

WIKIMEDIA UK
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015

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COMPANIES HOUSE

Legal and administrative information

Full name Wikimedia UK

Registered Company Number 06741827

Registered Charity Number 1144513

Directors and Charity Trustees

Michael Maggs	– Chair (G)
Simon Knight	– Vice Chair
Alastair McCapra	– Board Secretary (G; A)
Greyham Dawes	– Treasurer (G; A)
Kate West	– (G; A)
Carol Campbell	– (A)
Joseph Seddon	
Chris Keating	– (A)
Saad Choudri	
Gill Hamilton	(appointed 14 th October 2014)

G: Governance Committee

A: Audit and Risk Committee

Former Directors and Charity Trustees

Padmini Ray Murray (resigned 18th September 2014)

Principal Address 56-64 Leonard Street
London
EC2A 4LT

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Bankers

The Co-Operative Bank

1 Balloon Street

Manchester

M60 4EP

Unity Trust Bank

Nine Brindleyplace

Birmingham

B1 2HB

Auditors

UHY Hacker Young

22 The Ropewalk

Nottingham

NG1 5DT

Legal Advisers

Stone King LLP

13 Queen Square

Bath

BA1 2HJ

Burges Salmon LLP

One Glass Wharf

Bristol

BS2 0ZX

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MESSAGE FROM THE CHAIR OF THE BOARD

Over the past 12 months we have seen some significant changes for the charity, and some challenging times as well as some exceptional successes. In August, Wikimania 2014 was held in London. This was a great success, for which volunteers, our then CEO Jon Davies and his team, and the Wikimedia Foundation can all take credit.

A major highlight of the year has been our work with GLAMs, including some of the largest and most respected organisations in the UK such as the Royal Society, the Bodleian Libraries, the National Libraries of Scotland and Wales, and Cancer Research UK. We have moved towards a more project-based approach when working in collaboration with external partners. Building relationships with major organisations has shown that this can bring success in terms of impact, value for money, and perceived reputation in the movement and in the public mindset. These relationships not only open doors for us in terms of access to content, goodwill and expertise, but they will prove increasingly vital in gaining the confidence of grant-making organisations who will be an important source of funding for us.

I should also note that in November our second and final follow-up governance audit review was published. The independent reviewer noted that *"WMUK has developed very quickly, and the charity has clearly put a lot of effort into ensuring that its governance now meets best practice expectations. It has a cohesive, skilled and experienced board in place. They have a clear understanding of the charity's vision and mission"*.

For some time now we have been working on the transition to a more streamlined organisation, better focused on our strategic goals, better able to engage with and involve volunteers of all kinds, and capable of achieving much higher charitable impacts. It became increasingly clear in the autumn that operational procedures needed to be reviewed, and that many of the assumptions on which our organisational structure was originally built were holding us back.

With the appointment of D'Arcy Myers as interim chief executive in November 2014, the board took the opportunity to undertake a review of the charity's structure and organisation. The review was completed in May, and resulted in a smaller and more project-focused staff team with significantly more emphasis on closer engagement between staff and volunteers. As part of that process a number of existing staff were made redundant. I would like to repeat our thanks to everyone involved for their professionalism and understanding, and to wish the staff members who have left us the very best for the future.

We want to transform the way we work so that we can bring volunteering right into the heart of the charity, and in June we launched the next major phase of our ongoing consultation with our members and community to ensure that we can make the very best use of our new working practices and organisational structure.

A recent key priority for the Board has been the process of appointing a new permanent CEO. We have been looking for an ambitious individual who will provide strategic leadership and supportive management to volunteers and staff alike. The CEO will work to increase our profile and impact with our partners, engage with the volunteer community and develop our programme activity. The board believes that the charity's model for fundraising has not been adequate and that greater diversity of income streams is essential, and to that end we have sought a CEO with significant personal expertise in fundraising from trusts, foundations and corporates, and who is capable of taking a strong personal lead within the restructured staff team.

Michael Maggs
Chair

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MESSAGE FROM THE CHIEF EXECUTIVE

When I joined Wikimedia UK in November 2014 as Interim CEO, I arrived not surprisingly at a time of change and uncertainty. The board asked me not only to support the staff, trustees and volunteers whilst a new CEO was recruited, but also to take the opportunity to review the charity structure.

