

Effective Altruism Foundation
Annual Financial Statement 2021

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Preliminary remarks

The present financial statement of the Effective Altruism Foundation documents the financial year ended December 31, 2021.

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).

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Note: this public version of the financial statements has been edited slightly for privacy reasons.

Balance Sheet

Stiftung für **Effektiven Altruismus**

Bilanz

Effective Altruism Foundation

December 31, 2021 (31. Dezember 2021)

	CHF / 31.12.2020 (PY / Vorjahr)	CHF / 31.12.2021
Assets (Aktiven)		
<i>Current assets (Umlaufvermögen)</i>		
1002 Cash USD (Bargeld USD)	719	741
1003 Cash GBP (Bargeld GBP)	88	89
1020 Bank account CHF (Bankkonto CHF)	1,052,282	54,510
1021 Bank account EUR (Bankkonto EUR)	47,312	167,140
1022 Bank account USD (Bankkonto USD)	290,070	231,345
1023 Bank account GBP (Bankkonto GBP)	169,693	5,115
1029 Blocked bank account CHF (Sperrkonto CHF)	50,016	50,016
1031 InteractiveBrokers balance CHF (InteractiveBrokers-Guthaben CHF)	646	61
1035 Soldo balance GBP (Soldo-Guthaben GBP)	0	9,966
1040 Skrill balance (Skrill-Guthaben)	2,381	0
1042 Stripe balance CHF (Stripe-Guthaben CHF)	35,737	5,721
1043 Stripe balance EUR (Stripe-Guthaben EUR)	2,215	100
1044 GoCardless balance EUR (GoCardless Guthaben EUR)	4,482	0
1045 PayPal balance CHF (PayPal-Guthaben CHF)	3,992	5,063
1046 PayPal balance EUR (PayPal-Guthaben EUR)	6,457	8,263
1047 PayPal balance USD (PayPal-Guthaben USD)	20,618	19,626
1048 PayPal balance GBP (PayPal-Guthaben GBP)	0	0
1054 TransferWise balance CHF (TransferWise-Guthaben CHF)	10,080	5,000
1055 TransferWise balance EUR (TransferWise-Guthaben EUR)	8	0
1056 TransferWise balance USD (TransferWise-Guthaben USD)	16	18,179
1057 TransferWise balance GBP (TransferWise-Guthaben GBP)	87,194	35,554
1058 TransferWise balance AUD (TransferWise-Guthaben AUD)	4,280	3,038
1300 Prepaid expenses (Transitorische Aktiven (Aufwand))	49,444	1,218
1301 Accrued revenue (Transitorische Aktiven (Ertrag))	1,048,837	92,275
Total Current Assets (Total Umlaufvermögen)	2,886,564	713,020
<i>Capital assets (Anlagevermögen)</i>		
1401 Financial fixed assets InteractiveBrokers (Wertschriften (langfristig) InteractiveBrokers)	510,670	641,328
1440 Loans (Darlehen)	0	0
1450 Deposits (Kauttionen)	103,168	0
1510 Furniture & equipment (asset) (Mobiliar & Einrichtungen (Aktivum))	68,858	37,526
1519 Value adjustments on furniture & equipment (Wertberichtigungen Mobiliar & Einrichtungen)	-24,604	-37,526
1520 IT & office machines (asset) (Informatik- & Büromaschinen (Aktivum))	85,985	74,778
1529 Value adjustments on IT & office machines (Wertberichtigungen Informatik- & Büromaschinen)	-60,628	-74,778
Total capital assets (Total Anlagevermögen)	683,447	641,328
Total assets (Total Aktiven)	3,570,011	1,354,348
Liabilities and equity (Passiven und Eigenkapital)		
<i>Current liabilities (Kurzfristiges Fremdkapital)</i>		
2050 Grants payable (Zuwendungen)	1,925,141	464,131
2060 EAF Fund	168,008	2,343
2061 Donor-Advised Fund 1	511,315	641,389
2072 Reserves Poverty alleviation project (Reserven Projekt Armutsbekämpfung)	311,866	0
2100 Credit card account (Kreditkarte Kartenkonto)	13,955	5,595
2200 Value-added tax payable (Geschuldete Mehrwertsteuer)	4,754	9,272
2300 Accrued expenses (Transitorische Passiven (Aufwand))	32,038	37,187
Total current liabilities (Total kurzfristiges Fremdkapital)	2,967,077	1,159,917
<i>Equity capital (Eigenkapital)</i>		
Profit or loss (Jahreserfolg)	-286,468	-408,504
2800 Foundation capital (Stiftungskapital)	100,000	100,000
2970 Retained earnings (Saldo vortrag (Gewinn-/Verlustvortrag))	789,403	502,935
Total equity capital (Total Eigenkapital)	602,935	194,430
Total liabilities and equity (Total Passiven und Eigenkapital)	3,570,011	1,354,348

