

Effective Altruism Foundation
Annual Financial Statement 2020

Table of contents

Preliminary remarks

Balance sheet

Profit and Loss

Appendix

Foundation and organisation

Bookkeeping and assessment

Details, breakdown and clarification of items in balance sheet

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

Further details

Preliminary remarks

The present financial statement of the Effective Altruism Foundation documents the financial year ended December 31, 2020.

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, 2020 (31. Dezember 2020)

	CHF / 31.12.2019 (PY / Vorjahr)	CHF / 31.12.2020
Assets (Aktiven)		
<i>Current assets (Umlaufvermögen)</i>		
1002 Cash USD (Bargeld USD)	787	719
1003 Cash GBP (Bargeld GBP)	45	88
1020 Bank account CHF (Bankkonto CHF)	2,439,762	1,052,282
1021 Bank account EUR (Bankkonto EUR)	374,193	47,312
1022 Bank account USD (Bankkonto USD)	383,305	290,070
1023 Bank account GBP (Bankkonto GBP)	658,900	169,693
1029 Blocked bank account CHF (Sperrkonto CHF)	50,016	50,016
1031 InteractiveBrokers balance CHF (InteractiveBrokers-Guthaben CHF)	0	646
1040 Skrill balance (Skrill-Guthaben)	28,473	2,381
1042 Stripe balance CHF (Stripe-Guthaben CHF)	5,517	35,737
1043 Stripe balance EUR (Stripe-Guthaben EUR)	812	2,215
1044 GoCardless balance EUR (GoCardless Guthaben EUR)	288	4,482
1045 PayPal balance CHF (PayPal-Guthaben CHF)	2,755	3,992
1046 PayPal balance EUR (PayPal-Guthaben EUR)	3,751	6,457
1047 PayPal balance USD (PayPal-Guthaben USD)	20,800	20,618
1048 PayPal balance GBP (PayPal-Guthaben GBP)	2,575	0
1054 TransferWise balance CHF (TransferWise-Guthaben CHF)	0	10,080
1055 TransferWise balance EUR (TransferWise-Guthaben EUR)	0	8
1056 TransferWise balance USD (TransferWise-Guthaben USD)	0	16
1057 TransferWise balance GBP (TransferWise-Guthaben GBP)	0	87,194
1058 TransferWise balance AUD (TransferWise-Guthaben AUD)	0	4,280
1300 Prepaid expenses (Transitorische Aktiven (Aufwand))	1,592	49,444
1301 Accrued revenue (Transitorische Aktiven (Ertrag))	1,078,567	1,048,837
Total Current Assets (Total Umlaufvermögen)	5,052,137	2,886,564
<i>Capital assets (Anlagevermögen)</i>		
1401 Financial fixed assets InteractiveBrokers (Wertschriften (langfristig) InteractiveBrokers)	0	510,670
1440 Loans (Darlehen)	9,859	0
1450 Deposits (Kauttionen)	60,161	103,168
1510 Furniture & equipment (asset) (Mobiliar & Einrichtungen (Aktivum))	39,412	68,858
1519 Value adjustments on furniture & equipment (Wertberichtigungen Mobiliar & Einrichtungen)	-9,853	-24,604
1520 IT & office machines (asset) (Informatik- & Büromaschinen (Aktivum))	63,018	85,985
1529 Value adjustments on IT & office machines (Wertberichtigungen Informatik- & Büromaschinen)	-43,724	-60,628
Total capital assets (Total Anlagevermögen)	118,872	683,447
Total assets (Total Aktiven)	5,171,009	3,570,011
Liabilities and equity (Passiven und Eigenkapital)		
<i>Current liabilities (Kurzfristiges Fremdkapital)</i>		
2050 Grants payable (Zuwendungen)	3,321,141	1,925,141
2060 EAF Fund	424,159	168,008
2061 Donor-Advised Fund 1	500,000	511,315
2072 Reserves 1% Initiative (Reserven 1%-Initiative)	0	311,866
2100 Credit card account (Kreditkarte Kartenkonto)	27,986	13,955
2200 Value-added tax payable (Geschuldete Mehrwertsteuer)	5,877	4,754
2300 Accrued expenses (Transitorische Passiven (Aufwand))	2,444	32,038
Total current liabilities (Total kurzfristiges Fremdkapital)	4,281,606	2,967,077
<i>Equity capital (Eigenkapital)</i>		
Profit or loss (Jahreserfolg)	-225,899	-286,468
2800 Foundation capital (Stiftungskapital)	100,000	100,000
2970 Retained earnings (Saldo vortrag (Gewinn-/Verlustvortrag))	1,015,302	789,403
Total equity capital (Total Eigenkapital)	889,403	602,935
Total liabilities and equity (Total Passiven und Eigenkapital)	5,171,009	3,570,011