It became evident very quickly that WMUK not only has a strong ethos of supporting volunteers, it has the ability to create partnerships with major institutions that lead to substantial impact. The review also highlighted that many of the activities undertaken by the charity, while individually worthwhile, were taking place in isolation. Taking this and resource availability into account, I recommended to the board that we restructure to be better placed to fulfill our goal of being a volunteer led organisation.

Taking into account volunteers' input at volunteer strategy day in Birmingham, and separately, along with views and insights from the board and staff, we have developed a project-based approach which puts volunteers right at the centre of all our activities.

By looking at all our activities as self-contained projects we are better able to link volunteers and their ideas with partner organisations, tell richer stories, unlock external funding, and evaluate our work more effectively.

When an idea is proposed by a volunteer, the staff are able to advise on how it may be developed into a project in its own right, how it might enhance an existing project or whether it could be partnered with another project idea. Staff are able to support the volunteer in developing the idea and in encouraging other volunteers to work on the project. As the project develops, led by volunteers, the staff team with their newly-established project coordinator roles can guide and support them. Once the project is completed, evaluation helps enhance the success of future projects and ensures that we share our impact stories.

Because volunteers drive and lead the projects, there is greater opportunity for people to get involved. Where a project involves an external partner organisation, the partner has an enhanced experience and is able to reach a wider audience.

The WMUK staff team are not instigators; they are the facilitators in a range of roles, bringing project, communications, evaluation and funding expertise and commitment together to reduce barriers to open knowledge.

D'Arcy Myers
Chief Executive

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Wikimedia UK is a charitable company limited by membership guarantees. 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 Memorandum and Articles of Association, last amended on 9 August 2014, the company is governed by a Board of up to seven elected directors and up to four co-opted directors, all of whom normally serve for two years in office, before standing for election at the next AGM. The directors are the charity trustees for charity law purposes. Election at an AGM is by open invitation to stand and is publicised on the internet. The Board is empowered to co-opt directors to fill a perceived skills-gap or to fill a vacancy arising between AGMs.

The company has signed a "Chapter Agreement" with the Wikimedia Foundation, a Florida-registered public charity that operates Wikipedia and its sister websites and 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.

The company has also signed a "Chapter Fundraising Agreement" with the Wikimedia Foundation, which establishes the basis on which the company participates in the global annual fundraiser that takes place via Wikipedia and its sister websites, and also the making or receiving of charitable grants through the Foundation's Funds Dissemination Committee to meet the funding needs of Wikimedia Chapters. In 2014 the Chapter again, as in previous years, did not participate directly in the annual fundraising appeal. This accounts for the absence of the large grant to the Foundation that we reported in previous accounts.

Wikimedia UK encourages all who support its charitable aims and objectives, who are willing to abide by its membership rules and who have links to the UK, to join as voting company members. Admission to company membership is by online application to the Charity. Membership has started to grow again after a dip and we expect it to grow over the coming months.

During the year an independent review of Board progress in implementing the 2013 Hudson Report on governance improvements was commissioned from Rosie Chapman. Her review concluded that the Hudson recommendations had largely been implemented. These included significant revisions in the running of the charity, a key aspect being devolving day-to-day management responsibility to the CEO.

The Board also considered the matter of donated intellectual property rights and established a wholly owned subsidiary company, Cultural Outreach Limited, to hold them on the Charity's behalf.

All trustees receive appropriate induction and training through a programme of individual support, individual training and group training. A trustee induction pack has been established on our website combining external advice and key internal documents.

The trustees established two formal board committees, the Audit and Risk Committee and the Governance Committee, at a Board Meeting on 26 March 2013. The Governance Committee provides

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advice and assurance to the Board on the effectiveness of its governance policies and procedures. The Audit & Risk Committee provides advice and assurance for the integrity of the company's annual financial statements, the effectiveness of its internal controls and risk management and for audit matters generally. Committee memberships are indicated on the list of trustees.

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 by facilitating suitable activities by volunteers editing and extending open-access educational and similar information. We organise conferences, training events and local meet-ups for our volunteers and make grants available for suitable open knowledge and open-access projects.