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Profit and Loss

Erfolgsrechnung

January - December 2021 (Januar - Dezember 2021)

Stiftung für **Effektiven Altruismus**

Effective Altruism Foundation

	CHF / 2020 (PY / Vorjahr)	CHF / 2021
Operating revenue (Betriebsertrag)		
<i>Revenue from donations (Ertrag aus Spenden)</i>		
3000 Donations (Spenden)	847,338	854,261
3010 Externally restricted donations (Extern zweckgebundene Spenden)	5,158,486	2,496,701
3020 Grants from EAF group (Zuwendungen von EAS-Gruppe)	1,634,165	673,953
3030 Grants from third parties (Zuwendungen von Dritten)		934,106
Total revenue from donations (Total Ertrag aus Spenden)	7,639,989	4,959,021
<i>Other operating revenue (Anderer Betriebsertrag)</i>		
	–	–
Total other operating revenue (Total anderer Betriebsertrag)	0	0
Total operating revenue (Total Betriebsertrag)	7,639,989	4,959,021
Operating expenses (Betriebsaufwand)		
<i>Grants (Zuwendungen)</i>		
4010 Grants (Zuwendungen)	6,169,379	3,036,976
4020 Grants to EAF group (Zuwendungen an EAS-Gruppe)	0	190,600
4030 Scholarships (Stipendien)	2,881	0
Total grants (Total Zuwendungen)	6,172,260	3,227,575
<i>Other operating expenses (Anderer Betriebsaufwand)</i>		
5000 Payroll expenses (Lohnaufwand)	485,773	1,049,062
5079 Tax at source (Quellensteuer)	14,547	309,396
5700 Social insurance expenses (Sozialversicherungsaufwand)	182,497	168,813
5720 Occupational pension funds (Berufliche Vorsorge)	15,414	38,539
5730 Accident insurance (Unfallversicherung)	2,243	2,680
5800 Other staff expenses (Übriger Personalaufwand)	0	27,694
5810 Training expenses (Fortbildungskosten)	12,914	17,478
5820 Travel expenses (Reisespesen)	22,343	25,116
5821 Food expenses (Verpflegungsspesen)	921	1,165
5822 Accommodation expenses (Übernachtungsspesen)	45,786	35,015
5890 Catering / cafeteria (Verpflegung / Kantine)	50,542	67,836
5900 Contractor expenses (honoraria) (Leistungen Dritter (Honorare))	115,781	223,549
5901 Contractor expenses (honoraria) other (Leistungen Dritter (Honorare) andere)	61,322	8,079
6000 Rent expenses (Miete)	107,683	206,862
6030 Energy & utilities expenses (Nebenkosten)	17,825	21,397
6040 Cleaning expenses (Reinigung)	5,170	13,041
6050 Maintenance workspace (Unterhalt Geschäftsräume)	5,403	34,982
6300 Other insurance expenses (Sonstige Versicherungen)	9,533	7,354
6310 Professional dues, licenses, subscriptions expenses (Abgaben, Gebühren, Bewilligungen)	6,530	25,659
6500 Office supplies (Büromaterial)	53,632	43,237
6510 Telecommunications (Telekommunikation)	5,886	7,128
6530 Legal expenses (Rechtskosten & Beratungsaufwand)	68,642	35,760
6540 Auditing (Revision)	1,616	2,586
6550 Accounting (Buchhaltung)	25,392	8,341
6570 Software (Software)	20,275	34,477
6572 Webhosting (Webhosting)	410	339
6573 Domains (Domains)	4,644	7,461
6579 Other IT expenses (Übriger Informatikaufwand)	1,807	315
6600 Advertising expenses (Werbeaufwand)	109	0

