



**WIKIMEDIA
UK**

(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**



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LEGAL AND ADMINISTRATIVE INFORMATION

Full name Wikimedia UK

Registered Company Number 06741827

Registered Charity Number 1144513

Directors and Charity Trustees

Michael Maggs	– Chair (G)
Carol Campbell	– Vice-chair (A)
Greyham Dawes	– Treasurer (G; A)
Gill Hamilton	– Board Secretary
Kate West	– (G; A)
Chris Keating	– (A)
Nick Poole	- (appointed 25 July 2015) (G)
Doug Taylor	- (appointed 25 July 2015)
Josie Fraser	- (appointed 25 July 2015)
Nancy Bell	- (co-opted 12 September 2015)

G: Governance Committee; A: Audit and Risk Committee

Former Directors and Charity Trustees

Saad Choudry (retired 4 July 2015)
Joseph Seddon (resigned 4 July 2015)
Alastair McCapra (retired 4 July 2015)
Simon Knight (resigned 18 September 2015)

Chief Executive Lucy Crompton-Reid (appointed 7 October 2015)

Principal Address

56-64 Leonard Street
London
EC2A 4LT

Bankers

The Co-operative Bank plc
1 Balloon Street
Manchester
M60 4EP
Unity Trust Bank plc
1 Brindleyplace
Birmingham
B1 2HB

Independent Examiners

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Legal Advisers

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

Burges Salmon LLP
One Glass Wharf
Bristol
BS2 0ZX

MESSAGE FROM THE CHAIR OF THE BOARD

It's good to be able to report some significant developments over the past year. In July I was happy to announce that Lucy Crompton-Reid was to become our new Chief Executive. Lucy has nearly two decades of experience in the arts, charitable and public sectors. She brings not only extensive experience in volunteer engagement, strategic partnerships, media, education and fundraising, but also a real passion for participation. Since starting in October, Lucy has been instrumental in revitalising and extending our charitable programmes as well as improving our public visibility and high-level contacts with potential partner organisations.

At last year's AGM the board obtained members' approval to change the charity's articles to enable specialist non-trustee volunteers to become full voting members of our board committees. The change has been very successful in providing us with easy access to professional expertise as well as to some fresh independent and external perspectives.

Our well-established work with partner organisations has, we believe, considerable potential for improved reach and impact. Through consultation with our community we have established a new Partnership Advisory Board, including specialist trustees, partner contacts and volunteers with relevant expertise. The group will be meeting regularly and, amongst other things, will be bringing partner organisations together to address common roadblocks to greater open licensing, common positions on copyright advocacy, and the sharing of copyright expertise. The group will be supporting our staff in substantially enhancing our high-level contacts and activities within the relevant sectors.

This is a significant time for Wikimedia UK and for the open knowledge sector more broadly. Although there are active legislative threats in some areas to limit public access to information, the increasing public expectation that educational content created with taxpayers' funds ought to be free for all provides us with unparalleled opportunities to help unlock access. We are determined to make the very best use of those opportunities.

I would like to express my warmest thanks to the staff team and volunteers of Wikimedia UK for all their work for the charity over the past year.

Michael Maggs
Chair

MESSAGE FROM THE CHIEF EXECUTIVE

I was delighted to join Wikimedia UK in October 2015, taking over from the Interim Chief Executive D'Arcy Myers. I received a warm welcome from staff, board, volunteers and partners, and it was immediately clear to me that everyone connected with the charity is deeply committed to free knowledge and excited about the potential for WMUK to achieve even greater impact in future. In particular, it's wonderful to join an organisation with such an experienced, engaged and passionate body of volunteers. I hope that my appointment signals the start of a more stable period for Wikimedia UK, following a significant staff restructure that started in 2014 and was completed in the third quarter of 2015/16.

One of the key changes to the staff structure is a newly formed Programmes Team that brings together our partnership activity with volunteer engagement and community development. This team will build on our strong track record in developing successful partnerships with major institutions whilst integrating a new, project-based approach that will enable us to work more effectively with volunteers. The restructure has also resulted in a new Senior Management Team, made up of the newly-created posts of Finance and Operations Director and Head of Programmes and Evaluation, with whom I am pleased to be working closely to take the organisation forward.

A short time into my new role I facilitated a board away day, as one of the first steps in developing a new strategic framework for the period 2016 – 19. It was inspiring to learn more about what motivates people to volunteer their time as a trustee of Wikimedia UK, and to identify a collective vision of contributing to a more tolerant, informed and democratic society through the shared creation of, and access to, open knowledge.