Achievements and Performance

During the year we continued to work towards our mission: to help people and organisations create and preserve open knowledge and to provide easy access for all. Primarily this work focused on encouraging wider use of, and sharing educational content with the Wikimedia projects, including Wikipedia. For this year, our achievements and performance in the main areas of our work as reported in the Statement of Financial Activities have been as follows:

Wikimania 2014

A full report is available at https://wikimedia.org.uk/wiki/Wikimania_Support_Team_Report

Wikimania is the annual conference of the global Wikimedia movement and in 2014 we had the good fortune to have London chosen as the host city. The event took place at the Barbican Centre in August, with a calendar of smaller events taking place in the preceding two months or so.

The conference proved to be a big success with around 2,000 delegates from almost 60 countries to share ideas, collaborate on projects and spread the benefits of free and open knowledge. Wikimania 2014 was the largest Wikimania to date, with 36 other Wikimedia organisations (and 19 open knowledge organisations) setting up stall in a "Community Village", through which over 10,000 members of the public passed over the length of the conference. 72 media organisations attended, with 136 positive media mentions: more than double our targets of 20 and 50 respectively. 91% of respondents to a post-conference survey rated the conference as "Good" or "Excellent".

We also did a thorough job passing on our knowledge to other international Wikimedia groups through running concurrent training courses; 17 people completed our 'charity governance workshop', and another 10 completed our 'training the trainers' workshop. These two courses should help kick-start

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Wikimedia activities in other areas of the world.

Finally, the conference could not have been run without our volunteer team: over 180 volunteers spent 800 hours preparing for Wikimania, and a further 3,700 actually delivering the conference. Half of the volunteers put in less than ten hours each, and a small percentage put in over 75 hours each over the course of the run-up and the conference itself. We cannot thank everyone enough for the work they put in, whether it was five hours or fifty. We could not have run the conference without them.

Galleries, Libraries, Archives and Museums (GLAM)

Wikimedia UK continued to support the Wikimedia Foundation in its goal of making the sum of human knowledge available to all humanity. Many of the UK's cultural institutions have compatible aims with ours and a remit to make their collections available to all. In recent years the Wikimedia movement has been shifting priority from increasing quantity to increasing quality, and our work with GLAMs is an important part of this. However, this doesn't mean that large amounts of content are without value. One project saw over 100,000 images uploaded from the collection of the Wellcome Trust. A further 68,000 files were contributed to Wikimedia Commons as a result of Wikimedia UK activity this year.

In terms of improving quality, a significant piece of work in partnership with Cancer Research UK led to 445 files of high quality donated to the commons. A significant number of these files are in use on many language editions of Wikipedia, providing free and open access to important medical knowledge. Most families will be affected by cancer at one point or another so this is an important step towards the aims and objectives of Wikipedia.

GLAM Wikimedians in Residence

saw the Wikimedians in Residence continue to develop. A Wikimedian in Residence is a person who works inside a partner institution, often within the cultural or educational sectors, to develop a greater understanding of open knowledge and its benefits. These projects also often lead to significant releases of high quality content under open licenses, and numbers of highly skilled and motivated people trained to contribute to the Wikimedia projects. Notable residencies for this year included:

- National Library of Scotland, where a pilot release of some of their images into the public domain has already taken place
- Coleg Cymraeg, a global centre for the Welsh language, where approximately 4,500 images were released and uploaded from the National Library, and 2,800 by the Welsh Book Council, with 1,200 new Welsh-language articles
- York Museums Trust have now, thanks to our work there, embraced an entirely Open Image policy, which has resulted in 40,000 images of Yorkshire and related topics becoming publicly available
- Jisc, where the Jisc Wikimedia Ambassador has produced a ten-thousand-word infoKit on Crowdsourcing which is now being suggested to any organisation that contacts Jisc about digitisation
- Royal Society of Chemistry, where 100 free RSC Gold accounts have been offered to Wikipedia editors of Chemistry-related subjects

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Finally, there's Cancer Research UK, one of our most successful partnerships. Our work with them was funded by the Wellcome Trust, and helped solve the problem that Wikipedia cancer articles tend to be mostly illustrated with alarming shots of tumours, or purple-stained pathology slides which convey little to non-professional readers. CRUK have released new images and explain in simple terms basic aspects of the main cancers – where they arise, how they grow and spread. Within a month, these images had been seen by 1.1 million people.

Education

Our third annual EduWiki conference was a particular highlight in our education based work this year. Held in Edinburgh, 61 people attended from 11 countries, making this an event with an international flavour. However, it is likely that the conference has now served its purpose and will be discontinued in 2015-16, being replaced with a different activity.

