

**BETTER WORLD FUND, INC.**  
**Financial Statements and Supplementary**  
**Information**  
**December 31, 2009 and 2008**

# BETTER WORLD FUND, INC.

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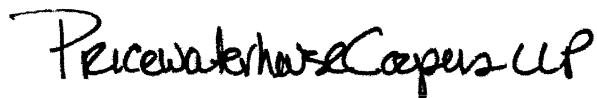
**Report of Independent Auditors**

To the Board of Directors of  
Better World Fund, Inc.

In our opinion, the accompanying statements of financial position and the related statements of activities and changes in net assets, and cash flows present fairly, in all material respects, the financial position of Better World Fund (“BWF”), at December 31, 2009 and 2008 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. These financial statements are the responsibility of BWF’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 2, to the financial statements, on January 1, 2008 BWF adopted authoritative guidance on *Fair Value Measurements*.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of functional expenses is presented for the purpose of additional analysis and is not required parts of the basic financial statements of the BWF. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.



June 17, 2010

**BETTER WORLD FUND, INC.**  
**Statements of Financial Position**  
**As of December 31, 2009 and 2008**

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|                                       | <u>2009</u>          | <u>2008</u>          |
|---------------------------------------|----------------------|----------------------|
| <b>Assets</b>                         |                      |                      |
| Cash and cash equivalents             | \$ 28,481,006        | \$ 29,457,210        |
| Contributions receivable, net         | 150,000              | 241,967              |
| Property and equipment, net           | <u>20,100</u>        | <u>26,078</u>        |
| Total assets                          | <u>\$ 28,651,106</u> | <u>\$ 29,725,255</u> |
| <b>Liabilities and Net Assets</b>     |                      |                      |
| Accounts payable and accrued expenses | \$ 389,671           | \$ 439,368           |
| Due to an affiliate, net              | 1,448,152            | 1,608,641            |
| Unexpended grants, net                | <u>3,691,662</u>     | <u>422,002</u>       |
| Total liabilities                     | <u>5,529,485</u>     | <u>2,470,011</u>     |
| Net assets                            |                      |                      |
| Unrestricted net assets               | 15,331,289           | 17,692,058           |
| Temporarily restricted net assets     | <u>7,790,332</u>     | <u>9,563,186</u>     |
| Total net assets                      | <u>23,121,621</u>    | <u>27,255,244</u>    |
| Total liabilities and net assets      | <u>\$ 28,651,106</u> | <u>\$ 29,725,255</u> |

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

**BETTER WORLD FUND, INC.**  
**Statements of Activities and Changes in Net Assets**  
**For the years ended December 31, 2009 and 2008**

|  | <u>2009</u>          | <u>2008</u>          |
|--|----------------------|----------------------|
| <b>Change in unrestricted net assets</b>             |                      |                      |
| Revenues and other changes:                          |                      |                      |
| Contributions from a related party                   | \$ 9,375,000         | \$ 9,375,000         |
| Other contributions                                  | -                    | 4,983                |
| Interest and dividends                               | 39,324               | 476,022              |
| Contributions from third parties                     | 5,825                | 256,532              |
| Grant recoveries and adjustments                     | 887                  | 100,700              |
| Total unrestricted revenues and other changes        | <u>9,421,036</u>     | <u>10,213,237</u>    |
| Net assets released from restriction                 | <u>6,611,531</u>     | <u>7,487,819</u>     |
| Total unrestricted revenues and other support        | <u>16,032,567</u>    | <u>17,701,056</u>    |
| Expenses:  |                      |                      |
| Program services                                     | 17,081,119           | 15,833,820           |
| General and administrative                           | 645,229              | 418,427              |
| Fundraising  | 666,988              | 375,734              |
| Total expenses                                       | <u>18,393,336</u>    | <u>16,627,981</u>    |
| Change in unrestricted net assets                    | (2,360,769)          | 1,073,075            |
| Unrestricted net assets, beginning of year           | <u>17,692,058</u>    | <u>16,618,983</u>    |
| Unrestricted net assets, end of year                 | <u>15,331,289</u>    | <u>17,692,058</u>    |
| <b>Change in temporarily restricted net assets</b>   |                      |                      |
| Contributions from related parties                   | 500,000              | 500,000              |
| Contributions from third parties                     | 4,272,187            | 9,401,531            |
| Interest and dividends                               | 2,188                | 67,436               |
| Grant recoveries and adjustments                     | 64,302               | -                    |
| Bad debt and other adjustments                       | -                    | (25,660)             |
| Net assets released from restriction                 | <u>(6,611,531)</u>   | <u>(7,487,819)</u>   |
| Change in temporarily restricted net assets          | <u>(1,772,854)</u>   | <u>2,455,488</u>     |
| Temporarily restricted net assets, beginning of year | <u>9,563,186</u>     | <u>7,107,698</u>     |
| Temporarily restricted net assets, end of year       | <u>7,790,332</u>     | <u>9,563,186</u>     |
| <b>Change in net assets</b>                          | <u>(4,133,623)</u>   | <u>3,528,563</u>     |
| <b>Net assets, beginning of year</b>                 | <u>27,255,244</u>    | <u>23,726,681</u>    |
| <b>Net assets, end of year</b>                       | <u>\$ 23,121,621</u> | <u>\$ 27,255,244</u> |

