted net assets are expended for their stipulated purpose, temporarily restricted net assets become unrestricted net assets and are reported in the statements of activities as net assets released from restrictions.

Permanently Restricted

Permanently restricted net assets are contributions and other outflows of assets whose use by The Clear Fund is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization. The income derived from these permanently restricted funds is usually classified as unrestricted and can be used for the general purpose of The Clear Fund.

THE CLEAR FUND
(aka GIVEWELL)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

At December 31, 2009 and 2008, The Clear Fund had no permanently restricted net assets.

Support

The Clear Fund's primary source of revenue is contributions from individuals and other organizations. 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.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with The Clear Fund's financial statements for the year ended December 31, 2008 from which the summarized information was derived.

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

Financial instruments which potentially subject The Clear Fund to concentrations of credit risk are cash and cash equivalents placed in credit-worthy financial institutions. The amount on deposit that exceeds the federally insured limit is subject to credit risk. During the years ended December 31, 2009 and 2008, The Clear Fund may have, from time to time, balances that exceeded the FDIC limit of \$250,000 and \$100,000, respectively.

THE CLEAR FUND
(aka GIVEWELL)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and 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).

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 years ended December 31, 2009 and 2008, The Clear Fund incurred \$2,648 and \$2,000 of advertising expenses, respectively.

NOTE 3 - CONTRIBUTIONS RECEIVABLE

Contributions receivable represents contributions received in December 2009 but were deposited in the bank in January, 2010.

NOTE 4 - DUE TO OFFICERS

In December 31, 2009 and December 31, 2008 two officers of The Clear Fund personally paid for various expenses on behalf of The Clear Fund in the amounts of \$8,256 and \$4,181, respectively. During the year ended December 31, 2009, the two officers were paid in full for the 2008 expenses.

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets in the amount of \$306,586 and \$368,010, respectively, were available for various causes as of December 31, 2009 and 2008.

THE CLEAR FUND
(aka GIVEWELL)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

NOTE 6 - DONATED GOODS AND SERVICES

Donated goods and services are recognized as contributions in accordance with Statement of Financial Accounting Standards Codification “Accounting for Contributions Received and Contributions Made,” if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by The Clear Fund . These contributions are measured and recorded at their fair values.

Individuals have provided legal services to the Clear Fund at no charge. The value of these services meets the criteria for recognition in the financial statements and is recorded at fair value. For the years ended December 31, 2009 and 2008 the value of such donated services amounted to \$11,450 and \$ 2,375, respectively. During 2009, The Clear Fund also received \$400 of advertising from a donor.

NOTE 7 - SUBSEQUENT EVENTS

In April 2010 The Clear Fund acquired all rights, title and interest in the trademark “GIVEWELL” and the domain name www.givewell.org under the U.S. Trademark registration No. 2643736 for the sum of \$25,000.

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INDEPENDENT AUDITORS' REPORT
ON ADDITIONAL INFORMATION

TO THE BOARD OF DIRECTORS
The Clear Fund

Our report on our audits of the basic financial statements of The Clear Fund as of December 31, 2009 and 2008 appears on Page 1. We conducted our audits 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 13, 2010

THE CLEAR FUND
(aka GIVEWELL)
SCHEDULES OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009				
	Program	Fundraising	General and Administrative	Total	2008
Salaries	\$ 134,704	\$ 7,373	\$ 31,648	\$ 173,725	\$ 135,583
Payroll taxes and benefits	21,076	1,153	4,953	27,182	19,525
Grants	110,095	-	-	110,095	-
Public website	5,630	626	-	6,256	2,089
Advertising	2,383	265	-	2,648	2,000
Professional fees	-	-	14,834	14,834	19,079
In-Kind goods and services	360	40	11,450	11,850	2,375
Occupancy	-	-	1,847	1,847	-
General insurance	-	-	729	729	117
Office expenses	-	-	1,425	1,425	4,338
Dues and subscriptions	-	-	-	-	250
Registration fees	-	-	540	540	75
Software	-	-	571	571	198
Travel and conferences	143	-	444	587	1,857
Miscellaneous	-	-	54	54	1,000
Totals	<u>\$ 274,391</u>	<u>\$ 9,457</u>	<u>\$ 68,495</u>	<u>\$ 352,343</u>	<u>\$ 188,486</u>

The notes are an integral part of these financial statements