Other work in education this year included supporting Wikipedia campus ambassadors. These volunteers advocate for the use of the Wikimedia projects at universities and sometimes offer training sessions. Over the coming year we will be looking more closely at developing activity related to digital literacy and to Wikipedia's potential use as a teaching tool.

Open Coalition

2014 saw the founding of the Open Coalition project. Funded by Wikimedia UK but independent, the project is designed to increase collaboration and effectiveness across the "open sector" - organisations working in all forms of open, such as open access, open policy, open knowledge, open licensing and so on. The idea was formed by us, Creative Commons, Mozilla and Open Knowledge Foundation. The first few months of the project successfully facilitated many relationships and developing projects. We will be looking for acceleration of this work in 2015-16.

Policy Development

In 2014-15 Wikimedia UK took great steps to engage more actively in the area of policy development. During the year we took part in two important governmental consultations. The Speaker's Commission on Digital Democracy engaged with stakeholders to explore how digital technologies can lead to greater participation in the civic life of our country. We submitted evidence and attended consultations in Parliament. The House of Lords Select Committee on Digital Skills gathered evidence related to the state of the UK's digital skills and how steps can be taken to improve the nation's aptitude with digital technologies by 2020, and we submitted written evidence to this committee.

International

Wikimedia UK remains an active partner within the Free Knowledge Advocacy Group EU. This year the group made great strides towards its advocacy aims. We successfully engaged with a number of MEPs on the topics of copyright reform and a bill of digital rights. In terms of copyright reform, the work

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of the group played a role in a Europe-wide scheme that for the first time allows the right of orphan works where rights holders cannot be identified. We also continue to press for liberal harmonisation of freedom of panorama across the EU and for the application of public domain licences for all forms of publicly funded works.

As previously mentioned, Wikimania was our key international event this year with delegates attending from around 60 countries. We also had a strong presence at the Wikimedia Conference in Berlin, an international event for employees and trustees of Wikimedia affiliated organisations. Our position as an international leader in the field was reflected in the fact that several people from our charity were invited to give key presentations on reporting, governance, leadership and advocacy.

Wales

Wales continues to be a hotspot of success for us. Our Wales Manager continues to lead the charge in this work, leading many training sessions and encouraging the uploading and sharing of great swathes of unique Welsh language content. Key partnerships with organisations such as the Coleg Cymraeg – the federal Welsh language university – and the National Library of Wales ensure that this work continues apace.

Volunteering

At our core, we remain a volunteer-led organisation and over this year we have taken significant steps towards re-connecting with our volunteer community and putting them at the heart of everything that we do. An important element of this work is the introduction of volunteer strategy days, the first of which took place in Birmingham in November 2014. These strategy days really connect the charity and its volunteer base and give our volunteers a much louder voice and more influence in the way the charity operates. There will be further volunteer strategy days throughout 2015-16.

We continue to support an active base of professionally trained volunteer trainers who do a wonderful job encouraging and teaching new editors. Our volunteer base grew this year to 765 with growth to our number of leading volunteers to 305. Our challenge for 2015-16 is to continue to engage with these volunteers in a meaningful way since many were recruited through the Wikimania conference.

Leadership transition

In September we parted ways with our chief executive, bringing in an interim CEO to lead the charity during the transitional period. The charity also began assessing its staffing levels and its activity to review effectiveness and efficiency. The process is ongoing, as is recruitment of the permanent replacement chief executive. Towards the very end of the financial year we were beginning a process of restructuring the staff team, a process that would continue until the end of May 2015.

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Achievements and Performance

Financial Review

Our financial and management processes have been reviewed and upgraded this year as part of our programme of governance improvements. We have hired a Management Accountant who has a wealth of experience with producing management accounts and statutory accounts to the standard that the Board requires. This has made our financial control much more professional, which in turn means that we can now plan much further in the future.

We have also instituted revisions to our financial payment systems to ensure that all smaller payments can be made in a timely fashion and with minimised administrative burden to the charity. We are supported in our work by the San Francisco-based Wikimedia Foundation, with whom we have a close working relationship, and from whom we receive a grant of circa £350,000 each year. In addition to this, our supporters in the UK – who number in the tens of thousands – have been generous enough to support us with donations of nearly £300,000 this year. Although the year's operating deficit has halved our reserves to a level where we need to ensure a balanced annual budget in future, we have good reason to be optimistic about future funding prospects and are therefore confident that Wikimedia UK is financially viable for at least the next year.