Wikimedia UK believes that open access to knowledge is a fundamental right, and a driver for social and economic development. We work with the Wikimedia Projects such as Wikipedia to enable people and organisations to contribute to a shared understanding of the world through the democratic creation, distribution and consumption of knowledge. We are committed to the ideal of a world in which every single human being can freely share in the sum of all knowledge, and believe that here in the UK, we can play a unique and important role in realising that vision. I'm delighted to join the Wikimedia movement at such a crucial time for Wikimedia UK, and am proud of the charity's achievements in 2015/16, outlined in this report.

Lucy Crompton-Reid
Chief Executive

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wikimedia UK is a charitable company limited by guarantee. It was incorporated on 5 November 2008 as company number 06741827 and registered as a charity by the Charity Commission on 3 November 2011.

Under its Articles of Association, last amended in July 2015, the company is governed by a Board of up to seven elected directors and up to four co-opted directors who are the charity trustees for charity law purposes. Trustees initially serve a two year term, and are eligible for re-election or re-appointment subject to a maximum continuous period of six years. The board currently comprises six elected directors and four co-opted directors.

The company has a Chapter Agreement with the Wikimedia Foundation, the Florida-registered public non-profit organisation that operates Wikipedia and its sister websites and that owns the Wikimedia trademarks. Each party agrees to support the work of the other and agrees not to engage in activities that might negatively impact the work or reputation of the other.

Wikimedia UK encourages all who support its charitable aims and objectives, and who are willing to abide by its membership rules, to join as voting company members. Admission to company membership is by online application to the Charity, with authority for agreeing new members delegated by the board to the Chief Executive. Growing the membership will be one of our priorities in 2016/17.

The Board actively continues to espouse best practice in charitable governance. All trustees receive induction and training through a programme of individual support, one-to-one input and group training, and have access to a trustee induction pack that combines external advice and key internal documents. There are two formal board committees, the Audit and Risk Committee and the Governance Committee, which meet quarterly prior to full board meetings. Both of these include specialist external members with full voting rights.

OBJECTS, AIMS AND ACTIVITIES

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the general guidance issued by the Charity Commission on public benefit.

The Objects of the Charity are, for the benefit of the public, to promote and support the widest possible public access to, use of and contribution to, Open Content of an encyclopaedic or educational nature or of similar utility to the general public, in particular the Open Content supported and provided by Wikimedia Foundation, Inc., based in San Francisco, California, USA. In furtherance of these Objects, the Board aims to provide public benefit through a range of activities including:

- Developing our community of volunteers, editors and members through high quality training, competitions, community engagement and consultation, small project grants, and other forms of support
- Working in partnership with organisations from the cultural and education sectors and beyond in order to unlock content, remove barriers to knowledge, develop new ways of engaging with the public and enable learners to benefit fully from the educational potential of the Wikimedia projects
- Supporting the development of open knowledge in the UK, by increasing understanding and recognition of the value of open knowledge and advocating for change at an organisational, sectoral and public policy level

The 2015-16 programme was planned in accordance with the following five goals, as part of the overall organisational strategy:

- Developing Open Knowledge
- As a volunteer-led organisation, ensuring the effective use of the resources available to us
- Reducing barriers to accessing Open Knowledge
- Encouraging and supporting technological innovation
- Developing, supporting and engaging with other Wikimedia communities

Our impact report for 2015/16 to our main funder, the Wikimedia Foundation, details our achievements against each of these five goals, reporting on delivery against the Foundation's global metrics and a range of additional Key Performance Indicators.

ACHIEVEMENTS AND PERFORMANCE

During the financial year 2015/16 our achievements in the main areas of our work - as reported in the Statement of Financial Activities - were as follows:

Community

"I strongly appreciate what the charity is doing. Volunteering with you is quite straightforward, the team is fantastic, I get to meet amazing people through volunteering" Raya Sharbain, UCL student and WMUK volunteer

Volunteers are central to the work of Wikimedia UK and recruiting, supporting and developing volunteers and editors continues to be a key priority for the charity. Whilst the organisational restructure that took place early in the year inevitably created some staff and community uncertainty, the newly formed programmes team has been refocusing efforts on greater volunteer engagement. A survey of our volunteers in January 2016 reveals a mixed picture, with only 60% of respondents feeling that there were suitable volunteering opportunities in 2015 and a number of critical comments about a lack of communication. However the survey also points to a willingness to engage with the charity in future, with 80% saying that they were likely to continue volunteering with WMUK.