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

**BETTER WORLD FUND, INC.**  
**Statements of Cash Flows**  
**For the years ended December 31, 2009 and 2008**

|  | <u>2009</u>          | <u>2008</u>          |
|--|----------------------|----------------------|
| <b>Cash flows from operating activities</b>  |                      |                      |
| Change in net assets   | \$ (4,133,623)       | \$ 3,528,563         |
| Adjustments to reconcile change in net assets to net cash<br>(used in) provided by operating activities: |                      |                      |
| Depreciation   | 5,978                | 6,477                |
| Bad debt and other adjustments   | -                    | 25,660               |
| Accretion on contributions receivable  | (8,033)              | (14,397)             |
| Discount on contributions receivable   | -                    | 6,520                |
| Changes in assets and liabilities:   |                      |                      |
| Decrease in contributions receivables  | 100,000              | 174,340              |
| Decrease in accounts payable and accrued expenses  | (49,697)             | (57,192)             |
| Increase (decrease) in unexpended grants   | 3,269,660            | (75,834)             |
| (Decrease) increase in due to an affiliate   | (160,489)            | 1,166,773            |
| Net cash (used in) provided by operating activities  | <u>(976,204)</u>     | <u>4,760,910</u>     |
| <b>Cash flows from investing activities</b>  |                      |                      |
| Purchases of property and equipment  | <u>-</u>             | <u>-</u>             |
| Net cash used in investing activities  | <u>-</u>             | <u>-</u>             |
| <b>Net (decrease) increase in cash and cash equivalents</b>  | (976,204)            | 4,760,910            |
| <b>Cash and cash equivalents, beginning of year</b>  | <u>29,457,210</u>    | <u>24,696,300</u>    |
| <b>Cash and cash equivalents, end of year</b>  | <u>\$ 28,481,006</u> | <u>\$ 29,457,210</u> |
| <b>Supplemental information :</b>  |                      |                      |
| Transfer of fixed assets to an affiliate   | <u>\$ -</u>          | <u>\$ 1,492</u>      |

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

**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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**1. Description of the Organization**

In March 1998, R.E. (Ted) Turner established Better World Fund, Inc. (“BWF” or “Fund”) and its sister organization, United Nations Foundation, Inc. (“UNF” or “Foundation”), to support the efforts of the United Nations (“UN”). BWF was formed to support charitable causes through raising funds from the general public to enable it to carry on a discretionary grant-making program and educating the public regarding the UN and its work in the areas of: 1) women and population, 2) the environment, 3) children’s health, and 4) peace, security and human rights.

**2. Summary of Significant Accounting Policies**

**Basis of presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting.

**Classification of net assets**

BWF's net assets have been grouped into the following two classes:

*Unrestricted Net Assets* - Unrestricted net assets are those whose use by BWF is not subject to any donor-imposed stipulations. Unrestricted net assets generally result from unrestricted contributions, unrealized and realized gains and losses, and interest from investing unrestricted net assets in income-producing assets, less expense incurred in making grants, raising contributions, and performing administrative functions. Board designated voluntary restrictions, such as voluntarily earmarking assets for a particular purpose, are included among the unrestricted net assets of BWF. The board is free to designate certain portions of its funds for certain activities; however, these are included among unrestricted net assets since they are not bound by restrictions imposed by a donor.

*Temporarily Restricted Net Assets* - Temporarily restricted net assets are those whose use by BWF is subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the BWF pursuant to those stipulations. When these restrictions are met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions.