Reserves

Our reserves policy is kept under regular review through our quarterly management accounts. For the time being, we aim to maintain reserves at their current level until we can rebuild them to the point where new project work is not constrained by the need for extra funding in order to avoid curtailing committed activities. Our year-end free reserves stood at £168,601 which equates to almost 3.5 months of planned spending in the current financial year.

Risk Management

Following the Hudson and Chapman reviews we have updated our financial protocols as well as continuing to keep under regular review our established systems and procedures for managing identified major risks, and we have also revised our format for the internal reporting of major risks to adhere to Charity Commission guidelines. Our risk-rating system is based on Charity Commission best practice and is reviewed regularly by the Audit and Risk Committee, with all major risks being reported to the full board. The principal risks we previously identified, around creating board stability, reversing editor decline and managing our reputation, have all been addressed by suitable strategies. This upgraded system will also allow the Board to identify, manage and mitigate any emerging risks and uncertainties faced by Wikimedia UK.

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Future Plans

The 2015-16 programme has been constructed against an agreed and ambitious five year strategy. Our work has been focused into five areas, each with high level strategic goals. They are:

- 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.

We have specific targets for all areas of our work relating to our strategic goals and individual programmes, which are listed on our website. This will allow us to more closely monitor our work and monitor successes and failures.

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 the most 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 Standards have 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.

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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 4 July, 2015:

A handwritten signature in black ink, appearing to read 'MN Maggs', with a long horizontal stroke extending to the left.

M N Maggs
Trustee and Chair

WIKIMEDIA UK

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WIKIMEDIA UK FOR THE YEAR ENDED 31 JANUARY 2015

We have audited the financial statements of Wikimedia UK for the year ended 31 January 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements;
- the charitable company has not kept adequate accounting records;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

UHY Hacker Young

UHY Hacker Young
Statutory Auditor

Chartered Accountants
& Registered Auditors

22 The Ropewalk
Nottingham
NG1 5DT

22 July 2015

WIKIMEDIA UK
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2015

	Notes	£	Total Funds 2014 £
INCOMING RESOURCES			
Voluntary Income			
Donations		283,631	345,720
Membership subscriptions		1,388	1,396
Gifts in Kind	5	66,953	-
Total Voluntary Income		351,972	347,116
Activities for generating funds			
Conference income		1,202	3,119
Grants	3	412,117	331,768
Investment income	4	708	5,014
Other income	5	14,901	495
Total incoming resources		780,900	687,512
RESOURCES EXPENDED			
Cost of generating voluntary income	7	76,383	58,249
Net incoming resources available for charitable application		704,517	629,263
	8		
Charitable activities			
International programme		61,552	61,130
General outreach projects		141,696	133,974
GLAM projects		197,998	124,048
Education projects		33,222	72,349
Volunteer support		96,580	56,071
Co-hosting Wikimania		176,827	-
Other projects	7	52,843	79,855
Cost of Charitable projects		760,718	527,428
Governance costs		72,705	55,066
Cost of restructure		47,853	-
Total resources expended	8	957,659	640,744
		(176,759)	46,769
Net Income/(Expenditure) for the year		(176,759)	46,769
Net movement in funds		(176,759)	46,769
Fund balances at 1 February 2014		345,360	298,591
Fund balances at 31 January 2015		168,601	345,360

**WIKIMEDIA UK
BALANCE SHEET
AS AT 31 JANUARY 2015**

	Notes	£	2015 £	2014 £
Fixed Assets				
Tangible Assets	11		6,901	8,357
Current Assets				
Debtors	12	80,918	70,891	
Cash at bank and in hand		<u>153,239</u>	<u>316,631</u>	
		234,157	387,522	
Creditors: amounts falling due within one year	13	<u>(72,457)</u>	<u>(50,519)</u>	
Net current assets			<u>161,700</u>	<u>337,003</u>
Net assets			<u>168,601</u>	<u>345,360</u>
Funds				
Unrestricted funds			<u>168,601</u>	<u>345,360</u>
			<u>168,601</u>	<u>345,360</u>

The Trustees state that for the financial period ended 31 January 2015 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 April 2008).

Approved by the Board of Trustees on 4th July 2015 and signed on its behalf by:



Greyham Dawes
Treasurer / Director
Company Registration No. 06741827

The notes on pages 17 to 24 form an integral part of these accounts.

