

**THE COCHRANE COLLABORATION**  
**(A company limited by guarantee)**

**Report and Financial Statements**  
**31 March 2003**

**Company Number: 3044323**

**Charity Number: 1045921**

**Mazars**  
**Chartered Accountants**  
**St Thomas House**  
**6 Becket Street**  
**Oxford**  
**OX1 1PP**  
**UK**

**THE COCHRANE COLLABORATION**

Registered in England  
Company Number: 3044323  
Charity Number: 1045921

**STEERING GROUP (during the year)**

Dr G Antes  
Dr K Clark  
Dr MJ Clarke (Co-Chair)  
Dr M Davies  
Mr J Deeks  
Dr V Demicheli  
Ms D Ghera  
Dr S Green  
Prof DJ Henderson-Smart  
Dr S Lewis  
Prof JP Neilson (Co-Chair)  
Mr S Ochieng  
Mr Jordi Pardo  
Dr S Simi  
Dr P Tugwell

**REGISTERED OFFICE**

Summertown Pavilion  
Middle Way  
Oxford  
OX2 7LG  
UK

**COMPANY SECRETARY**

Dr Malcolm Newdick

**AUDITORS**

Mazars  
Chartered Accountants  
St Thomas House  
6 Becket Street  
Oxford  
OX1 1PP  
UK

**BANKERS**

National Westminster Bank PLC  
249 Banbury Road  
Summertown  
Oxford  
OX2 7HR  
UK

# THE COCHRANE COLLABORATION

31 March 2003

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The Steering Group of The Cochrane Collaboration presents their report and financial statements for the year ended 31 March 2003. The Cochrane Collaboration is a registered charity (number 1045921), and is a company limited by guarantee (company number 3044323). The charity was incorporated on 10 April 1995. The charity's governing instruments are its Memorandum and Articles of Association. The Steering Group set out in the table below have held office during the whole of the year from 1 April 2002 to the date of this report, unless otherwise stated.

	Appointed	Resigned
Dr G Antes		
Dr K Clark		
Dr MJ Clarke (Co-Chair)		
Dr M Davies	1 August 2002	
Mr J Deeks	1 August 2002	
Dr V Demicheli		
Ms D Ghersi		
Dr S Green	1 August 2002	
Prof DJ Henderson-Smart		
Ms R Jepson		1 August 2002
Prof P Langhorne		1 August 2002
Dr S Lewis	1 August 2002	
Prof Y Li		1 August 2002
Prof JP Neilson (Co-Chair)		
Mr S Ochieng		
Mr J Pardo	1 August 2002	
Dr S Simi		
Ms E Telaro		1 August 2002
Dr P Tugwell	1 August 2002	
Prof D Wilkinson		13 May 2002

In accordance with the Articles of Association, approximately one-third of the members of the Steering Group retire by rotation each year, and they are eligible for re-election. Dr MJ Clarke and Prof JP Neilson became Co-Chairs of the Steering Group on 1 August 2002.

#### **THE STEERING GROUP'S RESPONSIBILITIES**

Law applicable to charities in England and Wales requires the Steering Group to prepare financial statements for each financial year that give a true and fair view of the charity's financial activities during the year, and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Steering Group should follow best practice and

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in operation.

The Steering Group is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud.

### **MISSION STATEMENT**

The Cochrane Collaboration is an international organisation that aims to help people make well-informed decisions about healthcare by preparing, maintaining and promoting the accessibility of systematic reviews of the effects of healthcare interventions.

### **PRINCIPLES**

The Cochrane Collaboration's work is based on ten key principles:

- *Collaboration* .. by internally and externally fostering good communications, open decision-making and teamwork.
- *Building on the enthusiasm of individuals* .. by involving and supporting people of different skills and backgrounds.
- *Avoiding duplication* .. by good management and co-ordination to maximum economy and effort.
- *Minimising bias* .. through a variety of approaches such as scientific rigour, ensuring broad participation, and avoiding conflicts of interest.
- *Keeping up to date* .. by a commitment to ensure that Cochrane Reviews are maintained through identification and incorporation of new evidence.
- *Striving for relevance* .. by promoting the assessment of healthcare interventions using outcomes that matter to people making choices in health care.
- *Promoting access* .. by wide dissemination of the outputs of the Collaboration, taking advantage of strategic alliances, and promoting appropriate prices, content and media to meet the needs of users worldwide.
- *Ensuring quality* .. by being open and responsive to criticism, applying advances in methodology, and developing systems for quality improvement.
- *Continuity* .. by ensuring that responsibility for reviews, editorial processes and key functions is maintained and renewed.
- *Enabling wide participation* in the work of the Collaboration by reducing barriers to contributing and by encouraging diversity.

