

Effective Altruism Foundation
Annual Financial Statement 2019

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Preliminary remarks

The present financial statement of the Effective Altruism Foundation documents the financial year ended December 31, 2019.

The financial statement is composed of the balance sheet, the profit and loss statement, and an appendix.

All amounts are shown in Swiss francs (CHF).

Balance Sheet

Stiftung für **Effektiven Altruismus**

Bilanz

Effective Altruism Foundation

December 31, 2019 (31. Dezember 2019)

	CHF / 31.12.2018 (PY / Vorjahr)	CHF / 31.12.2019
Assets (Aktiven)		
<i>Current assets (Umlaufvermögen)</i>		
1002 Cash USD (Bargeld USD)	801	787
1003 Cash GBP (Bargeld GBP)	0	45
1020 Bank account CHF (Bankkonto CHF)	1,173,473	2,439,762
1021 Bank account EUR (Bankkonto EUR)	312,776	374,193
1022 Bank account USD (Bankkonto USD)	475,976	383,305
1023 Bank account GBP (Bankkonto GBP)	300,010	658,900
1029 Blocked bank account CHF (Sperrkonto CHF)	50,014	50,016
1040 Skrill balance (Skrill-Guthaben)	106,225	28,473
1042 Stripe balance CHF (Stripe-Guthaben CHF)	922	5,517
1043 Stripe balance EUR (Stripe-Guthaben EUR)	0	812
1044 GoCardless balance EUR (GoCardless Guthaben EUR)	2,274	288
1045 PayPal balance CHF (PayPal-Guthaben CHF)	4,323	2,755
1046 PayPal balance EUR (PayPal-Guthaben EUR)	2,079	3,751
1047 PayPal balance USD (PayPal-Guthaben USD)	22,214	20,800
1048 PayPal balance GBP (PayPal-Guthaben GBP)	6,760	2,575
1051 CurrencyFair balance EUR (CurrencyFair-Guthaben EUR)	2,485	0
1192 Prepaid expenses webdomains (Geleistete Anzahlungen Webdomains)	722	0
1300 Prepaid expenses (Transitorische Aktiven (Aufwand))	9,332	1,592
1301 Accrued revenue (Transitorische Aktiven (Ertrag))	1,553,154	1,078,567
Total Current Assets (Total Umlaufvermögen)	4,023,539	5,052,137
<i>Capital assets (Anlagevermögen)</i>		
1440 Loans (Darlehen)	0	9,859
1450 Deposits (Kautionen)	11,964	60,161
1510 Furniture & equipment (asset) (Mobiliar & Einrichtungen (Aktivum))	0	39,412
1519 Value adjustments on furniture & equipment (Wertberichtigungen Mobiliar & Einrichtungen)	0	-9,853
1520 IT & office machines (asset) (Informatik- & Büromaschinen (Aktivum))	49,571	63,018
1529 Value adjustments on IT & office machines (Wertberichtigungen Informatik- & Büromaschinen)	-30,862	-43,724
Total capital assets (Total Anlagevermögen)	30,673	118,872
Total assets (Total Aktiven)	4,054,212	5,171,009
Liabilities and equity (Passiven und Eigenkapital)		
<i>Current liabilities (Kurzfristiges Fremdkapital)</i>		
2050 Grants payable (Zuwendungen)	2,043,586	3,321,141
2060 EAF Fund	330,568	424,159
2061 Donor-Advised Fund 1	0	500,000
2070 Reserves Sentience Politics (Reserven Sentience Politics)	198,828	0
2071 Reserves WAS Research (Reserven WAS Research)	305,534	0
2100 Credit card account (Kreditkarte Kartenkonto)	13,050	27,986
2200 Value-added tax payable (Geschuldete Mehrwertsteuer)	24,810	5,877
2300 Accrued expenses (Transitorische Passiven (Aufwand))	22,534	2,444
Total current liabilities (Total kurzfristiges Fremdkapital)	2,938,910	4,281,606
<i>Equity capital (Eigenkapital)</i>		
Profit or loss (Jahreserfolg)	86,955	-225,899
2800 Foundation capital (Stiftungskapital)	100,000	100,000
2970 Retained earnings (Saldovortrag (Gewinn-/Verlustvortrag))	928,348	1,015,302
Total equity capital (Total Eigenkapital)	1,115,302	889,403
Total liabilities and equity (Total Passiven und Eigenkapital)	4,054,212	5,171,009

