ASSOCIACIÓ AMICAL WIKIMEDIA

Summarised annual accounts
at 31 December 2017
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1. NATURE AND MAIN ACTIVITIES

The ASSOCIACIÓ AMICAL WIKIMEDIA (hereinafter, the Association) was founded in 2009. It is a non-profit association with registered offices at CL Narcís Blanch 39, Girona. It is listed on the Register of Official Associations of the Generalitat de Catalunya's Department of Justice under Number 43169.

The Association is subject to law 4/2014, of 24 April, from Book Three of the Civil Code of Catalonia regarding legal entities, and the 1/2002 Act of 22 March regulating the right of association and its articles of incorporation.

The main goals of the business purpose of the Association are indicated below:

- To provide support in the coordination of “projects of free growth” hosted by the official “Wikipedia” website, a source of information in encyclopaedia format that is the result of the anonymous contribution of thousands of contributors and that seeks to provide a neutral viewpoint on the treatment of its contents by way of minimal consensus.
- To encourage the existence of communications channels among the contributors, proposing study conferences, debates and forums that help in the exchange of knowledge and, of good practice in relation to the different projects with which the Association collaborates.
- To promote, from the association, projects involving scientific research and lines of research in any of the fields of knowledge for increased compliance with the projects supported by the association.
- To organise and offer official and unofficial training courses regarding the implementation and development of the projects in which the association participates.
- To organise on-site or remote conferences and exhibitions that are necessary to publicise the values of Wikipedia and encourage all citizens to get involved in the project, especially through the contribution of contents.
- To help maintain a documentation centre and a database, primarily in digital format, with the contents of the projects and operating standards and protocols used when implementing the activities.
- To collaborate with individuals and legal entities and public and private institutions at a regional, national and international level to ensure the goals are met.
- To promote any other activities of interest for associates and compatible with the goals of the Association.
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2. BASIS FOR PRESENTATION OF THE ECONOMIC-FINANCIAL INFORMATION

a) True image

This economic-financial information was drawn up based on the accounting records of the Association and is presented in accordance with the provisions of Decree 125/2010, of 14 September, which amends the Chart of Accounts of the foundations and associations subject to the laws of the Generalitat de Catalunya, approved by Decree 259/2008, of 23 December, approving the Chart of Accounts of the foundations and associations subject to the laws of the Generalitat de Catalunya and the obligatory legal provisions regarding accountancy in order to show the true image of the net worth, financial situation and results of the Association.

b) Accounting Principles

The accounting principles and criteria applied when preparing these annual accounts are summarised in Note 4 of this report. All obligatory accounting principles affecting the net worth, the financial situation and the results have been applied when preparing these financial statements.

c) Comparison of Information

The annual accounts are presented for comparison of each of the entries on the balance sheet, the profit and loss account, the statement of changes to net worth and the report regarding the figures corresponding to the prior financial year as well as those from financial year 2017.

3. APPLICATION OF EXCESS INCOME

The proposal for the application of excess income from the financial year ending 31 December 2017, pending approval by the Ordinary General Assembly, is for it to be applied to carryover.

4. REGISTRATION AND VALUATION RULES

The main accounting principles and valuation rules used when preparing the attached annual accounts are as follows:
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a) Financial assets

Financial assets are recognised on the balance sheet when they are purchased and they are initially posted at their fair value, generally including the costs of the operation, except for financial assets held for negotiating, where any transactional costs directly attributable to them are recognised in the profit and loss account for the financial year.

The financial assets held by the Entity are classified as:

- Loans and receivables: these correspond to the trade credit of the Entity directly in exchange for the supply of cash, goods or services or those paid at a fixed or ascertainable amount and are not negotiated in an active market. Their amortised cost is then valued and the interests accrued, according to the effective interest rate, are recognised in the profit and loss account.

When these assets fall due within one year, they are valued at their face value. The corresponding impairment losses are provided for according to the risk involving the payment of any insolvencies.

Financial assets are removed from the balance sheet when all the risks and benefits inherent to the owner have been substantially transferred. In the specific case of receivables, this is considered to have arisen when the risks of insolvency and arrears have been transferred.

b) Financial liabilities

Financial liabilities are initially recognised at their fair value minus any attributable transactional costs. Following their initial recognition, financial liabilities are recorded at their amortised value, where the difference between the cost and the surrender value recorded in the profit and loss account for the period of the loan depends on the effective interest rate of the liability.