Profit and Loss

Erfolgsrechnung

Stiftung für **Effektiven Altruismus**

Effective Altruism Foundation

January - December 2020 (Januar - Dezember 2020)

	CHF / 2019 (PY / Vorjahr)	CHF / 2020
Operating revenue (Betriebsertrag)		
<i>Revenue from donations (Ertrag aus Spenden)</i>		
3000 Donations (Spenden)	957,589	847,338
3010 Externally restricted donations (Extern zweckgebundene Spenden)	3,953,421	5,158,486
3020 Grants from EAF group (Zuwendungen von EAS-Gruppe)	1,421,739	1,634,165
Total revenue from donations (Total Ertrag aus Spenden)	6,332,750	7,639,989
<i>Other operating revenue (Anderer Betriebsertrag)</i>		
-	-	-
Total other operating revenue (Total anderer Betriebsertrag)	0	0
Total operating revenue (Total Betriebsertrag)	6,332,750	7,639,989
Operating expenses (Betriebsaufwand)		
<i>Grants (Zuwendungen)</i>		
4010 Grants (Zuwendungen)	5,335,028	6,169,379
4030 Scholarships (Stipendien)	8,946	2,881
Total grants (Total Zuwendungen)	5,343,974	6,172,260
<i>Other operating expenses (Anderer Betriebsaufwand)</i>		
5000 Payroll expenses (Lohnaufwand)	325,648	485,773
5079 Tax at source (Quellensteuer)	80,430	14,547
5700 Social insurance expenses (Sozialversicherungsaufwand)	119,882	182,497
5720 Occupational pension funds (Berufliche Vorsorge)	3,581	15,414
5730 Accident insurance (Unfallversicherung)	3,130	2,243
5800 Other staff expenses (Übriger Personalaufwand)	327	0
5810 Training expenses (Fortbildungskosten)	14,240	12,914
5820 Travel expenses (Reisespesen)	102,198	22,343
5821 Food expenses (Verpflegungsspesen)	9,779	921
5822 Accommodation expenses (Übernachtungsspesen)	79,819	45,786
5890 Catering / cafeteria (Verpflegung / Kantine)	42,164	50,542
5900 Contractor expenses (honoraria) (Leistungen Dritter (Honorare))	83,753	115,781
5901 Contractor expenses (honoraria) other (Leistungen Dritter (Honorare) andere)	56,322	61,322
6000 Rent expenses (Miete)	36,662	107,683
6030 Energy & utilities expenses (Nebenkosten)	393	17,825
6040 Cleaning expenses (Reinigung)	777	5,170
6050 Maintenance workspace (Unterhalt Geschäftsräume)	8,397	5,403
6200 Vehicle expenses (Fahrzeug- & Transportaufwand)	1,283	0
6300 Other insurance expenses (Sonstige Versicherungen)	9,286	9,533
6310 Professional dues, licenses, subscriptions expenses (Abgaben, Gebühren, Bewilligungen)	3,497	6,530
6500 Office supplies (Büromaterial)	27,659	53,632
6510 Telecommunications (Telekommunikation)	6,194	5,886
6530 Legal expenses (Rechtskosten & Beratungsaufwand)	47,676	68,642
6540 Auditing (Revision)	2,316	1,616
6550 Accounting (Buchhaltung)	0	25,392
6570 Software (Software)	17,566	20,275
6572 Webhosting (Webhosting)	273	410
6573 Domains (Domains)	5,100	4,644
6579 Other IT expenses (Übriger Informatikaufwand)	206	1,807
6600 Advertising expenses (Werbeaufwand)	5,839	109
6620 Advertising print works (Werbedrucksachen)	1,879	2,819

Profit and Loss

Stiftung für **Effektiven Altruismus**

Erfolgsrechnung

Effective Altruism Foundation

January - December 2020 (Januar - Dezember 2020)