**Recently issued and Adopted Accounting Standard**

In 2009, the FASB issued “The FASB Accounting Standards Codification (“ASC” or “Codification”) and the Hierarchy of Generally Accepted Accounting Principles (“GAAP”)”. This standard was effective for the Fund in 2009. Upon effect, the Codification became the source of authoritative U.S. GAAP recognized by the FASB and the Fund’s notes to the consolidated financial statements no longer make reference to the Statement of Financial Accounting Standards (“SFAS”) or other U.S. GAAP pronouncements. The adoption of the Codification had no impact on the Fund’s consolidated financial position or results of activities.

In May 2009, the FASB issued authoritative guidance on subsequent events. This guidance is intended to establish general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The standard requires disclosure of the date through which the Fund has evaluated subsequent events

**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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and whether that date represents the date the financial statements were issued or were available to be issued. The Fund has disclosed the date through which it has evaluated subsequent events.

Effective January 1, 2008, BWF adopted Accounting Standards Codification (“ASC”) Topic 820, “*Fair Value Measurements and Disclosures*” (“ASC Topic 820). See Note 3. The adoption of the guidance had no impact on the BWF’s beginning balance of net assets as of January 1, 2008. Subsequent changes in fair value of these financial assets and liabilities are recognized in earnings when they occur.

### **Contributions**

BWF recognizes contributions and unconditional promises to give as revenue in the period received or promised, whichever is earlier. All contributions are considered to be unrestricted unless specifically restricted by the donor. Contributions are reported as temporarily restricted if they are received with donor stipulations that limit their use or are subject to time restrictions. A donor restriction expires when a purpose restriction is accomplished or a stipulated time restriction ends. Upon expiration, temporarily restricted net assets are reclassified to unrestricted net assets in the Statement of Activities and Changes in Net Assets as net assets released from restrictions.

Conditional promises to give are recognized when the conditions stipulated by the donor are substantially met. A conditional promise to give is considered unconditional if the possibility that the condition will not be met is remote. If the possibility that the condition will not be met is deemed possible or probable by management, the BWF does not recognize the conditional promise to give.

Contribution in kind is recorded based on estimated fair value at the date of contribution. There were no contribution in kind for the years ended December 31, 2009 and 2008.

Unconditional promises to give involve fair value measurement only upon initial recognition. Unconditional promises to give, recorded in 2008 and prior years which are expected to be received in future years, are recorded at the present value of their estimated future cash flows using discount rates approximating the rate of return on U.S. government securities with similar maturities.

Unconditional promises to give, recorded in 2009 which are expected to be received in future years, are recorded at the present value of their estimated future cash flows using discount rates equal to the borrowing rates from a local banking institution which would be extended to any other similar non-profit organizations. This approach is consistent with the guidance provided under Accounting Standards Codification (“ASC”) Topic 820. Discount rates are based on market participants and range from 3.1% to 5.14%. Carrying value approximates market value.

BWF administers the Adopt-a-Minefield program whereby BWF has the primary role in fundraising efforts and provides acknowledgements to the donors. In addition, BWF entered into a contract with the United Nations Development Programme (“UNDP”) to perform the activities related to mine action programs. BWF has full discretionary power to choose the beneficiary and communicates this right to redirect to the donor. Since BWF has discretion to choose the beneficiary of the assets, in accordance with Statement of Financial Accounting Standards No.



**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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136 “*Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others,*” BWF recorded \$0 and \$634,017 in 2009 and 2008, respectively, as contribution revenue in the statements of activities and changes in net assets. In September 2008, BWF ceased its administration of this program.

**Grants**

The amount for which BWF is obligated is recorded when the project has been approved by its Board of Directors. Grants contingent upon third party funding or other conditions are recognized as the conditions are met.

Grants payable involve fair value measurement only upon initial recognition. Grants payable, recorded in 2007 and prior years which are expected to be paid in future years, are recorded at the present value of their estimated future cash flows using discount rates approximating the rate of return on U.S. government securities with similar maturities.

Grants payable, recorded in 2009 and 2008 which are expected to be paid in future years, are recorded at the present value of their estimated future cash flows using discount rates equal to the borrowing rates from a local banking institution which would be extended to other similar non-profit organizations. This approach is consistent with the guidance provided under Accounting Standards Codification (“ASC”) Topic 820. Discount rates are based on market participants and range from 3.12% to 5.14%. Carrying value approximates market value.