In the final two quarters of the year, we crystallised our new approach to community development; supporting and engaging volunteers through training, competitions, community consultation and small project grants. We are also involving volunteers directly in the management of the charity through the Evaluation Panel. We are dedicated to an approach where staff and volunteers collaborate on projects together, working in partnership to deliver our vision and mission.

Volunteer-led projects supported by grants from Wikimedia UK were key in generating some of the content produced in 2015-16. Grants were awarded for a number of writing competitions (such as the Core Contest, Stub Contest and Take the Lead!) as well as other activities, such as small grants for books and other reference materials, photographic projects, and financial support for running workshops. This last strand is expected to become more common in 2016 as we encourage volunteers to use project grants to plan and deliver training workshops.

"The work done by all the staff is much appreciated, especially in the difficult and demoralising circumstances the charity has sometimes found itself in." Martin Poulter, volunteer

Training is a crucial aspect of our offer for volunteers, with the well-regarded Train the Trainer programme targeted at lead volunteers who want to deliver training on open knowledge and the Wikimedia Projects to new editors and other participants. In the final quarter of the year we worked with our training provider, Midas, to develop and deliver bespoke training sessions in volunteer engagement and project management, both of which were well attended and highly rated by the participants. We have also been working with Midas to develop standard training modules to support less experienced trainers with a template structure and format for delivering a workshop. We have piloted this approach with basic editing on Wikipedia, but if it proves successful the model could also be applied to other aspects of training.

Wikimedia UK remains committed to diversifying both the content of the Wikimedia projects and our own community of volunteers and editors, with a particular focus on gender diversity. A number of events took place during the year with the aim of improving content on notable women in Wikipedia, and we continue to attract high numbers of female attendees to our events. We feel that this is crucial in the context of the significant gender gap within the wider body of Wikimedia editors – with women making up only about 15% of editors on the English language Wikipedia – and will continue to be a priority in 2016/17. We have also started to address other aspects of diversity, with a partnership project with Disability Arts Online involving disabled writers, and events at Brixton's Black Cultural Archives.

Promoting Free Knowledge

During 2015/16 Wikimedia UK continued to make a vital contribution to the development of open knowledge, generating and improving online content on the Wikimedia projects through extensive partnership working and volunteer-led projects. The staff team worked with over 50 institutions during the course of the year, with major partnerships such as our Wikimedians-in-Residence, and other, more limited projects.

The Wikimedian-in-Residence programme is now an established model for engaging successfully with partner institutions, and was key to many of our most significant outputs and outcomes in 2015, with residencies hosted by Bodleian Libraries, Cancer Research UK, Museums Galleries Scotland, National Library of Wales, National Library of Scotland, Royal Society of Chemistry, University of Edinburgh and York Museums Trust.

"The WIR [at the Royal Society of Chemistry] really knows his stuff but also was brilliant at showing everyone what to do - even those like me who had done nothing before" Anonymous

Some of the highlights of our Wikimedians-in-Residence programme this year include:

- 4,000 images from the Bodleian Libraries collection have been individually selected and uploaded to Wikimedia Commons - with a particular focus on those that illustrate underrepresented content from across the world - and are being seen by 2.5 million people a month
- A particular focus of the Bodleian Libraries residency has been to improve the coverage of women in science, with a series of events held to coincide with the Ada Lovelace centenary attended by a predominantly female audience and leading to improvements in many articles about female scientists
- At Museums Galleries Scotland, the Wikimedian-in-Residence reached over 100 external organisations - including universities and other cultural institutions – through extensive networking and advocacy work, including presentations at 23 conferences or other events. The first year of the residency also saw 232 individuals trained on the Wikimedia projects including 184 new editors, with an impressive number of articles added to Wikipedia – despite content creation not being a major aim for the project.
- The residency at the umbrella body Museums Galleries Scotland has involved the resident working with a significant number of small museums - enabling them to achieve greater online reach and engagement than would otherwise have been possible without this support and encouragement - creating long-term change and a move towards open access across the whole sector.
- The Wikimedian-in-Residence at the National Library of Wales has demonstrated significant charitable impact, with nine public edit-a-thon events attended by over 100 participants, leading to over 300 articles being created or improved on Wikimedia and over 80,000 edits. The residency has led to the development of a business case for greater open access, with 7,437 digital images added to Wikimedia Commons, and a further 140,000 images identified for future upload. A high level of staff involvement supported this shift, with 44 library staff attending training sessions, and a commitment to embedding open access into their digitisation workflow.
- The residency in Wales has attracted significant media interest, and the resident has been interviewed on numerous occasions for television, radio, magazines and news websites, as well as developing an active social media profile with twitter accounts in both Welsh and English reaching 859,500 impressions by the end of January 2016.
- One of the unexpected outcomes of the residency at the National Library of Wales has been the level of engagement with the institution's volunteer team, with nine volunteers contributing to a project to create stub articles in English and Welsh for 60 historic Welsh newspapers, 13 volunteers attending Wikidata training, and weekly drop-in sessions to encourage volunteers to continue editing.
- The Wikimedian-in-Residence at the University of Edinburgh started towards the end of the year and we were able to organise and facilitate an extensive induction day for the resident and other staff at the University.