1 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 (SORP 2005), applicable accounting standards and the Companies Act 2006. As a charity, the company has no taxation liability.

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

b) Incoming resources

All incoming resources are included in the Statement of Financial Activities in the period in which the funds are receivable.

c) Resources expended

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

d) Fund accounting

Funds held by the charity are either:-

Unrestricted funds

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

Restricted funds

These funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Staff costs attributable to project-work or fundraising are included within the relevant direct costs, and staff costs and other overheads comprising support costs have been apportioned pro rata to total direct costs in the expenditure headings shown in the Statement of Financial Activities.

1 Accounting policies (continued)

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 the whole year.

f) Volunteers

The trustees recognise the significant contribution made by volunteers who gave freely of their time and expertise. It is not practicable to place a monetary value on this contribution.

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:

Transport	20% reducing balance
Computer equipment	33.33% straight line
Furniture	33.33% straight line

h) Investments

The Charity established a wholly owned subsidiary company, Cultural Outreach Limited, to hold donated intellectual property rights on its behalf. As the company is a non-trading subsidiary and immaterial to the group, consolidated accounts have not been prepared and, as such, these financial statements represent the results of the parent Charity only.

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 gross value to the charity. The value is the cost of buying an equivalent to serve the purpose for which the gift will be used. Tangible gifts in kind are capitalised in accordance with the capitalisation policy.

(ii) Donated services or facilities

Donated services or facilities are recognised at their 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 recognised equal in value to the additional amount the charity would have been willing to grant to secure the residency.

**WIKIMEDIA UK
NOTES TO THE FINANCIAL STATEMENTS
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2 NET INCOME

Net income is stated after auditor's remuneration of £8,049 (2014 - £5,820) and depreciation of £5,456 (2014 - £5,213).

3 GRANTS RECEIVABLE

	£	2014
Wikimedia Foundation Inc	353,000	331,768
Recharged costs for Wikimania	59,117	-
	<u>£ 412,117</u>	<u>£ 331,768</u>

4 INVESTMENT INCOME

	£	£
Bank interest	<u>708</u>	<u>5014</u>

5 CHANGE OF ACCOUNTING POLICY - GIFTS IN KIND

From 1 February 2014 Wikimedia UK recognises gifts in kind in accordance with the policy set out on page 21. The gifts in kind recognised in the year are as follows:

Donor	Nature of gift	Value £
5(a) Charged as notional expenditure:		
Institute of Directors	Advertising in Director magazine	21,000
Institute of Directors	Stand at IoD conference	8,250
Public Catalogue Foundation	Books	525
National Library of Scotland	Wikimedian in Residence host costs	9,000
Y Coleg Cymraeg	Wikimedian in Residence host costs	3,000
Cancer Research UK	Wikimedian in Residence host costs	903
York Museums Trust	Wikimedian in Residence host costs	2,778
National Library of Wales	Wikimedian in Residence host costs	6,694
Royal Society of Chemistry	Wikimedian in Residence host costs	10,803
		<u>62,953</u>
5(b) Capitalised:		
Natural History Museum	Herbscan scanners	4,000
		<u>£ 66,953</u>

Detailed comparative figures for 2014 are not available but are estimated at a total of £28,000.

6 OTHER INCOME

	£	2014
Wici Cymru (partial recovery of project costs)	5,688	-
VAT refunded re fundraising costs of prior periods	9,242	-
Miscellaneous	(29)	474
	<u>£ 14,901</u>	<u>£ 474</u>

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7 COST OF GENERATING FUNDS

Fundraising costs	£	2014
Direct costs - external	16,973	20,342
Direct costs - staff	43,275	21,907
Management & Administration costs	16,135	16,000
	<u>£ 76,383</u>	<u>£ 58,249</u>

Fundraising external direct costs includes £16,218 paid as fees for the processing of donations received by direct debit.