Profit and Loss

Stiftung für **Effektiven Altruismus**

Erfolgsrechnung

Effective Altruism Foundation

January - December 2019 (Januar - Dezember 2019)

	CHF / 2018 (PY / Vorjahr)	CHF / 2019
Operating revenue (Betriebs'ertrag)		
<i>Revenue from donations (Ertrag aus Spenden)</i>		
3000 Donations (Spenden)	1,787,254	957,589
3010 Externally restricted donations (Extern zweckgebundene Spenden)	2,364,144	3,953,421
3020 Grants from EAF group (Zuwendungen von EAS-Gruppe)	1,715,182	1,421,739
Total revenue from donations (Total Ertrag aus Spenden)	5,866,580	6,332,750
<i>Other operating revenue (Anderer Betriebs'ertrag)</i>		
-	-	-
Total other operating revenue (Total anderer Betriebs'ertrag)	0	0
Total operating revenue (Total Betriebs'ertrag)	5,866,580	6,332,750
Operating expenses (Betriebsaufwand)		
<i>Grants (Zuwendungen)</i>		
4010 Grants (Zuwendungen)	4,534,953	5,335,028
4030 Scholarships (Stipendien)	0	8,946
4020 Grants to EAF group (Zuwendungen an EAS-Gruppe)	80,740	0
Total grants (Total Zuwendungen)	4,615,693	5,343,974
<i>Other operating expenses (Anderer Betriebsaufwand)</i>		
5000 Payroll expenses (Lohnaufwand)	299,119	325,648
5079 Tax at source (Quellensteuer)	66,294	80,430
5700 Social insurance expenses (Sozialversicherungsaufwand)	127,070	119,882
5720 Occupational pension funds (Berufliche Vorsorge)	3,122	3,581
5730 Accident insurance (Unfallversicherung)	3,787	3,130
5800 Other staff expenses (Übriger Personalaufwand)	0	327
5810 Training expenses (Fortbildungskosten)	2,078	14,240
5820 Travel expenses (Reisespesen)	56,402	102,198
5821 Food expenses (Verpflegungsspesen)	4,829	9,779
5822 Accommodation expenses (Übernachtungsspesen)	43,807	79,819
5890 Catering / cafeteria (Verpflegung / Kantine)	35,928	42,164
5900 Contractor expenses (honoraria) (Leistungen Dritter (Honorare))	83,731	83,753
5901 Contractor expenses (honoraria) other (Leistungen Dritter (Honorare) andere)	63,551	56,322
6000 Rent expenses (Miete)	77,833	36,662
6030 Energy & utilities expenses (Nebenkosten)	984	393
6040 Cleaning expenses (Reinigung)	6,423	777
6050 Maintenance workspace (Unterhalt Geschäftsräume)	4,942	8,397
6200 Vehicle expenses (Fahrzeug- & Transportaufwand)	1,350	1,283
6300 Other insurance expenses (Sonstige Versicherungen)	4,034	9,286
6310 Professional dues, licenses, subscriptions expenses (Abgaben, Gebühren, Bewilligungen)	5,065	3,497
6500 Office supplies (Büromaterial)	15,648	27,659
6510 Telecommunications (Telekommunikation)	4,222	6,194
6530 Legal expenses (Rechtskosten & Beratungsaufwand)	51,177	47,676
6540 Auditing (Revision)	2,166	2,316
6570 Software (Software)	15,724	17,566
6572 Webhosting (Webhosting)	314	273
6573 Domains (Domains)	4,244	5,100
6579 Other IT expenses (Übriger Informatikaufwand)	0	206
6600 Advertising expenses (Werbeaufwand)	6,562	5,839

Profit and Loss

Stiftung für **Effektiven Altruismus**

Erfolgsrechnung

Effective Altruism Foundation

January - December 2019 (Januar - Dezember 2019)