Through the residencies above, 21,372 files were added to Wikimedia Commons, and have been seen during 2015/16 by 90 million readers, with the featured images supported by WMUK receiving an estimated 13 million page views. The Wikimedians-in-Residence programme therefore represents a very significant impact on readers and users of the Wikimedia projects.

As well as the residencies programme, Wikimedia UK delivers a wide range of other events and activities with partner organisations. One example of this was a new event held at the British Library in November 2015. The session formed part of Europeana Sounds, a three-year project to open the gateway to Europe's sound and music heritage, as part of which Europeana has been working with the British Library's large collection of sound and music recordings. At the Wikimedia UK event, participants added sound files of bird songs from the British Library's collection to illustrate articles on Wikimedia. The nature of these files means that they can be shared very widely, with participants at the Wikimedia UK event illustrating over 500 articles in 28 different language Wikipedias. They also added files to articles and entries in 40 languages across Wikidata, Wikispecies, and Wikimedia Commons.

Whilst the cultural heritage sector is undoubtedly a key focus of our work at Wikimedia UK, we work with organisations from a number of different sectors, and are developing our work in education. Wikipedia in the Classroom is an international model of working in higher education that enables and encourages students to develop their research and writing skills whilst adding to their specialist subject areas on Wikipedia and the other projects. During 2015/16 we have been supporting the delivery of this programme in a number of institutions such as the University of Hull, Queen Mary, University of London, and the University of Warwick.

We have continued to develop our work in Wales in 2015/16, generating significant content and attracting new partners, with a focus on Welsh heritage and the Welsh language. A number of technical tools have been translated into Welsh – such as the Visual Editor interface and the Content Translator – increasing engagement with the Wikimedia projects. Work has also been developed using Wikidata, leading to the creation of a small lists template for use by Welsh editors - which will benefit other small language wikis.

Staff restructure and CEO transition

2015-16 saw some significant changes within the staff team at Wikimedia UK. Following the departure of the charity's first Chief Executive in September 2014, the Interim Chief Executive and board of trustees led a restructure of the staff team that resulted in a number of posts being made redundant and other roles being redefined. As a result of the restructure, five people left the organisation, with two staff members successfully applying for newly-created roles. The external appointment of a new Administration and Programme Assistant at the end of August 2015 completed the new Programmes Team.

A new role of Communications Co-ordinator was created following the departure in September of the Head of External Relations, with recruitment commencing in January 2016 and the new member of staff joining the team at the end of March.

During 2015 the board instigated its search for a new permanent Chief Executive, which was successfully concluded in October with the appointment of Lucy Crompton-Reid.

New Strategic Framework and Business Plan

Towards the end of 2015, under the leadership of the new CEO, the charity has entered into a strategic planning process, the outputs for which will be:

- A clear, concise strategic framework for the period 2016 to 2019, which outlines our vision, mission, values, planned outcomes, strategic goals and objectives and major programmes.
- A three year business plan which puts the strategy in context, articulating the external context and drivers, planned priorities, programmes and themes for the three year period and internal resources including staffing and funding.
- A delivery plan which details our activities in 2016/17

The strategic planning process has so far included an away day with the board and a planning day with the staff team, with the draft strategic framework to be opened up to community consultation in the spring of 2016.