Profit and Loss

Erfolgsrechnung

January - December 2021 (Januar - Dezember 2021)

Stiftung für **Effektiven Altruismus**

Effective Altruism Foundation

	CHF / 2020 (PY / Vorjahr)	CHF / 2021
6620 Advertising print works (Werbedrucksachen)	2,819	0
6650 Event expenses (Veranstaltungsaufwand)	671	0
6700 Other operational expenses (Sonstiger betrieblicher Aufwand)	2,283	3,505
6800 Depreciation & value adjustments (Abschreibungen & Wertberichtigungen Anlagevermögen)	31,655	27,072
Total other operating expenses (Total anderer Betriebsaufwand)	1,382,067	2,453,938
Total operating expenses (Total Betriebsaufwand)	7,554,327	5,681,513
Operating profit (Betriebsergebnis)	85,663	-722,492
Financial and extraordinary profit (Finanz- und ausserordentlicher Erfolg)		
<i>Financial profit (Finanzerfolg)</i>		
6344 Financial intermediary fees (Gebühren Finanzintermediäre)	-19,805	-17,484
6940 Other financial expenses (Übriger Finanzaufwand)	-260	-232
6949 Exchange losses (Währungsverluste)	-42,352	4,644
6950 Interest from liquid assets (Zinsertrag aus flüssigen Mitteln)		-13
Total financial profit (Total Finanzerfolg)	-62,417	-13,085
<i>Extraordinary profit (Ausserordentlicher Erfolg)</i>		
8500 Extraordinary costs (Ausserordentlicher Aufwand)	-244	
8510 Extraordinary income (Ausserordentlicher Ertrag)	2,396	14,613
8600 Change in reserves (Veränderung Reserven)	-311,866	312,459
Total extraordinary profit (Total ausserordentlicher Erfolg)	-309,714	327,072
Total financial and extraordinary profit (Total Finanz- und ausserordentlicher Erfolg)	-372,131	313,988
Profit or loss (Jahreserfolg)	-286,468	-408,504

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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 (31.12.2021)	<p><i>Name, Period of office, Signature authority</i></p> <p>Ruairí Donnelly, President, 2016-2023, joint signature of two</p> <p>David Althaus, Vice-president, 2016-2023, joint signature of two</p> <p>Max Daniel, 2017-2023, none</p> <p>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 GBP = 1.234099 CHF
- b. 1 EUR = 1.036150 CHF
- c. 1 USD = 0.911141 CHF
- d. 1 AUD = 0.662436 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 379 with Helsana and CHF 809 with Südvers as a result of insurance premiums already paid for 2022.

2. 1301 Accrued revenue

Effective Altruism Foundation, Inc., a partner organisation in the USA, made a grant of CHF 91,114 in relation to 2021 activities, which was not transferred until January 2022.

In early 2022, EAF received a refund of 111 CHF from Helsana, in relation to accident insurance for 2021.

Employees Noémie Zurlinden and David Marti paid EAF a total of 500 CHF in 2022 in relation to underpaid pension contributions in 2021.

We received a refund in early 2022 of 550 CHF of pension contributions relating to 2021.