At the end of the approved grant term and upon completion of BWF’s internal grant modification and closing process, grant recoveries and adjustments are recorded in the period in which they are closed or modified as reflected on the Statements of Activities. In 2009 and 2008, grant recoveries and adjustments and the corresponding grants payable balances were recorded in the amounts of \$65,189 and \$100,700, respectively, due to grant closings and modifications. Additionally, as of December 31, 2009 and 2008, grant recoveries and adjustments were recorded related to closed grants with pending refunds in the amounts of \$64,302 and \$0, respectively.

**Cash and cash equivalents**

Cash and cash equivalents include all highly liquid investments purchased with original maturities of three months or less. Cash equivalents consist of funds held in a money market account which are available for immediate withdrawal without penalty.

**Property and equipment**

Property and equipment are recorded at cost and depreciated using the half-year convention over the estimated useful lives ranging from two to eight years or the life of the lease, whichever is shorter. When assets are sold or retired, the related cost and accumulated depreciation are removed from the account. Any gain or loss resulting from disposition is credited or charged to operations. Expenditures for repairs and maintenance are charged to operations as incurred.

**Investments**

Investments are recorded at fair value. There were no investments held as of December 31, 2009 and 2008, respectively. Donated gifts of securities are recorded based on estimated fair value at the date the donation is received.

**Income Taxes**

**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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BWF has received a ruling from the Internal Revenue Service that it is exempt from Federal income tax under Section 501(c) (3) of the Internal Revenue Code as a public charity, other than unrelated business income. Since BWF has no significant unrelated business income, no provision for income tax has been recorded.

On January 1, 2009, BWF adopted the provisions of ASC Topic 740-10-25, “*Income Taxes Recognition*” (ASC Topic 740-10-25). ASC Topic 740-10-25 requires that a tax position be recognized or derecognized based on a more-likely-than-not threshold. This applies to positions taken or expected to be taken in a tax return. The implementation of ASC Topic 740-10-25 had no impact on BWF’s financial statements. BWF does not believe its financial statements include any uncertain tax positions.

**Concentration of credit risk**

Financial instruments, which potentially subject BWF to a concentration of credit risk, consist of demand deposits placed with one financial institution. BWF places its cash and cash equivalents with high credit quality financial institutions that are federally insured under the Federal Depository Insurance Corporation Act (FDICA). At December 31, 2009 and 2008, the aggregate balances in excess of the insurance limits were approximately \$28.2 million and \$29.2 million, respectively, and therefore bear some risk since they are not collateralized. BWF has not experienced any losses on its cash and cash equivalents to date, as they relate to FDICA insurance limits and do not expect such losses in the future.

**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 and disclosure of contingent assets and liabilities at the date of the financial statements, the reported amounts of revenues and expenses, including donated services and functional allocation of expenses, and the carrying value of certain investments, grants payable and contributions receivable, during the reporting period. Actual results could differ from those estimates.

**Reclassifications**

Certain items in the 2008 financial statements have been reclassified to conform to the 2009 presentation.

**3. Fair Value Measurements**

BWF adopted the provisions of ASC Topic 820, “*Fair Value Measurements and Disclosures*” (ASC Topic 820), effective January 1, 2008. ASC Topic 820 requires disclosures of financial position in periods subsequent to initial recognition, whether the measurements are made on a recurring basis or a nonrecurring basis, establishes a framework based on the observability of inputs used for measuring fair value and expands disclosure about fair market value measurements. Under ASC Topic 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement dates.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1 – Observable inputs such as quoted prices in active markets;

**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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- Level 2 – Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Assets measured at fair value on a recurring basis:

|   | <u>Cash and cash<br/>equivalents</u> |
|---|--------------------------------------|
| Items reported at fair value              | \$ 27,171,581                        |
| Items not subject to fair value reporting | <u>1,309,425</u>                     |
| Total                                     | <u>\$ 28,481,006</u>                 |

Items not subject to fair value reporting include cash deposits.

The following estimates and assumptions were used to determine the fair value of each class of financial instruments listed above:

*Cash equivalents* – Cash equivalents include cash deposits in investment funds and funds held in money market accounts which are actively traded. These are priced using independent market prices in the primary trading market and are classified as Level 1 based on the availability of quotes for identical assets.

On a recurring basis, BWF is required to measure its investment holdings at fair value. As of December 31, 2009 and 2008, BWF did not have any investment holdings.

#### **Fair Value Option**

In February 2007, the FASB updated the GAAP with ASC Topic 825-10-25 “The Fair Value Option for Financial Assets and Financial Liabilities”. The fair value option permits entities to choose to measure eligible items at fair value at specified election dates, with subsequent unrealized gains and losses reported in the entity’s statement of activities. BWF adopted this updated standard effective January 1, 2008. BWF assessed the fair value options made available under the standard and elected not to apply the fair value option to any financial instruments that were not already recognized at fair value.