### **MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Cochrane Collaboration is a not-for-profit organisation, established as a company, limited by guarantee, having no share capital, and registered as a charity in the UK under the Charities Act 1993. The members of the Steering Group are the guarantors of the company, each to a maximum of £10. A copy of the organisation's Memorandum and Articles of Association can be obtained from its web site (<http://www.cochrane.org>).

### **THE COCHRANE COLLABORATION STEERING GROUP (CCSG)**

All registered entities are eligible to vote in the election of members to the CCSG, and to vote at the Annual General Meeting of The Cochrane Collaboration. The CCSG had fifteen

members in the year 2002/2003, elected by the overall membership of the Collaboration for three years, with annual rotation of a proportion of its members. The CCSG meets once during the annual Cochrane Colloquium and on one other occasion in the year. The minutes of its meetings can be obtained from the Collaboration's web site (<http://www.cochrane.org>).

In between these meetings, various working groups have regular meetings by telephone conference. In the year 2002/2003 these working groups, accountable to the CCSG, were as follows:

**Sub-Groups of the Steering Group:**

- **The Executive Group**, responsible for making interim decisions on behalf of the full Steering Group between its bi-annual meetings on issues other than monitoring and registration, and publishing policy. Also responsible for co-ordinating and ensuring good communication among groups responsible for core functions and the Steering Group.
- **The Monitoring and Registration Group**, responsible for establishing and implementing processes for monitoring and registering entities, and for making recommendations to the full Steering Group about de-registration of an entity.
- **The Publishing Policy Group**, responsible for providing advice on the contents of The Cochrane Collaboration's products, and overseeing the pricing, distribution and marketing arrangements for these products.

**Advisory Groups to the Steering Group:**

- **The CENTRAL Advisory Group**, responsible for ensuring that collaborative review groups are helped to develop and maintain specialised registers of controlled trials falling within their respective scopes. Also responsible for maintaining a management plan for the Cochrane Central Register of Controlled Trials (CENTRAL).
- **The Cochrane Library Users' Group**, responsible for advising on the content and design of *The Cochrane Library*.
- **The Colloquium Policy Advisory Group**, responsible for maintaining a record of policy decisions about Cochrane Colloquia, moving forward new policies after appropriate consultation, and helping to ensure that hosts of future Colloquia know about and adhere to such policies.
- **The Criticism Management Advisory Group**, responsible for advising on policies and procedures for managing comments and criticisms of Cochrane Reviews.
- **The Handbook Advisory Group**, responsible for the Cochrane Reviewers' Handbook for preparing and maintaining systematic reviews.
- **The Information Management System Group**, responsible for managing the development of the Information Management System, including Review Manager (RevMan), Module Manager (ModMan), a central management system for the contact details of the organisation's members, and potentially other software.
- **The Quality Advisory Group**, responsible for co-ordinating activities aimed at improving the quality of Cochrane Reviews.
- **The Collaboration Secretariat**, responsible for supporting the CCSG and groups accountable to it.

### **STRATEGIC PLAN**

The Cochrane Collaboration has developed a set of goals and objectives that are outlined in its Strategic Plan, available from the Collaboration's web site (<http://www.cochrane.org>). This Plan, which guided the Collaboration's evolution over the years 1996 to 2002, was updated and formally presented during the Cochrane Colloquium in Stavanger, Norway, in August 2002. The current version was approved by the CCSG on 31 March 2003.

### **REVIEW OF THE FINANCIAL YEAR**

The principal activity of the charity is the protection and preservation of public health through the preparation, maintenance and promotion of the accessibility of systematic reviews of the effects of health care.