3. 1401 Financial fixed assets InteractiveBrokers

EAF invested part of its cash and cash equivalents in accordance with its investment guidelines² by means of the brokerage firm InteractiveBrokers. At year-end, the value of this position was CHF 641,328.

4. 2050 Grants

EAF raised a total of CHF 464,131 for external charities in the second half of 2021. Those donations were transferred to the respective organisations in the first half of 2022.

¹ The rates of exchange correspond to the [ICTAX Course listings](#) as of 31.12.2021

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

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 poverty alleviation project

In 2020 and 2021, EAF ran a poverty alleviation project, for which specific funding was accepted. This project generated a profit in 2020, which was shown as a liability on the balance sheet. In 2021 a new nonprofit organization in Switzerland was incorporated in order to run this program (and other activities). The poverty alleviation project within EAF was therefore drawn to a close, including making a grant of the full remaining balance to the new nonprofit. The liability on the balance sheet is therefore zero by the end of 2021.

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 following foreign non-profit organizations, to enable donors in the relevant countries to provide tax-exempt support for EAF's work and for international effective charities. These partner organizations transfer collected donations to EAF, which uses them to support its own work, or adds them to its planned grants, as appropriate.

- Stiftung für Effektiven Altruismus e. V., a Germany-based non-profit association
- Effective Altruism Foundation, Inc., a non-profit foundation in the US.

Stiftung für Effektiven Altruismus e.V. transfers collected donations to EAF semi-annually, while Effective Altruism Foundation, Inc., collects and regrants donations only sporadically.

4. 4010 Grants

This expense account gathers grants made to other charitable organisations. EAF awards

grants to charitable organizations on a semiannual basis. The CHF 3,036,976 stated in the profit and loss statement are composed of:

- Donations collected for external charities in the financial year 2021 (CHF 2,490,893)
- Grants to external charities, and allocations to restricted funds (see *III.5-7* above), made out of EAF's general funds in order to pursue our charitable purposes (CHF 95,042).
- Allocations of donations collected for the EAF Fund to that project (CHF 294,051; see *III.5. 2060 EAF Fund*)
- A grant of the remaining reserves of the poverty alleviation project when that project was transferred to another organisation (see *III.7* above).

5. 4020 Grants to EAF group

In addition to the foreign non-profit organisations listed in *IV.3* above, EAF also has a collaboration with the following organisation:

- Center on Long-term Risk ("CLR"), a charity based in the United Kingdom.

CLR conducts a research program that is closely complementary to EAF's research program. EAF makes grants to CLR, similarly to those listed in *IV.4* above, however these expenses are listed separately due to our collaboration with CLR.

In 2021, a part of EAF's research activities in the United Kingdom were transferred to CLR. To enable this, EAF transferred the lease on its UK office space to CLR and made a grant of the lease deposit; and provided a related grant of furniture and equipment. EAF also made a financial grant to CLR of 27,441 CHF.

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

Extraordinary income of 14,493 CHF was recorded due to a correction of our balances in previous years held with the services Stripe and GoCardless (accounts *1042 Stripe balance CHF*, *1043 Stripe balance EUR*, and *1044 GoCardless balance EUR* on the balance sheet).

In addition, 66 CHF was received as a refund from the Ausgleichskasse Basel-Stadt in relation to the year 2018. A further 54 CHF of extraordinary income was recorded as a correction to our credit card account balances.

7. Annual loss

EAF ends the 2021 fiscal year with a loss of CHF 408'504. This is primarily explained by an expansion of the internal research program and its associated higher salary costs.

V. Further details

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

In 2021, EAF employed an average of 16.3 full-time positions.

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

At the end of 2021, EAF has no residual amount of liabilities from leasing transactions or other leasing or rental obligations. The 274,410 GBP rental deposit liability at the end of 2020 is no longer active, because the lease on the relevant London office space has been taken over by the UK charity Center on Long-term Risk (see IV.5 above).

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.