

THE CLEAR FUND  
(aka GIVEWELL)

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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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, 2010 and 2009, and the related statements of activities and change in net assets, and cash flows for the years then ended. 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, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended, 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, 2009 from which the summarized information was derived.

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

New York, New York  
July 11, 2011

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

	2010	2009
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 477,136	\$ 465,839
Contributions receivable	49,156	318,306
Prepaid expenses	1,448	1,502
<b>TOTAL ASSETS</b>	<b>527,740</b>	<b>785,647</b>
 <b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 2,201	\$ 7,100
Due to officers	3,506	8,256
Total Current Liabilities	5,707	15,356
 Net Assets		
Unrestricted	395,559	463,705
Temporarily restricted	126,474	306,586
Total Net Assets	522,033	770,291
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 527,740</b>	<b>\$ 785,647</b>

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,

	2010			2009
	Unrestricted	Temporarily Restricted	Total	
Revenue and other support:				
Contributions	\$ 246,560	\$ 119,533	\$ 366,093	\$ 366,079
Donated goods and services	16,803	-	16,803	11,850
Interest income	2,877	-	2,877	7,792
Miscellaneous income (Loss)	(104)	-	(104)	664
Net assets released from restrictions	299,645	(299,645)	-	-
<b>Total revenue and other support</b>	<b>565,781</b>	<b>(180,112)</b>	<b>385,669</b>	<b>386,385</b>
Expenses:				
Program expenditures	516,698	-	516,698	274,391
Fundraising	8,302	-	8,302	9,457
General and administrative	108,927	-	108,927	68,495
<b>Total expenses</b>	<b>633,927</b>	<b>-</b>	<b>633,927</b>	<b>352,343</b>
Changes in net assets	(68,146)	(180,112)	(248,258)	34,042
Net assets - beginning of year	463,705	306,586	770,291	736,249
Net assets - end of year	<u>\$ 395,559</u>	<u>\$ 126,474</u>	<u>\$ 522,033</u>	<u>\$ 770,291</u>

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

THE CLEAR FUND  
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STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (248,258)	34,042
Adjustments to reconcile changes in assets to net cash provided by (used in) operating activities:		
Decrease (Increase) in certain assets:		
Contributions receivable	269,150	(318,306)
Prepaid expenses	54	(466)
(Decrease) Increase in certain liabilities:		
Accounts payable and accrued expenses	(4,899)	(4,346)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	16,047	(289,076)
 CASH FLOWS FROM FINANCING ACTIVITY		
Due to officers	(4,750)	4,075
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,297	(285,001)
 CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	465,839	750,840
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 477,136	\$ 465,839

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

THE CLEAR FUND  
(aka GIVEWELL)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

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](http://www.givewell.org).

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board ("FASB") in its Accounting Standards Codification ("ASC") No. 958-205 which provides guidance for the classification of net assets. The amounts for each of the three classes of net assets are based on the existence or absence of donor-imposed restrictions described as follows:

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 .

At December 31, 2010 and 2009, The Clear Fund had no permanently restricted net assets.

THE CLEAR FUND  
(aka GIVEWELL)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement

The Clear Fund has adopted ASC 820-10-35, *Fair Value Measurements*, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The adoption of ASC 820-10-35 does not have a material impact on The Clear Fund's financial position, change in net assets or its cash flows. The Clear Fund did not maintain any investments in marketable or equity securities at December 31, 2010 and 2009.

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, 2009 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.



THE CLEAR FUND  
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NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2010 and 2009, The Clear Fund may have, from time to time, balances that exceeded the FDIC limit of \$250,000.

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 for state taxing authorities. In addition, The Clear Fund qualifies for the charitable contribution deduction under Section 170(b)(1)(a)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). The Clear Fund is subject to income taxes only on net unrelated business income. The Clear Fund did not have any unrelated business income for the years ended December 31, 2010 and 2009.