Liabilities falling due within 12 months as of the date of the balance sheet are classified as current, whereas those falling due after this time are classified as non-current liabilities.

Despite the above paragraph, debits due to trade operations that fall due within one year and that have no contractual interest rate, including debits with the Public Authorities, are valued at their face value.
c) Cash and equivalents

Cash and equivalents include the cash in banks, deposits and other financial assets falling due within three months as of the date of purchase or constitution, provided they are no subject to significant variations in value due to their intrinsic characteristics.

d) Corporate income tax

The Association is partially exempt from Corporate Income Tax. This exemption does not include earnings obtained from the undertaking of an activity classified as economic and those obtained from the transfer of or increase in equity. The applicable tax rate for non-exempt operations is 25%.

The amount payable in Corporate Income Tax for the financial year is calculated in relation to the net income from these activities and is increased or decreased, where applicable, with the "permanent" or "temporary" differences in order to determine the amount of tax declared for the financial year.

e) Value Added Tax (VAT) and other taxes

Non-deductible VAT paid forms part of the purchase price of the current and non-current assets, as well as the services subject to taxable operations. The subsequent amendments to the total amount of non-deductible VAT paid, as a result of the adjustment made according to the final pro-rata, do not change the initial valuations of the assets, including investment assets.

The VAT charged does not form part of the income arising from taxable operations or from the net amount obtained from the sale or disposal in any other manner in the case of removal of the non-current asset.

The rules on non-deductible VAT paid are applicable to any other indirect tax paid when purchasing goods or services, which cannot be directly recovered from the Inland Revenue.

The rules of VAT charged are applicable to any other indirect tax paid on account of operations performed by the Entity and that can be recovered via the Inland Revenue.
f) Revenues and expenses

Revenues and expenses are posted according to the period of accrual, regardless of the date charged or paid.

Revenues are calculated at the fair value of the consideration charged or to be charged and represent the amounts receivable for the goods delivered and the services provided within the ordinary framework of activity, minus discounts, VAT and other sales-related taxes.

Revenues from interest are accrued in line with a temporary financial criterion, depending on the principal pending payment and the applicable effective interest rate, which is the rate that precisely balances the future estimated cash receipts over the planned lifespan of the financial asset with the net book amount of that asset.

g) Subsidies, donations and contributions

Subsidies, donations and contributions for activities are attributed to results according to their accrual, regardless of the date of payment.

Subsidies, donations and contributions of a monetary nature are valued at the fair value of the amount given and those of a non-monetary and in kind nature for the fair value of the good or service received.

Non-reimbursable subsidies, donations and contributions

They are generally initially posted as a revenue directly attributable to the net worth and are recognised in the profit and loss account according to their purpose:

- When they are granted to ensure a minimum return or offset an operating deficit, they are attributed as revenues for the financial year in which they are granted.

- When they are granted to fund specific expenses, they are attributed as revenues in the same financial year as when the expenses being funded are accrued.

- When they are granted but are not allocated to any specific purposes, they are attributed as revenues for the financial year in which they are recognised.

- When they are granted to fund the cancellation of debts, they are attributed to revenues for the financial year in which the cancellation occurs, except when they are granted in relation to a specific purpose, in which case the allocation will depend on the amortisation of the asset funded.
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- When they are granted to purchase intangible and tangible fixed assets and for property investments, they are attributed as revenues for the financial year in proportion to the provision of the amortisation made during that period for said elements or, where they are sold, the value correction due to impairment or removal from the balance sheet.

Despite this, non-reimbursable subsidies, donations and contributions received directly to increase the social funds of the Association or to offset deficits from prior years are not classified as revenues and are posted directly to the equity fund of the Association, regardless of the type of subsidy, donation or contribution in question.

Reimbursable subsidies, donations and contributions

These are posted as liabilities for the Association until they are classified as non-reimbursable. To this end, they are considered non-reimbursable when there is an individual concessionary agreement in favour of the Association and the conditions established for their conceding are met and there are no reasonable doubts as to receipt of the subsidy, donation or contribution.

5. FINANCIAL ASSETS

a) Short-term financial assets

The following gives details of the categories and classes of the financial assets in the attached balance sheet at 31 December 2017 and 2016, except for balances with the Public Authorities and short-term accruals, according to registration and valuation standards:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans and receivables</td>
<td>0,00</td>
<td>170,00</td>
<td>0,00</td>
<td>170,00</td>
</tr>
</tbody>
</table>

6. FINANCIAL LIABILITIES

The following gives details of the categories and classes of the financial liabilities in the attached balance sheet at 31 December 2017 and 2016, according to registration and valuation standards:
The expiry of this heading is deemed short-term and, therefore, the entire balance expires in financial years 2018 and 2017, respectively.