8 ANALYSIS OF EXPENDITURE

	<u>Direct Costs</u>		Management &	Total	
	External	Staff	Administration	Costs	2014
	£	£	£	£	
Charitable Projects activity costs					
International programmes	26,639	21,910	13,003	61,552	61,130
General outreach	70,901	40,862	29,933	141,696	133,974
GLAM	122,605	33,567	41,826	197,998	124,048
Education	11,076	15,128	7,018	33,222	72,349
Wikimania Conference, London	65,800	73,673	37,354	176,827	-
Volunteer support	23,623	52,555	20,402	96,580	56,071
Other projects	<u>30,581</u>	<u>11,100</u>	<u>11,162</u>	<u>52,843</u>	<u>79,856</u>
	351,225	248,795	160,698	760,718	527,428
Cost of generating funds	16,973	43,275	16,135	76,383	58,249
Management & Administration	122,480	54,353	(176,833)	-	-
Governance costs	26,656	46,049	-	72,705	55,066
Costs of restructure	<u>5,010</u>	<u>42,843</u>	<u>-</u>	<u>47,853</u>	<u>-</u>
Total resources expended	<u>522,344</u>	<u>435,315</u>	<u>-</u>	<u>957,659</u>	<u>640,743</u>
Other projects					
Software development	29,747	5,391	9,410	44,548	-
Other projects	<u>834</u>	<u>5,709</u>	<u>1,752</u>	<u>8,295</u>	<u>79,856</u>
	<u>30,581</u>	<u>11,100</u>	<u>11,162</u>	<u>52,843</u>	<u>79,856</u>

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8(a) GLAM includes project grants to organisations hosting Wikimedians in Residence of £79,682 and notional expenditure of £33,178 as described in note 5.

	£	2014
Y Coleg Cymraeg	10,000	-
Museums and Galleries of Scotland	17,624	-
National Library of Wales	22,506	-
Bodleian	16,814	-
Other institutions	12,738	49,907
	<u>£ 79,682</u>	<u>£ 49,907</u>

8(b) Governance direct expenses

	£	2014
Board costs	9,261	11,351
Legal and professional fees	7,737	3,439
Audit fees	8,049	5,820
Other costs	1,609	6,980
	<u>£ 26,656</u>	<u>£ 27,590</u>

9 EMPLOYEE INFORMATION

The average number of employees, also on a full-time equivalent basis, in Wikimedia UK in the year to 31 January 2015 was as follows:

	No.	2014 No.
Full-time	12	7
Average number of part-time staff	<u>5</u>	<u>3</u>
	17	10
Part-time (FTE)	<u>4</u>	<u>1</u>
Employee costs were as follows:	£	£
Salaries	387,099	252,447
National insurance	35,321	24,735
Defined contribution scheme pension contributions	<u>12,896</u>	<u>9,821</u>
	<u>£ 435,316</u>	<u>£ 287,003</u>

One employee received emoluments in the range £80,000 to £90,000.

TRUSTEE'S REMUNERATION AND EXPENSES

None of the trustees received any remuneration during the year (2014: none). Expenses amounting to £7,459 were paid to or on behalf of 11 trustees during the year (2014: £4,192; 12 trustees).

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10 OPERATING LEASES

At 31 January 2015, Wikimedia UK was committed to making the following payments in respect of operating leases:

3 months' rent for offices at 56-64 Leonard Street London £10,300 (2014 - £10,300)

11 TANGIBLE FIXED ASSETS

	Computer Equipment	Furniture	Total
Cost			
	£	£	£
At 1 February 2014	16,323	2,116	18,439
Additions (see note 4)	4,000		4,000
Disposals	3,871		3,871
	<u>16,452</u>	<u>2,116</u>	<u>18,568</u>
At 31 January 2015			
Depreciation			
At 1 February 2014	9,847	235	10,082
Charge for year	4,751	705	5,456
Disposals	3,871		3,871
	<u>10,727</u>	<u>940</u>	<u>11,667</u>
At 31 January 2015			
Net Book Value			
At 31 January 2015	<u>£ 5,725</u>	<u>£ 1,176</u>	<u>£ 6,901</u>
At 1 February 2014	<u>£ 6,476</u>	<u>£ 1,881</u>	<u>£ 8,357</u>

12 Debtors

		2014
	£	£
Prepayments	20,530	2,386
Other debtors	34,387	2,262
Gift aid receivable	26,001	66,243
	<u>£ 80,918</u>	<u>£ 70,891</u>

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		2014
13 Creditors	£	£
Trade creditors	16,048	29,731
Accruals (including Wikimedian in Residence grants £48,465)	55,665	6,000
Taxation and social security	(541)	8,598
Staff pay and pension contributions	1,285	6,190
	<u>£ 72,457</u>	<u>£ 50,519</u>