	CHF / 2019 (PY / Vorjahr)	CHF / 2020
6650 Event expenses (Veranstaltungsaufwand)	27,093	671
6700 Other operational expenses (Sonstiger betrieblicher Aufwand)	4,224	2,283
6800 Depreciation & value adjustments (Abschreibungen & Wertberichtigungen Anlagevermögen)	22,715	31,655
Total other operating expenses (Total anderer Betriebsaufwand)	1,150,308	1,382,067
Total operating expenses (Total Betriebsaufwand)	6,494,281	7,554,327
Operating profit (Betriebsergebnis)	-161,532	85,663
Financial and extraordinary profit (Finanz- und ausserordentlicher Erfolg)		
<i>Financial profit (Finanzerfolg)</i>		
6344 Financial intermediary fees (Gebühren Finanzintermediäre)	-12,114	-19,805
6940 Other financial expenses (Übriger Finanzaufwand)	-1,059	-260
6949 Exchange losses (Währungsverluste)	-41,510	-42,352
6950 Interest from liquid assets (Zinsertrag aus flüssigen Mitteln)	2	0
Total financial profit (Total Finanzerfolg)	-54,681	-62,417
<i>Extraordinary profit (Ausserordentlicher Erfolg)</i>		
8500 Extraordinary costs (Ausserordentlicher Aufwand)	-10,859	-244
8510 Extraordinary income (Ausserordentlicher Ertrag)	1,172	2,396
8600 Change in reserves (Veränderung Reserven)	0	-311,866
Total extraordinary profit (Total ausserordentlicher Erfolg)	-9,686	-309,714
Total financial and extraordinary profit (Total Finanz- und ausserordentlicher Erfolg)	-64,367	-372,131
Profit or loss (Jahreserfolg)	-225,899	-286,468

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 (31.12.2020)	<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, none Max Daniel, 2017-2023, none Tobias Baumann, 2017-2023, none Linh Chi Nguyen, 2019-2023, none</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 AUD = 0.682107 CHF
- b. 1 EUR = 1.081550 CHF
- c. 1 GBP = 1.208300 CHF
- d. 1 USD = 0.883944 CHF

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

1. 1300 Prepaid expenses

EAF already transferred the office rents for the first quarter of 2021 totaling CHF 48,463 in December 2020.

In addition, EAF had a credit balance of CHF 326 with Generali and CHF 655 with Südvers at the end of the year as a result of insurance premiums already paid for 2021.

2. 1301 Accrued revenue

Stiftung für Effektiven Altruismus e.V. (EAF-DE), a partner organisation in Germany, collected donations in the amount of CHF 579,570 for external charities as well as CHF 11,964 for the EAF Fund and CHF 217,530 for EAF proper in the second half of 2020. EAF-DE transferred these amounts to EAF in the first half of 2021.

The Center for Emerging Risk Research, a partner organisation in Switzerland, pledged a grant of CHF 225,000 to EAF to support its research on risks from artificial intelligence in the second half of 2020. The transfer was made in April 2021.

The Effective Altruism Foundation, Inc, a partner organisation in the U.S., transferred the equivalent of CHF 13,600 to EAF in April 2021 from donations collected in 2020.

In addition, EAF received a refund from Helsana in the first quarter of 2021 (CHF 1,172) due to overpaid accident insurance contributions in 2020.

3. 1401 Financial fixed assets InteractiveBrokers

EAF invested part of its cash and cash equivalents in accordance with its investment

¹ The rates of exchange correspond to the [ICTAX Course listings](#) as of 31.12.2020

guidelines² by means of the brokerage firm InteractiveBrokers. At year-end, the value of this position was CHF 510,670.

4. 2050 Grants

EAF in collaboration with EAF-DE raised a total of CHF 1,925,141 for external charities in the second half of 2020. Those donations were transferred to the respective organisations in the first quarter of 2021.

5. 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.

6. 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.

7. 2072 Reserves 1% Initiative

EAF supports the 1% Initiative as a hosted project by accepting donations and employing staff for the project. The 1% Initiative generated a profit of CHF 311,866 in 2020, which is shown as a liability on the balance sheet.

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.4. 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.

A similar partnership exists with the Effective Altruism Foundation, Inc, a non-profit

² https://ea-foundation.org/transparency/#Investment_policy

foundation in the U.S. that sporadically collects donations from U.S. supporters and regrants them to EAF.

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 6,169,379 stated in the profit and loss statement are composed of donations collected for external charities in the financial year 2020 (CHF 6,121,860) as well as grants from the EAF Fund (CHF 47,520; see *III.5. 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 2020, a total of CHF 2,881 in scholarships was awarded and paid out.

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

Due to the Corona pandemic, an external event was cancelled and the participation fees already paid in 2019 totaling CHF 2,396 were refunded to EAF.

On the expenditure side, an accounting error in 2019 led to a retroactive salary payment of CHF 244 to the former employee Tobias Pulver.

7. Annual loss

EAF ends the 2020 fiscal year with a loss of CHF 286'468, which is primarily explained by an expansion of the internal research program and the associated higher salary costs and office rent.

V. Further details

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

In 2020, EAF employed an average of 8.9 full-time positions.

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:

	31.12.2020	31.12.2018
Lease agreement office space:	GBP 274,410	GBP 229,950

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.