#### **4. Contributions Receivable**

Contributions receivable as at December 31, are as follows:

**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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|                               | <u>2009</u>       | <u>2008</u>       |
|-------------------------------|-------------------|-------------------|
| Less than one year            | \$ 150,000        | \$ 250,000        |
| One year to five years        | -                 | -                 |
|                               | <u>150,000</u>    | <u>250,000</u>    |
| Less: Discount                | -                 | (8,033)           |
| Contributions receivable, net | <u>\$ 150,000</u> | <u>\$ 241,967</u> |

Net contributions receivable as of December 31, 2009 consisted of \$150,000 from one donor. Net contributions receivable as of December 31, 2008 consisted of \$193,480 and \$48,487 from two donors.

Contributions receivable recorded in 2009 and 2008 which are expected to be received in future years are recorded at the present value of their estimated future cash flows using discount rates equal to the borrowing rates from a local banking institution which would be extended to any other similar non-profit organizations. Discount rates are based on market participants and range from 3.1% to 5.14%.

**5. Property and Equipment**

Property and equipment consisted of the following at December 31:

|                                   | <u>2009</u>      | <u>2008</u>      |
|-----------------------------------|------------------|------------------|
| Leasehold improvements            | \$ 419           | \$ 9,233         |
| Equipment and software            | 76,173           | 81,949           |
| Furniture and fixtures            | 7,871            | 7,871            |
|                                   | <u>84,463</u>    | <u>99,053</u>    |
| Less: Accumulated depreciation    | (64,363)         | (72,975)         |
| Total property and equipment, net | <u>\$ 20,100</u> | <u>\$ 26,078</u> |

**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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**6. Temporarily Restricted Net Assets**

Temporarily restricted net assets at December 31 have been restricted by donors for the following purposes:

|  | <u>2009</u>         | <u>2008</u>         |
|--|---------------------|---------------------|
| Adolescent Girls Nike Foundation Partnership | \$ 2,091,275        | \$ 2,172,980        |
| Adopt-A-Minefield                            | 137,445             | 137,445             |
| Children's Health                            | -                   | -                   |
| Elder project                                | 4,664,741           | 5,146,707           |
| Energy Future Coalition                      | 406,020             | 715,984             |
| Global Water Challenge                       | 217,327             | 1,383,267           |
| Other  | 209,222             | 6,803               |
|  | <u>\$ 7,726,030</u> | <u>\$ 9,563,186</u> |

**7. Release of Temporarily Restricted Net Assets**

Temporarily restricted net assets were released from restriction for the following purposes for the years ended December 31:

|  | <u>2009</u>         | <u>2008</u>         |
|--|---------------------|---------------------|
| Adolescent Girls Nike Foundation Partnership | \$ 83,456           | \$ 339,122          |
| Adopt-A-Minefield                            | -                   | 701,250             |
| Children's Health                            | -                   | 30,945              |
| Elder project                                | 3,300,300           | 3,225,389           |
| Energy Future Coalition                      | 2,008,497           | 1,554,700           |
| Global Water Challenge                       | 1,166,378           | 1,437,616           |
| Other  | 52,900              | 198,797             |
|  | <u>\$ 6,611,531</u> | <u>\$ 7,487,819</u> |

**8. Related Parties**

**Contributions**

Gift income in the amount of \$9,375,000 in both 2009 and 2008, was received through the donation of cash from Ted Turner, Chairman of the BWF Board of Directors.

During 2009 and 2008, BWF also recognized contribution revenue from affiliated organizations of \$500,000 and \$500,000, respectively.

**BETTER WORLD FUND, INC.**  
**Notes to the Financial Statements**  
**For the years ended December 31, 2009 and 2008**

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**Grants**

In 2009, BWF approved grants totaling \$6,972,635 to affiliated organizations. There were no such grants approved during 2008. At December 31, 2009 and 2008, \$3,300,300 and \$0, respectively, of unexpended grants remained payable to affiliated organizations.