Both the level of business and the year-end financial position were highly satisfactory. The Steering Group expect that the increased level of subscriptions to *The Cochrane Library* will be sustained for the foreseeable future and that the guaranteed minimum income from the new publishing agreement with John Wiley and Sons Limited (effective from 1 March 2003) will provide a sufficient safeguard against any drop off in this. The Collaboration Trading Company Limited (the CTC), a wholly owned trading subsidiary of The Cochrane Collaboration, continued to receive monies that the Collaboration is unable to receive due to its charitable status. As a result, all profits made by the CTC are donated to The Cochrane Collaboration under the Gift Aid Scheme to support its charitable activities. The Directors of the CTC are Prof Jos Kleijnen, Ms Monica Kjeldstrøm, Prof Peter Langhorne (ex-members of the CCSG), and Dr Malcolm Newdick, the Company Secretary of both The Cochrane Collaboration and the Collaboration Trading Company Limited. Prof Chris Silagy, a former Chair of the Steering Group and subsequently a Director of the CTC, died in December 2001; he was replaced as a Director of the CTC by Prof Peter Langhorne at the Annual General Meeting on 1 August 2002.

The results of the charity and the trading company combined, for the year ended 31 March 2003, are set out in the financial statements on pages 7 to 18.

The Collaboration Trading Company's income in 2002/2003 consisted mainly of royalties from subscriptions to *The Cochrane Library*.

In the financial year ending on 31 March 2003, donations totalling £22,830 were made from The Cochrane Collaboration's Discretionary (£4,089) and Contingency (£18,741) Funds.

### **MAJOR CHANGES IN THE YEAR 2002/2003**

The major developments in the past year have been the signing of a new contract with John Wiley and Sons Limited to publish The Cochrane Collaboration's output (effective 1 March 2003), the recruitment of a Chief Executive Officer (Mr Nick Royle), who commenced employment on 1 April 2003, and the approval of a new Strategic Plan.

### **FUTURE DEVELOPMENTS**

The major developments for the coming year are the development of strategic alliances with potential funders and partners (to be led by the Chief Executive Officer) and the migration of *The Cochrane Library* from the product developed by the original publisher, Update Software, to the new product to be developed by John Wiley and Sons Limited.

**RISK ASSESSMENT**

An assessment of risk was carried out on 18 August 2003 in which governance, operational, external and financial risks were considered and appropriate measures were taken to reduce or mitigate risks where applicable. The results were tabulated and where gaps in existing procedures were identified, individuals were nominated to implement the necessary changes. This is an ongoing process and will be reviewed annually by the Steering Group.

**INVESTMENT POLICY**

The charity's current policy regarding investment is to put all surplus income into two ten-day interest-bearing accounts. The funds for these items of expenditure need to be readily available, in keeping with the notice periods on these accounts. Commitments have been made to the substantial improvement of the Collaboration's Information Management System, to continue pilot projects to copy edit Cochrane reviews (both retrospectively and prospectively), and to improve the CENTRAL database.

**RESERVES POLICY**

The Steering Group is discussing a program for the utilisation of unrestricted funds in order to fulfil its strategic plan.

In addition, the Collaboration has a Discretionary Fund for items of up to £2,000 that will be of Collaboration-wide benefit. Expenditure from this fund is approved by the Executive of the Steering Group on a first-come, first-served basis, up to an annual total expenditure of £10,000.

The Contingency Fund is primarily a cash reserve to fund the running costs of the Secretariat for one year. It can also be used for larger items of expenditure than are permitted from the Discretionary Fund, with no predetermined limit, in particular for items of Collaboration-wide benefit; decisions on expenditure from this fund are made by the Steering Group.

The Cochrane Collaboration has a policy to reserve ten percent of its incoming resources to provide a buffer against fund shortages and to allow greater flexibility in meeting its charitable objectives. This is added to The Cochrane Collaboration's Contingency Fund.

**AUDITORS**

Mazars have expressed their willingness to continue in office and their reappointment will be on the agenda of the forthcoming Annual General Meeting on 29 October 2003.

Approved by the board on 30 September 2003  
and signed on its behalf by

Dr Michael J Clarke, Treasurer

Summertown Pavilion  
Middle Way  
Oxford OX2 7LG  
UK



THE AUDIT REPORT WILL BE INSERTED ON THIS PAGE ONCE IT IS SIGNED BY THE AUDITORS.