FINANCIAL REVIEW

2015 has seen a consolidation of the changes made to our financial and management processes over the previous two years, with a more professional approach that has been reinforced by the creation of a Finance and Operations Directors role, to which our former Management Accountant was appointed in June. The board has reviewed and updated the Scheme of Delegation to a more appropriate level for a charity of this size, and introduced enhanced but more practical internal controls on bank payments, reducing the need for trustee involvement in the organisation's day-to-day financial transactions.

Wikimedia UK is ending the financial year 2015/16 with a small deficit of £3,391 (2015: £176,759) and has created a break-even budget for 2016/17 that the Audit and Risk Committee and Board will monitor closely through the year. The charity was awarded a grant of £277,300 by the Wikimedia Foundation for 2016/17, and had an estimated income of £213,750 from our individual supporters in the UK, who continue to provide crucial support for our work. In order to achieve our ambitious programme outputs and outcomes for the year we have a fundraising target of £108,000 - to include major donors, trusts and foundations and an expected £48,000 in Gifts in Kind - and are developing our strategy for diversifying our income. This fundraising target will enable us to maintain our reserves at their year-end level with planned spend of £600,000 (see Future Plans, page 13).

Reserves

Our reserves policy is kept under regular review and was updated at the start of the 2016/17 financial year, with the target of holding between three and six months of operating costs in reserve. Our year-end free reserves for 2015/16 stand at £165,210 (2015: £168,601) and so the charity is meeting its reserves policy, albeit at the lower end. Whilst we have budgeted to maintain our current level of reserves over the next year, our longer term ambition is to grow both our income and our reserves.

Risk Management

Our internal reporting mechanisms for major risks adhere to Charity Commission guidelines, with our risk-rating system based on best practice and reviewed regularly by the Audit and Risk Committee, and all major risks reported to the full board. During 2015/16, our major risks concerned employment issues, volunteers, IT systems and the charity's financial reserves policy. These were mitigated through the year and the risk rating for all of these has now been reduced. We have identified the following major risks in 2016/17, which will be reviewed regularly by the Senior Management Team and on a quarterly basis by the Audit and Risk Committee.

- Reduction in grant from the Wikimedia Foundation
- Declining income from individual donors
- Inability to meet fundraising targets

- Lack of engaged, active and well supported volunteers
- Deterioration of public perception of Wikipedia and/or the Wikimedia brand

FUTURE PLANS

As highlighted above, towards the end of 2015/16 the new Chief Executive started a strategic planning process, which will result in an updated three year strategic framework and business plan for the charity for 2016 – 19. As part of this strategic review, we have looked at the work we are delivering in order to develop open knowledge, and identified our three key programme strands going forward as Community, Partnerships and Advocacy.

Programme Strand One: Community

Volunteers are central to Wikimedia UK, and this programme strand is focused on attracting, developing and supporting our community of volunteers, editors and members. Our approach is one of partnership and collaboration between staff and volunteers, and our activities include training, competitions, community engagement and consultation, small project grants; and other forms of support.

We involve volunteers directly in the management of the charity through our Evaluation Panel, which embeds volunteers into day-to-day decision-making, and draw on volunteer expertise in the development of new programmes.

We participate where we can in global projects to attract new editors, and contribute to a shared understanding of community development across the movement through involvement in events like the Wikimedia Conference and Wikimania.

Programme Strand Two: Partnerships

Wikimedia UK works in partnership with organisations from the cultural and education sectors and beyond in order to unlock content, remove barriers to knowledge, develop new ways of engaging with the public and enable learners to benefit fully from the educational potential of the Wikimedia projects. During the period 2016 - 19 we will have a particular focus on opening up minority heritage assets, including those connected with the Welsh and Gaelic language as well as other minority ethnic and linguistic communities in the UK; although this work won't be to the exclusion of other partnerships and activities.

As part of our extensive partnership work we will also participate, where appropriate for our context, in global projects such as Art + Feminism - particularly where these resonate with our own strategic priorities.

Wikimedia UK's partnership working will be informed at a strategic level by the Partnerships Advisory Board.

Programme Strand Three: Advocacy

Advocating for open knowledge is an important aspect of our work and happens at many levels within our community and partnership programme strands. Indeed, communicating the value and benefit of open knowledge, and encouraging organisations to become more open, is a vital element of our work with partners and our broader public engagement activities. This programme strand also includes how we advocate for change in public policy and legislation, which is an important aspect of delivering our vision and mission, and will be shaped by the newly formed Advocacy working group.