**Cost-sharing agreement**

UNF and BWF entered into a cost-sharing agreement in 1998 whereby operating costs will be shared based upon the relative portions of annual grant making, employee time incurred, or labor costs, depending on the type of expenditure. During 2009 and 2008, \$1,330,436 and \$559,735, respectively, of such cost was incurred and allocated by UNF to BWF and was recorded by BWF as "Due to an Affiliate." The allocation ratio of the operating expenses between UNF and BWF were 84%: 16% and 93%: 7% for the years ended December 31, 2009 and 2008, respectively. At December 31, 2009 and 2008, \$1,448,152 (consisting of \$4,615,121 of payables and \$3,166,970 of receivables) and \$1,608,641 (consisting of \$1,608,641 of payables), respectively, were payable to UNF included in "Due to an affiliate" in the Statements of Financial Position.

**9. Subsequent Events**

BWF has performed an evaluation of subsequent events through June 17, 2010, which is the date the financial statements were widely distributed, noting no additional events which would affect the financial statements as of December 31, 2009.

## **Supplemental Schedule**

**BETTER WORLD FUND, INC.**  
**Schedule of Functional Expenses**  
**For the years ended December 31, 2009 and 2008**

|                         | Program Services    |                     |   |                          | Supporting Services                                  |                              |                                  |                   | 2009<br>Total<br>Expenses | 2008<br>Total<br>Expenses |                                 |
|-------------------------|---------------------|---------------------|---|--------------------------|--|------------------------------|----------------------------------|-------------------|---------------------------|---------------------------|---------------------------------|
|                         | Advocacy            | Environment         | Peace,<br>Security<br>& Human<br>Rights | UN<br>Strength-<br>ening | Women &<br>Population<br>and<br>Children's<br>Health | Total<br>Program<br>Services | General &<br>Admin<br>-istrative | Fund<br>-raising  |                           |                           | Total<br>Supporting<br>Services |
| Personnel Expenses      | \$ 1,562,242        | \$ 102,342          | \$ 262,625                              | \$ 60,428                | \$ 354,453   | \$ 2,342,090                 | \$ 435,147                       | \$ 314,041        | \$ 749,188                | \$ 3,091,278              | \$ 1,971,025                    |
| Professional Fees       | 1,376,495           | 2,238,581           | 53,543                                  | 1,620                    | 455,618  | 4,125,857                    | 91,336                           | 250,373           | 341,709                   | 4,467,566                 | 5,129,507                       |
| Occupancy               | 458,757             | 5                   | 90                                      | 21                       | 11   | 458,884                      | 24,447                           | -                 | 24,447                    | 483,331                   | 291,294                         |
| Information Technology  | 20,176              | 1,823               | 5,881                                   | 1,353                    | 1,388  | 30,621                       | 13,584                           | 3,591             | 17,175                    | 47,796                    | 124,175                         |
| Communications          | 15,784              | 5,941               | 5,292                                   | 1,218                    | 1,027  | 29,262                       | 7,034                            | 7,578             | 14,612                    | 43,874                    | 16,559                          |
| Postage & Delivery      | 1,593               | 449                 | 2,907                                   | 669                      | 358  | 5,976                        | 4,740                            | 4,522             | 9,262                     | 15,238                    | 12,633                          |
| Printing & Reproduction | 15,956              | 256                 | 2,147                                   | 494                      | 52,509   | 71,362                       | 2,370                            | 4,891             | 7,261                     | 78,623                    | 61,191                          |
| Insurance               | 1,847               | 19                  | 364                                     | 84                       | 45   | 2,359                        | 362                              | 758               | 1,200                     | 3,479                     | 331                             |
| Travel                  | 180,207             | 12,512              | 20,832                                  | 4,793                    | 9,241  | 227,585                      | 20,763                           | 45,667            | 66,430                    | 294,015                   | 262,274                         |
| Other Operating         | 16,378              | 32,678              | 25,928                                  | 5,966                    | 13,576   | 194,526                      | 45,446                           | 35,567            | 81,013                    | 275,539                   | 280,835                         |
| Grant Expense           | 243,000             | 349,244             | 6,629,850                               | 1,519,962                | 850,541  | 9,592,597                    | -                                | -                 | -                         | 9,592,597                 | 8,478,157                       |
| <b>Total Expenses</b>   | <b>\$ 3,992,435</b> | <b>\$ 2,743,850</b> | <b>\$ 7,009,459</b>                     | <b>\$ 1,596,608</b>      | <b>\$ 1,738,767</b>                                  | <b>\$ 17,081,119</b>         | <b>\$ 645,229</b>                | <b>\$ 666,988</b> | <b>\$ 1312,217</b>        | <b>\$ 18,393,336</b>      | <b>\$ 16,627,981</b>            |