During this financial year, there have been no transfers or reclassifications between the different categories of financial liabilities.

7. EQUITY FUND

The amounts registered on 31st December 2017 as short-term provisions are mainly prepaid expenses and deferred income for the International Wikimedia Hackathon 2018 Congress that will take place in May 2018.

8. EQUITY FUND

The following gives details of the composition and evolution of the equity fund of the Association over the financial years ending 31 December 2017 and 2016:

<table>
<thead>
<tr>
<th>Classes</th>
<th>Short-term financial instruments</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Derivatives, Others</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>Financial liabilities at amortised cost</td>
<td>9,179,69</td>
<td>1,224,29</td>
</tr>
</tbody>
</table>
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Any financial surplus from the financial years cannot be distributed and must be assigned to the equity of the Association under the headings of Social Funds, Voluntary Reserves and Carryover in order to cover any possible investments, operating deficits or extraordinary expenses and, in all cases, help guarantee the continuity of the Association.

9. PUBLIC AUTHORITIES

The following gives details of the balances with the Public Authorities during the financial years ending 31 December 2017 and 2016:

<table>
<thead>
<tr>
<th></th>
<th>Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td></td>
<td>Debit Balance</td>
</tr>
<tr>
<td>Personal Income Tax</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,923.27</td>
</tr>
<tr>
<td>Social Security Agencies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,109.80</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
</tr>
</tbody>
</table>

a) Current corporate income tax expenses

The Association must present a Corporate Income Tax return every year. The profits from economic activities other than the purpose or goal of the Association, according to tax law, are subject to 25% taxation on the taxable base.

Due to its nature, the Association is included in the Associations partially exempt from paying Corporate Income Tax, according to the provisions of Article 9.3 of Royal Legislative Decree 4/2004 of 5 March that approves the consolidated text of the Corporate Income Tax Law.

b) Tax situation

As established by current law, taxes cannot be considered definitively paid until the returns filed have been inspected by the tax authorities or their four-year statute of limitations has ended.
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At 31 December 2017 and 2016, all Association taxes not falling under the statute of limitations are pending inspection.

10. PROVISIONS AND CONTINGENCIES

The Association has an entry to cover any contingencies regarding Corporate Income Tax, given the possible contingencies arising from any differences in interpretation with the Tax Authorities regarding exempt and non-exempt revenues under the special regime of Associations partially exempt from Corporate Income tax.

Details of the provisions for financial years 2017 and 2016 are given below:

<table>
<thead>
<tr>
<th></th>
<th>31/12/2015</th>
<th>Additions</th>
<th>Withdrawals</th>
<th>31/12/2016</th>
<th>Additions</th>
<th>Withdrawals</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions</td>
<td>8,632.72</td>
<td>1,656.50</td>
<td>-</td>
<td>10,289.22</td>
<td>413.50</td>
<td>-</td>
<td>10,702.72</td>
</tr>
</tbody>
</table>

11. OTHER INFORMATION

a) Average number of personnel

The average number of Association personnel distributed into categories and sexes for financial years 2017 and 2016 was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Financial year average</th>
<th>Financial year average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>Secondary Education</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>


Information relating to the average payment period for financial years 2017 and 2016 is given below:
c) **Remunerations to Board members**

Board members receive no financial payment for their posts.

d) **Environmental aspects and information on greenhouse gas emission rights**

During the financial year ending 31 December 2017 and 2016, the Association has acquired no tangible fixed assets nor has it incurred expenses involving environmental protection and improvement. It does not possess any greenhouse gas emission rights.

In the opinion of the Association management, there are no contingencies related to the protection or improvement of the environment that could have any significant effect on the equity or results of the Association.

e) **Events after closure**

After 31 December 2017, there have been no relevant additional events that affect these Annual Accounts.
Preparation of the summarised annual accounts for financial year 2016

On 25 April 2017 and in compliance with current law, the Board of Directors of ASSOCIACIÓ AMICAL WIKIMEDIA hereby present these annual accounts for the financial year between 1 January 2017 and 31 December 2017, which include:

- Summarised balance sheets at 31 December 2017 and 2016.
- Summarised profit and loss account corresponding to financial year ending 31 December 2017 and 2016.

____________________  ______________________
(Chairman)           (Secretary)