Monitoring and Evaluation

Our programmes are the delivery mechanism through which we will achieve our strategic aims and outcomes, and as such our Key Performance Indicators for 2016/17 are specifically aligned with these programme strands. The executive will report on these to the board on a quarterly basis, along with a narrative report highlighting progress and drawing out key stories and learning for the organisation.

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Wikimedia UK for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In accordance with company law, the trustees have to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that accounting period.

In preparing these financial statements, the trustees are required to:

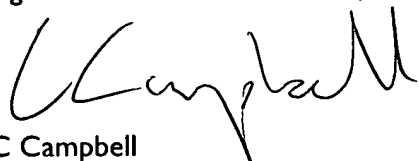
- Select suitable accounting policies and then apply them consistently;
- Observe and comply with the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standard has been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Company Provisions

The above report has been prepared in accordance with the special provisions of section 416 of the Companies Act 2006 relating to small companies and Section 162 of the Charities Act 2011.

Signed on behalf of the Board, as approved on 11th June 2016.



C Campbell
Trustee and Vice-chair

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF
WIKIMEDIA UK
FOR THE YEAR ENDED 31 JANUARY 2016

I report on the accounts of the company for the year ended 31 January 2016, which are set out on pages 18 to 28.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF
WIKIMEDIA UK
FOR THE YEAR ENDED 31 JANUARY 2016

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006 and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Kingston Smith LLP

Shivani Kothari
For and On Behalf of Kingston Smith LLP
Chartered Accountants
Devonshire House
60 Goswell Road
London
EC1M 7AD

30/6/16

WIKIMEDIA UK
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2016

		Total Funds 2016 £	Total Funds 2015 £
	Notes		
INCOME			
Voluntary Income			
Grants	3	314,000	412,117
Donations		242,912	283,631
Membership subscriptions		1,205	1,388
Gifts in Kind	5	25,670	66,953
Total Voluntary Income		583,787	764,089
Activities for generating funds			
Conference income		1,890	1,202
Investment income	4	602	708
Other income	6	1,841	14,901
Total income		588,120	780,900
EXPENDITURE			
Raising Funds	7	132,802	83,018
Net incoming resources available		455,318	697,882
Charitable activities			
International programme		45,648	66,897
General outreach projects		76,535	154,003
Programmes		186,906	251,303
Volunteer Support		70,657	104,968
Other projects		19,603	57,432
Co-hosting Wikimania		-	192,185
Restructuring costs		59,360	47,853
Total expenditure	8	591,511	957,659
Net outgoing resources before taxation		(3,391)	(176,759)
Taxation		-	-
Net outgoing resources after taxation		(3,391)	(176,759)
Net movement in funds		(3,391)	(176,759)
Fund balances at 1 February 2015		168,601	345,360
Fund balances at 31 January 2016		165,210	168,601

WIKIMEDIA UK
BALANCE SHEET
AS AT 31 JANUARY 2016

			2016	2015
	Notes	£	£	£
FIXED ASSETS				
Tangible Assets	15		3,962	6,901
CURRENT ASSETS				
Debtors	9	23,375		80,918
Cash at bank and in hand		175,114		153,239
		198,489		234,157
Creditors: amounts falling due within one year	10	(37,241)		(72,457)
NET CURRENT ASSETS			161,248	161,700
NET ASSETS			165,210	168,601
FUNDS				
Unrestricted funds			165,210	168,601
			165,210	168,601

The Trustees state that for the financial period ended 31 January 2016 the company was entitled to exemption from audit under Section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to Section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its net movement in funds for the financial period in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board of Trustees on 11th June 2016 and signed on its behalf by:



Treasurer

Company Registration No. 06741827

The notes on pages 20 to 28 form an integral part of these accounts.

ACCOUNTING POLICIES

a) Accounting Framework

These financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (2015) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The following principal accounting policies have been consistently applied in preparing these financial statements.

b) Income

All income is included in the Statement of Financial Activities once there is entitlement, the economic benefit is considered probable and the amount can be reliably quantified.

c) Expenditure

Expenditure is charged on an accruals basis inclusive of Value Added Tax.

d) Fund accounting

Funds held by the charity are:-

Unrestricted funds

These consist of funds which the charity may use in accordance with the charitable objects at the discretion of the trustees.

e) Allocation of staff costs to projects and apportionment of support and governance costs

Staff costs attributable to project-work as direct costs and staff costs, other overheads apportionable as support costs and governance costs, have been allocated to the expenditure headings in the Statement of Financial Activities as follows:

Staff time spent on carrying out each project's activity, or on fundraising, has been determined from returns by staff for each quarter and evaluated at the individual's total salary cost to calculate the actual cost of direct staff time spent for each activity.