	CHF / 2018 (PY / Vorjahr)	CHF / 2019
6620 Advertising print works (Werbedrucksachen)	10,190	1,879
6650 Event expenses (Veranstaltungsaufwand)	5,495	27,093
6700 Other operational expenses (Sonstiger betrieblicher Aufwand)	3,173	4,224
6800 Depreciation & value adjustments (Abschreibungen & Wertberichtigungen Anlagevermögen)	39,343	22,715
Total other operating expenses (Total anderer Betriebsaufwand)	1,048,607	1,150,308
Total operating expenses (Total Betriebsaufwand)	5,664,300	6,494,281
Operating profit (Betriebsergebnis)	202,280	-161,532
Financial and extraordinary profit (Finanz- und ausserordentlicher Erfolg)		
<i>Financial profit (Finanzerfolg)</i>		
6344 Financial intermediary fees (Gebühren Finanzintermediäre)	-11,325	-12,114
6940 Other financial expenses (Übriger Finanzaufwand)	-5,345	-1,059
6949 Exchange losses (Währungsverluste)	-60,280	-41,510
6950 Interest from liquid assets (Zinsertrag aus flüssigen Mitteln)	5	2
Total financial profit (Total Finanzerfolg)	-76,945	-54,681
<i>Extraordinary profit (Ausserordentlicher Erfolg)</i>		
8500 Extraordinary costs (Ausserordentlicher Aufwand)	-39,450	-10,859
8510 Extraordinary income (Ausserordentlicher Ertrag)	1,069	1,172
Total extraordinary profit (Total ausserordentlicher Erfolg)	-38,381	-9,686
Total financial and extraordinary profit (Total Finanz- und ausserordentlicher Erfolg)	-115,326	-64,367
Profit or loss (Jahreserfolg)	86,955	-225,899

Appendix

I. Foundation and organisation

1. Details about the organisation

Name	Effective Altruism Foundation (EAF)
UID	CH-270.7.003.183-6
Legal form	An independent Foundation as defined in Article 80 et seq. of the Swiss Civil Code (ZGB).
Legal foundation	Foundation charter from July 24, 2015
Purpose	<p>The Foundation's purpose is to improve the quality of life of as many sentient beings as extensively as possible, making use of scientific methods in order to do so. As a think tank it contributes to the development and discussion of fundamental conceptions and understandings of effective ethical behavior and action.</p> <p>In particular, it is committed to an evidence-based approach to poverty reduction, the reduction of animal suffering, the improvement of international cooperation and stability, and the development and promotion of responsible approaches to future technologies. It promotes the philosophy and social movement 'Effective Altruism'.</p> <p>The Foundation is active domestically and internationally. The Foundation is exclusively not-for-profit.</p>
Seat	Efringerstrasse 25, CH-4057 Basel
Board members (March 2020)	<p><i>Name, Period of office, Signature authority</i></p> <p>Ruairí Donnelly, President, 2016-2023, joint signature of two Lukas Gloor, Vice-president, 2015-2023, joint signature of two David Althaus, 2016-2023, ohne Max Daniel, 2017-2023, ohne Tobias Baumann, 2017-2023, ohne Linh Chi Nguyen, 2019-2023, ohne</p> <p>The members of the board carry out their duties in an honorary capacity and gratuitously.</p>
Audit authority	Hägi Treuhand AG (CHE-107.733.400) Wartenbergstrasse 41, CH-4052 Basel
Supervision	Eidgenössische Stiftungsaufsicht Inselgasse 1, CH-3003 Bern

2. Funding

EAF is financed by donations from private donors.

II. Bookkeeping and assessment

1. Details about the guidelines used in the financial statement

The present financial statement was generated according to the guidelines established by Swiss law, in particular Articles 957 to 962 (*Artikel über die kaufmännische Buchführung und Rechnungslegung des Obligationenrechts*).

2. Assessment

Bank credit balances and receivables have been included at their nominal value. Foreign currency items were evaluated at the end of the year according to the following conversion rates¹:

- a. 1 EUR = 1.087000 CHF
- b. 1 GBP = 1.282822 CHF
- c. 1 USD = 0.968374 CHF

III. Details, breakdown and clarification of items in balance sheet

1. 1300 Prepaid expenses

At the end of the year, EAF had a credit balance of CHF 1,592 with Helsana as a result of accident insurance contributions already paid in for 2020.

2. 1301 Accrued revenue

Stiftung für Effektiven Altruismus e.V. (EAF-DE), a partner organisation in Germany, collected donations in the amount of CHF 947,159 for external charities as well as CHF 40,208 for the EAF Fund in the second half of 2019. EAF-DE transferred these amounts to EAF in the first quarter of 2020.

Benevity, an international donation platform, transferred the equivalent of CHF 38,155 to EAF in the first quarter of 2020 from collected donations in December 2019.

GiveWell, a partner organization in the USA, accepted a donation of CHF 24,210 for EAF in the fourth quarter of 2019 and transferred this amount in the first quarter of 2020.