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, 2010 and 2009, The Clear Fund incurred \$7,360 and \$2,648 of advertising expenses, respectively.

Trademark and domain name

During the year ended December 31, 2010, The Clear Fund purchased the trademark and domain name under Givewell.org in the amount of \$25,000 and the domain name Givewell.com in the amount of \$1,600. The Clear Fund did not capitalize and amortize these costs and determined that the fair value of these costs have been impaired when computed using the present value of the expected future cash flows. Accordingly, The Clear Fund expensed costs associated with the purchase of the trademark and domain name.

THE CLEAR FUND  
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NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

NOTE 3 - CONTRIBUTIONS RECEIVABLE

The contributions receivable balance of \$49,156 is considered fully collectible within one year. As of February 3, 2011 the balance in contributions receivable was fully collected.

NOTE 4 - DUE TO OFFICERS

At December 31, 2010, one officer of The Clear Fund personally paid for various expenses on behalf of The Clear Fund in the amount of \$3,506. This balance was subsequently paid back by The Clear Fund.

At December 31, 2009, two officers of The Clear Fund personally paid for various expenses on behalf of The Clear Fund in the amount of \$8,256. During the year ending December 31, 2010, the two officers were paid in full for the 2009 expenses.

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets in the amount of \$126,474 and \$306,586, respectively, were available for various causes as of December 31, 2010 and 2009. \$250,000 was released from restriction to the cause of economic empowerment in Sub-Saharan Africa and the remainder was restricted to re-granting to the top charities listed on the Givewell website.

NOTE 6 - DONATED GOODS AND SERVICES

Donated services are recognized as contributions in accordance with FASB ASC 605, "Accounts 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 organization.

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, 2010 and 2009 the value of such donated services amounted to \$14,100 and \$11,450, respectively. During 2010 and 2009, The Clear Fund also received donated goods amounted to \$2,703 for an event and \$400 for advertising from donors.

NOTE 7 - SUBSEQUENT EVENTS

The Clear Fund has evaluated subsequent events through July 11, 2011, the date which the financial statements were ready to be issued.

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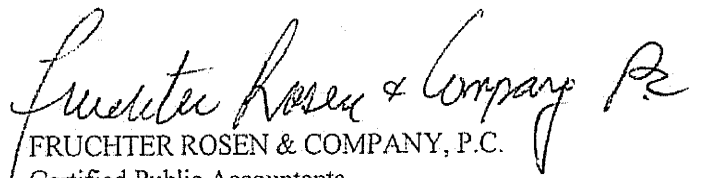
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INDEPENDENT AUDITORS' REPORT  
ON ADDITIONAL INFORMATION

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, 2010 and 2009 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 schedules 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 11, 2011

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

	2010				2009
	Program	Fundraising	General and Administrative		Total
	\$	\$	\$	\$	\$
Salaries	140,154	6,000	29,896	176,050	173,725
Payroll taxes and benefits	20,178	775	3,824	24,777	27,182
Grants	300,266	-	-	300,266	110,095
Public website	4,859	540	-	5,399	6,256
Advertising	6,624	736	-	7,360	2,648
Professional fees	36,615	-	27,453	64,068	14,834
In-Kind goods and services	-	-	14,100	14,100	11,850
Occupancy	-	-	1,738	1,738	1,847
General insurance	-	-	1,347	1,347	729
Office expenses	490	-	1,446	1,936	1,425
Dues and subscriptions	53	-	1,306	1,359	-
Registration fees	-	-	100	100	540
Software	-	-	1,001	1,001	571
Travel and conferences	7,459	251	116	7,826	587
Trademark and Domain name	-	-	26,600	26,600	-
Miscellaneous	-	-	-	-	54
Totals	<u>\$ 516,698</u>	<u>\$ 8,302</u>	<u>\$ 108,927</u>	<u>\$ 633,927</u>	<u>\$ 352,343</u>

The notes are an integral part of these financial statements