Support costs, including governance costs, have been apportioned pro rata to total direct costs per activity. An analysis of support costs and the results of these attributions and apportionments are summarised in note 8.

The comparative costs for each activity were determined using the same method except that the individual staff time spent on each activity was determined for each quarter by management estimate.

f) Volunteers

The trustees gratefully acknowledge the significant contribution made by volunteers who gave freely of their time and expertise.

g) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation.

Individual items or sets of related items costing over £500 are capitalised.

Depreciation of fixed assets is provided at rates calculated to write off their cost over their anticipated useful lives. The rates and bases used during the year were as follows:

Computer equipment	33.33% straight line
Furniture	33.33% straight line

h) Investments

The Charity's a wholly owned subsidiary company, Cultural Outreach Limited, is the holder of intellectual property rights donated for the work of the Charity. As the company is dormant and its assets are immaterial to the group, consolidated accounts have not been prepared.

i) Grants Awarded

Grants awarded by the Charity are recognised in full as expenditure on charitable activities in the Statement of Financial Activities in the period in which a binding commitment arises.

j) Gifts In Kind

(i) Tangible gifts-in-kind

Tangible gifts-in-kind are recognised at their fair value.

(ii) Donated services or facilities

Donated services or facilities are recognised at their estimated value to the charity where the value is quantifiable and measurable. The valuation basis is the price the charity estimates it would pay in the open market for a service or facility of equivalent utility.

(iii) Wikimedians in Residence

Where either

- (a) a grant is made under an agreement in respect of a Wikimedian in Residence and the host organisation contributes towards the cost, or
- (b) a grant has been made for our benefit by another grant maker direct to that host institution

a gift-in-kind is recognized equal in value to the additional amount the charity would have been willing to grant to secure the residency.

k) Pensions

The charity provides a defined contributions pension scheme for its employees and contributions payable for the year are charged to the Statement of Financial Activities.

l) Financial instruments

Cash and Cash Equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year are carried at their present value of the expected future receipts or payment discounted at a market rate of interest.

2 NET INCOME

	2015	
	£	£
Net income is stated after charging the following:		
Independent examiner's fees	3,500	-
Auditor's fees	-	8,049
Tax compliance services	1,112	700
Other services	851	-
	<u>5,463</u>	<u>8,749</u>
Depreciation - see note 15	<u>3,631</u>	<u>5,456</u>

3 GRANTS RECEIVABLE

	2015	
	£	£
Wikimedia Foundation Inc	314,000	353,000
Recharged costs for Wikimania	-	59,117
	<u>314,000</u>	<u>412,117</u>

4 INVESTMENT INCOME

	2015	
	£	£
Bank interest	<u>602</u>	<u>708</u>

5 GIFTS IN KIND

The gifts in kind recognised in the year are:

Donor	Nature of gift	Value £	2015 £
Tom Morton Consulting	IT consultancy	3,668	-
European Communications Summit	Ticket for event	1,700	-
Corporate Communications Magazine	Ticket for event	300	-
Ed Saperia	Volunteer Strategy Day venue	1,200	-
Microsoft Corporation	Software	480	-
Wellcome Trust	Science Conference venue	8,628	-
National Library of Scotland	Wikimedian in Residence host costs	3,000	9,000
National Library of Wales	Wikimedian in Residence host costs	6,694	6,694
Other partner organisations	Wikimedian in Residence host costs	-	18,081
Institute of Directors	Advertising and conference stand	-	29,250
Other donors	various	-	3,928
		<u>25,670</u>	<u>66,953</u>

6 OTHER INCOME

	2015 £
Wici Cymru (partial recovery of project costs)	5,688
VAT refunded re fundraising costs of prior periods	9,242
Miscellaneous	(29)
	<u>14,901</u>

7 RAISING FUNDS

Fundraising costs	2015 £
Direct costs - external	16,902
Direct costs - staff	62,141
Management & Administration costs	53,759
	<u>132,802</u>

Fundraising external direct costs includes £15,593 paid as fees for the processing of donations received by direct debit (2015: £16,218)