The Center for Emerging Risk Research, a partner organisation in Switzerland, contributed to several research projects and reimbursed EAF for the equivalent of CHF 21,187, which was paid in the first quarter of 2020.

Moreover, in the first quarter of 2020, EAF received refunds due to overpayments of contributions in 2019 from the Basel-Stadt Compensation Fund (CHF 6,740), ASGA Pension Fund (CHF 488) and Helsana Accident Insurance (CHF 422).

3. 2050 Grants

EAF in collaboration with EAF-DE raised a total of CHF 3,321,141 for external charities in

¹ The rates of exchange correspond to the [ICTAX Course listings](#) as of 31.12.2019

the second half of 2019. Those donations will be transferred to the respective organisations in the first quarter of 2020.

4. 2060 EAF Fund

Since 2018, EAF maintains the EAF Fund with the aim of financially supporting particularly promising projects in the field of risks and opportunities from emerging technologies.

Individual donors can thus benefit from the expertise of the fund managers, who periodically make recommendations to the EAF Board for grants from the fund.

5. 2061 Donor-Advised Fund 1

In 2019, a private individual set up a fund with an initial contribution of CHF 500,000 for supporting charities that pursue the same purpose as EAF. Grants will be awarded on the basis of recommendations to the EAF Board.

IV. Details, breakdown and clarification of items in profit and loss statement

1. 3000 Donations

This revenue account comprises incoming donations used to support the projects of EAF directly.

2. 3010 Externally restricted donations

This revenue account comprises incoming donations used to support other charitable organisations (see *III.3. 2050 Grants* and *IV.4. 4010 Grants*).

3. 3020 Grants from EAF group

EAF collaborates with the Germany-based non-profit association Stiftung für Effektiven Altruismus e. V. to enable German donors to provide tax-exempt support for international effective charities. Stiftung für Effektiven Altruismus e.V. transfers collected donations semi-annually to EAF, which in turn adds these amounts to its planned grants.

4. 4010 Grants

This expense account gathers grants made to other charitable organisations. EAF awards grants to charitable organisations on a semiannual basis. The CHF 5,335,028 stated in the profit and loss statement are composed of donations collected for external charities in the financial year 2019 (CHF 5,067,046) as well as grants from the EAF Fund (CHF 267,982, see *III.4. 2060 EAF Fund*).

5. 4030 Scholarships

In 2019, EAF developed a scholarship programme to support talented students interested in a career in one of EAF's fields of activity. In the first year, a total of CHF 8,946 were awarded and paid out.

6. Clarification on extraordinary, one-time, or off-period positions in profit and loss statement

An accounting error led to an overvaluation of account *1300 Prepaid expenses* by CHF 9,332 at the end of 2018 due to a refund from the Basel-Stadt Compensation Fund, which was incorrectly classified as a donation. In the 2019 financial accounts, this amount was booked as an extraordinary cost.

Further, EAF paid interest of CHF 1,021 for late payment of VAT on third party services in the financial years 2016 to 2018.

In addition, an independent contractor invoiced CHF 506 for services provided in previous financial years.

On the income side, Helsana reimbursed CHF 898 due to overpayments of accident insurance contributions in 2018, and the Basel-Stadt Compensation Fund reduced the contributions owed by CHF 208 due to the redistribution of the CO2 levy.

7. Annual loss

EAF ends the 2019 financial year with a loss of CHF 225,899, primarily due to a decrease in donations to the institution of CHF 829,665 compared to the previous year. Various donors decided to support other charitable organisations this year given that EAF had a solid amount of financial runway.

In addition, EAF decided to move its Berlin office to London. The move took place in the second half of the year and cost around CHF 105,000 in total.

V. Further details

1. Number of employees (annual average of full-time positions)

In 2019, EAF employed 9.0 full-time positions on average. In addition, EAF worked with a number of independent contractors who made up the equivalent of 2.5 full-time positions on average.

2. Liabilities from leasing transactions and other leasing or rental obligations

Residual amount of liabilities from leasing transactions and other leasing or rental obligations, unless these expire or can be terminated within twelve months of the balance sheet date:

	31.12.2019	31.12.2018
Lease agreement office space:	GBP 229'950	GBP 0

3. Confirmation of appropriate allocation of resources

The assets and proceeds of the foundation were allocated according to the foundation's purpose as defined in its charter.