**THE COCHRANE COLLABORATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**For the year ended 31 March 2003**

	Note	Restricted £	Designated	Unrestricted £	Group 31 March 2003 £	Group 31 March 2002 as restated £
<b>INCOMING RESOURCES</b>						
Donations		71,511	-	-	71,511	15,384
Less: deferred income		-	-	-	-	(7,051)
Gifts in Kind		-	-	1,000	1,000	-
Royalties		-	-	402,916	402,916	356,928
Investment Income - Interest Received	3	-	-	18,044	18,044	12,386
<b>Total Incoming Resources</b>		<b>71,511</b>	<b>-</b>	<b>421,960</b>	<b>493,471</b>	<b>377,647</b>
<b>CHARITABLE EXPENDITURE</b>						
Scholarship in furtherance of charitable objectives	5	6,969	-	-	6,969	7,091
Grants paid	6	-	22,830	104,193	127,023	-
Costs of activities in furtherance of charitable objectives	7	1,730	-	289,404	291,134	206,102
Management and Administration	8	-	-	19,255	19,255	21,379
<b>Total Resources Expended</b>	9	<b>8,699</b>	<b>22,830</b>	<b>412,852</b>	<b>444,381</b>	<b>234,572</b>
<b>Net Incoming/(Outgoing) Resources</b>		<b>62,812</b>	<b>(22,830)</b>	<b>9,107</b>	<b>49,089</b>	<b>143,075</b>
Fund balances brought forward at 1 April 2002		22,569	160,000	289,375	471,944	328,869
<b>FUND BALANCES CARRIED FORWARD</b>						
<b>AT 31 MARCH 2003</b>	15, 16	<b>£85,381</b>	<b>£137,170</b>	<b>£298,482</b>	<b>£521,033</b>	<b>£471,944</b>

The statement of financial activities includes all gains and losses recognised in the year.  
The charity's incoming resources and expended resources all relate to continuing operations.  
The notes on pages 9 to 15 form part of these accounts.

**THE COCHRANE COLLABORATION  
BALANCE SHEETS  
For the year ended 31 March 2003**

	Note	Cochrane Collaboration 31 March 2003 £	Group 31 March 2003 £	Cochrane Collaboration 31 March 2002 £	Group 31 March 2002 £
<b>FIXED ASSETS</b>					
Fixtures and Fittings	11	-	4,500	-	5,109
Investments	12	1,100	1,000	100	-
		1,100	5,500	100	5,109
<b>CURRENT ASSETS</b>					
Debtors	13	101,462	71,816	212,658	71,325
Cash at bank and in hand		441,856	571,266	275,067	452,702
		543,318	643,082	487,725	524,027
<b>CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	14	(23,347)	(127,549)	(15,843)	(57,192)
<b>NET CURRENT ASSETS</b>		£519,971	£515,533	£471,882	£466,835
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		£521,071	£521,033	£471,982	£471,944
<b>INCOME FUNDS</b>					
Restricted funds	15	85,381	85,381	22,569	22,569
Unrestricted funds:					
Designated	16	137,170	137,170	160,000	160,000
Other unrestricted		298,520	298,482	289,413	289,375
	17	£521,071	£521,033	£471,982	£471,944

The notes on pages 9 to 17 form part of these accounts.

Approved by the trustees on .....  
and signed on their behalf by

**Dr Michael J Clarke**  
Treasurer

## **THE COCHRANE COLLABORATION**

### **Notes to the financial statements for the year ended 31 March 2003**

#### **1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable accounting standards including the provisions of the Statement of Recommended Practice 2000 for Charities issued by the Charities Commission with the approval of the Accounting Standards Board and the Charities Regulations.

To comparative figures for 2002 have been restated for reallocations of expenditure between Cost of Activities in Furtherance of the Charity's Objects and Management and Administration to more properly reflect the expense. There was no effect on the retained surplus for 2002.

The charity's main accounting policies are as follows:

##### **a) Accounting Convention**

The financial statements are prepared under the historical cost convention.

##### **b) Income**

Charity income includes royalties from the sale of The Cochrane Library credited to the trading company. Donations income is recognised on a receipts basis.

##### **c) Expenditure**

Expenditure shown in the accounts includes accruals for goods and services rendered up to the financial period end.

##### **d) Fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	33% Straight Line Method
Fixtures, fittings and equipment	25% Straight Line Method

##### **e) Basis of Consolidation**

The income and expenditure and assets and liabilities of the Collaboration Trading Company Limited are consolidated within the results of The Cochrane Collaboration.