8 ANALYSIS OF EXPENDITURE

	Direct Costs		Support	Total	
	External	Staff	Costs	Costs	2015
	£	£	£	£	£
Charitable Projects activity costs					
International programmes	10,002	17,167	18,479	45,648	66,897
General outreach	4,506	41,047	30,982	76,535	154,003
Programmes	35,388	75,857	75,661	186,906	251,303
Volunteer support	3,396	38,658	28,603	70,657	104,968
Other projects	3,323	8,346	7,934	19,603	57,432
Co-hosting Wikimania 2014	-	-	-	-	192,185
	56,615	181,075	161,659	399,349	826,788
Raising funds	16,902	62,141	53,759	132,802	83,018
Support costs	106,653	108,765	(215,418)	-	-
Costs of restructure	31,554	27,806	-	59,360	47,853
Total resources expended	211,724	379,787	-	591,511	957,659
Other projects					
Software development	3,305	2,394	3,874	9,573	48,418
Other projects	18	5,952	4,060	10,030	9,014
	3,323	8,346	7,934	19,603	57,432

Programmes includes project grants to organisations hosting Wikimedians in Residence of £ 24,383 (2015 - £79,682) and notional expenditure of £9,694 (2015 - £33,178) as described in note 5.

		2015
	£	£
Museums and Galleries of Scotland	8,500	17,624
National Library of Wales	11,383	22,506
National Library of Scotland	4,500	-
Other institutions	-	39,552
	24,383	79,682

8 ANALYSIS OF EXPENDITURE (continued)

2015

Support Costs

£

£

Office	80,961	72,293
Legal	11,507	17,104
Communications	1,017	21,420
Other admin	27,973	29,441
Other staff costs	25,627	36,575
Governance costs (Trustees meetings and public accountability)	68,333	72,706
	<u>215,418</u>	<u>249,539</u>

9 Debtors

2015

£

£

Prepayments	2,450	20,530
Other debtors	8,268	34,387
Gift aid receivable	12,657	26,001
	<u>23,375</u>	<u>80,918</u>

10 Creditors

2015

£

£

Trade creditors	17,546	16,048
Accruals	4,000	55,665
Taxation and social security	15,695	(541)
Staff pay and pension contributions	-	1,285
	<u>37,241</u>	<u>72,457</u>

11 EMPLOYEE INFORMATION

The average number of employees in Wikimedia UK in the year to 31 January 2016 was as follows:

	No.	2015 No.
Full-time	7	11
Part-time	2	3
	<u>9</u>	<u>14</u>

Employee costs were as follows:

	£	£
Salaries	321,021	353,087
National insurance	20,924	35,321
Pension contributions	11,462	12,896
Redundancy pay	3,504	-
Other termination payments	22,876	34,012
	<u>379,787</u>	<u>435,316</u>

The number of employees with total emoluments more than £60,000 was:

	No.	No.
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-

12 TRUSTEE'S REMUNERATION AND EXPENSES

No trustee received any remuneration or other benefit from employment by Wikimedia UK during the year nor any payment for professional or other services supplied to the charity (2015: none). Expenses amounting to £6,759 (2015 - £7,459) were paid to or on behalf of 11 (2015 - 11) trustees during the year in respect of travel, accommodation, subsistence and training (2015 - travel, accommodation, subsistence and training).

13 RELATED PARTY TRANSACTIONS

There were no related party transactions.

14 OPERATING LEASES

At 31 January 2016, Wikimedia UK was committed to making the following payments in respect of a licence to occupy offices at 56-64 Leonard Street, London EC2A 4LT

		2015
	£	£
Payments due within 12 months	6,367	41,200
Payments due after 12 months and within 5 years	-	6,367
	<u>6,367</u>	<u>47,567</u>

15 TANGIBLE FIXED ASSETS

	Computer Equipment	Furniture	Total
Cost	£	£	£
At 1 February 2015	16,452	2,116	18,568
Additions	692		692
Disposals	(873)		(873)
At 31 January 2016	<u>16,271</u>	<u>2,116</u>	<u>18,387</u>
Depreciation			
At 1 February 2015	10,727	940	11,667
Charge for year	2,925	706	3,631
Disposals	(873)		(873)
At 31 January 2016	<u>12,779</u>	<u>1,646</u>	<u>14,425</u>
Net Book Value			
At 31 January 2016	<u>3,492</u>	<u>470</u>	<u>3,962</u>
At 31 January 2015	<u>5,725</u>	<u>1,176</u>	<u>6,901</u>