

Wikimedia Foundation, Inc.
Actual vs. Plan Comparison
July 1, 2014 through December 31, 2014
All Amounts in USD
Unaudited

	Actual Jul - Dec 14	Plan Jul - Dec 14	\$ Change	% Change	Notes	Annual Plan
Ordinary " <u>Unrestricted</u> " Income/Expense						
Income						
Unrestricted Public Support	\$ 54,188,271	\$ 34,000,000	\$ 20,188,271	59.38%	(a)	\$ 58,500,000
Other Types of Income	178,481	-	178,481	100.00%	(b)	-
Merchandise, Net	7,661	23,100	(15,439)	-66.84%	(c)	46,200
Total Income	54,374,413	34,023,100	20,351,313	59.82%		58,546,200
Expense						
Salaries and Wages	11,834,781	12,743,137	(908,356)	-7.13%		26,818,463
Recruiting and Other Hiring Costs	103,580	231,225	(127,645)	-55.20%	(d)	462,450
Internet Hosting	1,035,232	1,150,000	(114,768)	-9.98%		2,300,000
Grants	397,762	1,200,000	(802,238)	-66.85%	(e)	8,200,000
Facilities and Equipment	646,461	600,546	45,915	7.65%		2,920,011
Outside Contract Services	1,933,423	2,472,070	(538,647)	-21.79%	(f)	4,944,140
Staff and Volunteer Development	208,406	230,600	(22,194)	-9.62%		461,100
Payment Processing and Bank Fees	2,086,752	1,389,864	696,888	50.14%	(g)	1,995,000
Other Operating Expenses	1,822,601	2,152,406	(329,805)	-15.32%	(h)	4,431,636
Capital Expenditures	620,347	1,505,000	(884,653)	-58.78%	(i)	2,490,000
Special Events Expenses, net (Wikimania)	345,933	600,000	(254,067)	-42.34%	(j)	600,000
Travel, Entertainment, and Meetings	1,220,518	1,721,201	(500,683)	-29.09%	(k)	2,923,400
Total Expense	22,255,796	25,996,049	(3,740,253)	-14.39%		58,546,200
Net " <u>Unrestricted</u> " Income	32,118,617	8,027,051	24,091,566	300.13%		-
" <u>Restricted</u> " Income/Expense						
Restricted Public Support	4,000,000	-	4,000,000	-	(l)	-
Operating Expenses	-	-	-	-		-
Net " <u>Restricted</u> " Income/(Loss)	4,000,000	-	4,000,000	100.00%		-
Total Net Income	\$ 36,118,617	\$ 8,027,051	\$ 28,091,566	349.96%		\$ -

Mid-Year Financial Statement Recap - Actual vs. Plan

Revenue is over plan year-to-date due to a strategy change in order to prepare for future challenges from the traffic decline. Expenses were less than plan primarily due to lower salaries/benefits/recruiting costs due late in hiring on new positions or rehiring for staff turnovers, grant expenses, professional service expenses, travel expenses, internet hosting expenses, and timing of technology capital expenditures.

Notes:

- (a) Due to changing readership, Fundraising intentionally exceeded our goal during the period from July - December 2014 in order to prepare for future challenges.
- (b) Includes interest and dividend income offset by realized loss on investments. This cannot be reasonably budgeted due to the uncertainty in the market environments.
- (c) The online merchandise store has not been operating at the level of activity as anticipated.
- (d) Recruiting expenses are lower than plan due to late in hiring on new positions.
- (e) Due to timing of submission for Project&Event Grants and Individual Engagement Grants. Also, Partnership Grants did not commence as planned.
- (f) Due to lower engagement for outside professional services as the needs have not been required.
- (g) Payment processing fee is higher as a result of higher donations processed.
- (h) Other operating expenses are lower primarily due to lower legal fees and servers service contracts/warranty.
- (i) Capital expenditures are lower due to timing as spending will catch up during the second half of the fiscal year.
- (j) Lower than planned due to sponsorship fee and event registration fee that were not budgeted.
- (k) Lower travel expenses attributed to both less travels than planned as well as savings due to effective events coordination (e.g. arranging team meetings around other Foundation wide events to reduce the costs for air travels).
- (l) Represents a grant that is restricted to future periods.

Wikimedia Foundation, Inc.
Actual - Year-Over-Year Comparison
Year-to-Date, July-December, 2014 vs. 2013
All Amounts in USD
Unaudited