All amounts in respect of inter-company balances and transactions have been eliminated in arriving at the group figures.

Amounts disclosed in the accounts under the Trading Company column in the Notes to the Accounts are for information purposes only.

## THE COCHRANE COLLABORATION

### Notes to the financial statements for the year ended 31 March 2003 (continued)

#### f) Restricted funds

Some income is donated to the charity on the understanding that it is to be used for a specific project as specified by the donor.

#### g) Unrestricted Funds

Unrestricted funds represent revenue grants and donations and interest receivable etc., which can be applied to the objects of the charity.

#### h) Reserving policy

The Cochrane Collaboration holds unrestricted reserves at a level necessary for the organisation to continue to meet its current needs.

## 2. SURPLUS FOR THE FINANCIAL YEAR

		Cochrane Collaboration 2003 £	Collaboration Trading Co. 2003 £	Group 2003 £	Group 2002 £
The surplus is after charging:					
Auditors remuneration	- audit services	4,200	2,100	6,300	5,000
Auditors remuneration	- non audit services	-	630	630	1,600

## 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Cochrane Collaboration 2003 £	Collaboration Trading Co. 2003 £	Group 2003 £	Group 2002 £
Bank interest	7,738	10,306	18,044	12,386

## 4. TAXATION

The Cochrane Collaboration is a registered charity, and is therefore not liable to corporation tax on its charitable activities. The Collaboration Trading Company is not a charity and is therefore subject to corporation tax on its activities. However, the net profit chargeable to corporation tax on its trading activities will be donated in full to its charitable parent entity.

**THE COCHRANE COLLABORATION**

Notes to the financial statements for the year ended 31 March 2003 (continued)

**5. SCHOLARSHIP IN FURTHERANCE OF CHARITABLE OBJECTIVES**

	Cochrane Collaboration and Group Total 2003 £	Cochrane Collaboration and Group Total 2002 £
Aubrey Sheiham Scholarship Paid	6,969	7,091

**6. GRANTS PAID IN FURTHERANCE OF CHARITABLE OBJECTIVES**

	Cochrane Collaboration and Group 2003 Total £	Cochrane Collaboration and Group 2002 Total £
Grants paid to:		
Milton Keynes Primary Care Trust, <i>Assessment of CENTRAL</i>	4,786	-
New England Cochrane Centre, <i>Grant for CENTRAL</i>	48,376	-
Nordic Cochrane Centre, <i>Grant for IMS</i>	38,031	-
University of East Anglia, <i>Grant to assess cost of reviews</i>	13,000	-
Designated fund expenditure note 15	22,830	-
	<u>127,023</u>	<u>-</u>

**THE COCHRANE COLLABORATION****Notes to the financial statements for the year ended 31 March 2003 (continued)****7. COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITABLE OBJECTIVES**

	Cochrane Collaboration 2003	Collaboration Trading Co. 2003	Group 2003	Group 2002 as restated
	£	£	£	£
Consultancy Fee	1,314	-	1,314	3,692
Staff salaries	-	99,170	99,170	88,263
Staff travel and other meeting expenses	-	18,227	18,227	19,891
Advisory Group meeting expenses	2,085	12,936	15,021	-
Steering Group expenses	50,893	12,313	63,206	49,969
Promotion	-	-	-	3,430
Direct costs	-	31,830	31,830	-
Cochrane Collaboration Secretariat expenses	-	60,636	60,636	39,282
Kenneth Warren Prize	1,730	-	1,730	1,575
	<u>£56,022</u>	<u>£235,112</u>	<u>£291,134</u>	<u>£206,102</u>

The only restricted fund costs of activities in furtherance of charitable objectives is the Kenneth Warren Prize expenditure. All other expenditure is unrestricted.

**THE COCHRANE COLLABORATION****Notes to the financial statements for the year ended 31 March 2003 (continued)****8. MANAGEMENT AND ADMINISTRATION**

	Cochrane Collaboration & group 2003 £	Group as restated 2002 £
Printing, postage and stationery	576	809
Telephone	5,239	257
Insurance	826	1,275
Audit and accountancy	4,200	3,750
Bank interest and charges	232	121
Sundry expenses	-	646
Legal and professional	7,877	447
Advertising	305	2,936
Donations to other organisations	-	11,138
	<hr/> <hr/>	<hr/> <hr/>
	£19,255	£21,379

All management and administration expenditure are unrestricted.