	Jul - Dec 14	Jul - Dec 13	\$ Change	% Change	Notes
Ordinary " <u>Unrestricted</u> " Income/Expense					
Income					
Unrestricted Public Support	\$ 54,188,271	\$ 34,481,288	\$ 19,706,983	57.15%	(a)
Other Types of Income	178,481	238,499	(60,018)	-25.16%	(b)
Merchandise, Net	7,661	11,647	(3,986)	-34.22%	
Program Income	-	19,324	(19,324)	-100.00%	(c)
Total Income	54,374,413	34,750,758	19,623,655	56.47%	
Expense					
Salaries and Wages	11,834,781	9,230,924	2,603,857	28.21%	(d)
Recruiting and Other Hiring Costs	103,580	272,991	(169,411)	-62.06%	(e)
Internet Hosting	1,035,232	1,280,003	(244,771)	-19.12%	(f)
Grants	397,762	1,098,145	(700,383)	-63.78%	(g)
Facilities and Equipment	646,461	852,276	(205,815)	-24.15%	(h)
Outside Contract Services	1,933,423	2,237,102	(303,679)	-13.57%	(i)
Staff and Volunteer Development	208,406	284,853	(76,447)	-26.84%	(j)
Payment Processing and Bank Fees	2,086,752	1,216,206	870,546	71.58%	(k)
Other Operating Expenses	1,822,601	1,004,588	818,013	81.43%	(l)
Capital Expenditures	620,347	89,185	531,162	595.57%	(m)
Special Events Expenses, net (Wikimania)	345,933	191,658	154,275	80.49%	(n)
Travel, Entertainment, and Meetings	1,220,518	1,017,677	202,841	19.93%	(o)
Total Expense	22,255,796	18,775,608	3,480,188	18.54%	
Net " <u>Unrestricted</u> " Income	32,118,617	15,975,150	16,143,467	101.05%	
" <u>Restricted</u> " Income/Expense					
Restricted Public Support	4,000,000	-	4,000,000		(p)
Operating Expenses	-	5,690	(5,690)	-100.00%	
Net " <u>Restricted</u> " Income/(Loss)	4,000,000	(5,690)	4,005,690	-70398.77%	
Total Net Income	\$ 36,118,617	\$ 15,969,460	\$ 20,149,157	126.17%	

Year Over Year Recap

WMF has continued to raise revenue to support its expanding work per the strategic plan.
Expenses have increased in concurrence with the initiatives of the strategic plan.

Notes:

- The online fundraiser revenue continues to increase significantly comparing to prior year for the same period. Due to changing readership, Fundraising intentionally raised more money than planned during the period from July - December 2014 in order to prepare for future challenges. The amount noted does not include the revenue raised by the participating chapters.
- Includes foreign exchange gains or losses, interest income and misc. income. Foreign exchange gains and losses are a direct result of the economy.
- Due to the discontinuance of the licensing and live-feed data services relationship with 3rd parties.
- Salaries and wages increased due to growth in staff as well as annual adjustment in compensation for existing staff.
- Recruiting expenses are lower than prior year for the same period due to a majority of our recruiting is done in-house by our recruiting team.
- Due to the closure of our Tampa data center and lower rate was negotiated for the new data center in Carrollton, TX.
- Grants are lower than prior year primarily due to timing.
- Facilities expense was higher in prior year due to the build out/improvement of our office space.
- Due to the conversion of some of the contractors to full time staff during the current year.
- Staff and volunteer development expenses are lower due to the timing of the events.
- Higher payment processing fee compared to the same period in prior year is a direct result of higher donation revenue.
- Other operating expenses are higher due to legal fees incurred per Plan and higher insurance expenses as a result of coverage increase.
- Capital Expenditures associate with servers purchases for the data centers. Spending in prior year was lower due to the planning of closing down the Tampa data center.
- The expenses are higher in the current year, now that the Foundation is directly managing and incurring them. Whereas in prior year, a portion of the event expenses were provided to the local chapter as a grant, thus it was included in grant expenses. These amounts do not include Wikimania scholarships or WMF staff's travel and lodging expenses.
- Travel has increased primarily due to increase in staff size.
- Represents a grant that is restricted to future periods.

Wikimedia Foundation, Inc.
Balance Sheet
As of December 31, 2014 and 2013
All Amounts in USD
Unaudited

	Dec 31, 14	Dec 31, 13	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings	\$ 53,482,868	\$ 38,004,400	\$ 15,478,468	40.73%
Accounts/Contributions Receivable	2,562,554	1,047,683	1,514,871	144.59%
Investments	31,732,851	17,335,336	14,397,515	83.05%
Other Current Assets	1,472,615	1,384,749	87,866	6.35%
Total Current Assets	89,250,888	57,772,168	31,478,720	54.49%
Other Assets				
Property, Plant and Equipment	11,539,446	9,942,372	1,597,074	16.06%
Accum.Depr-Property, Plant and Equipment	(7,486,120)	(5,031,999)	(2,454,121)	48.77%
Total Other Assets	4,053,326	4,910,373	(857,047)	-17.45%
TOTAL ASSETS	\$ 93,304,214	\$ 62,682,541	\$ 30,621,673	48.85%
LIABILITIES & NET ASSETS				
Liabilities				
Accounts Payable and Accrued Expenses	\$ 3,376,232	\$ 1,840,475	\$ 1,535,757	83.44%
Deferred Revenue	-	37,311	(37,311)	-100.00%
Other Liabilities	334,344	397,117	(62,773)	-15.81%
Total Liabilities	3,710,576	2,274,903	1,435,673	63.11%
Net Assets				
Retained Earnings	53,475,021	44,438,178	9,036,843	20.34%
Net Income	36,118,617	15,969,460	20,149,157	126.17%
Total Net Assets	89,593,638	60,407,638	29,186,000	48.32%
TOTAL LIABILITIES & NET ASSETS	\$ 93,304,214	\$ 62,682,541	\$ 30,621,673	48.85%