**THE COCHRANE COLLABORATION**

Notes to the financial statements for the year ended 31 March 2003 (continued)

**9. TOTAL RESOURCES EXPENDED**

	Staff	Depreciation	Other	Group 2003 Total	Group 2002 Total as restated
	£	£	£	£	£
Scholarship in furtherance of charitable objectives	-	-	6,969	6,969	7,091
Grants paid	-	-	127,023	127,023	-
Costs of activities in furtherance of charitable objectives	99,170	-	191,965	291,134	206,102
Management and Administration	-	-	19,255	19,255	21,379
	<u>£99,170</u>	<u>-</u>	<u>£345,211</u>	<u>£444,381</u>	<u>£234,572</u>

**10. TOTAL STAFF COSTS**

	Cochrane Collaboration 2003 £	Collaboration Trading Co. 2003 £	Group 2003 £	Group 2002 £
Wages and salaries	-	96,069	96,069	81,135
Social security costs	-	3,101	3,101	7,128
	<u>£0</u>	<u>£99,170</u>	<u>£99,170</u>	<u>£88,263</u>

The average number of employees analysed by function was:

Costs in Furtherance of the Charity's objects	<u>3</u>	<u>3</u>
---	----------	----------

No employee earned £50,000 or more.

**Trustees' remuneration and expenses**

The trustees received no remuneration during the year, apart from reimbursement of direct expenses for attendance at trustees' meetings and in furtherance of their duties of £63,206 (2002: £49,969).

**THE COCHRANE COLLABORATION**

**Notes to the financial statements for the year ended 31 March 2003 (continued)**

**11. FIXED ASSETS**

	Computer Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>			
As at 1 April 2002	3,919	3,212	7,131
Additions	3,940	705	4,645
Disposals	(3,919)	-	(3,919)
As at 31 March 2003	<u>3,940</u>	<u>3,917</u>	<u>7,857</u>
<b>Depreciation</b>			
As at 1 April 2002	956	1,066	2,022
Charge for the year	985	1,306	2,291
Eliminated on disposals	(956)	-	(956)
As at 31 March 2003	<u>985</u>	<u>2,372</u>	<u>3,357</u>
<b>Net Book Value</b>			
As at 31 March 2003	<u>2,955</u>	<u>1,545</u>	<u>4,500</u>
As at 31 March 2002	<u>2,963</u>	<u>2,146</u>	<u>5,109</u>

All fixed assets are held by the subsidiary undertaking.

**12. FIXED ASSET  
INVESTMENTS**

	Cochrane Collaboration 2003 £	Group 2003 £	Cochrane Collaboration 2002 £	Group 2002 £
Investment in Collaboration Trading Company Limited	100	-	100	-
Other investments	1,000	1,000	-	-
<b>TOTAL</b>	<u>1,100</u>	<u>1,000</u>	<u>100</u>	<u>0</u>

The investment in Collaboration Trading Company Limited represents a 100% shareholding. All figures have been included in the consolidation.

**THE COCHRANE COLLABORATION**

Notes to the financial statements for the year ended 31 March 2003 (continued)

**13. DEBTORS**

	Cochrane Collaboration 2003 £	Group 2003 £	Cochrane Collaboration 2002 £	Group 2002 £
Other debtors	3,074	-	826	1,050
Accrued income	-	71,816	-	70,275
Amount due from subsidiary	98,388	-	211,832	-
	<u>£101,462</u>	<u>£71,816</u>	<u>£212,658</u>	<u>£71,325</u>

**14. CREDITORS: AMOUNTS FALLING DUE  
IN LESS THAN ONE YEAR**

	Cochrane Collaboration 2003 £	Group 2003 £	Cochrane Collaboration 2002 £	Group 2002 £
VAT creditors	-	23,179	-	13,668
Deferred income and accruals	23,347	104,370	15,843	43,524
	<u>£23,347</u>	<u>£127,549</u>	<u>£15,843</u>	<u>£57,192</u>

Included in deferred income is an amount of £nil (2002: £7,051) relating to the Aubrey Sheiham fund.

**15. RESTRICTED FUNDS**

	Balance as at 31 March 2002 £	Incoming resources £	Expenditure £	Balance as at 31 March 2003 £
Kenneth Warren Prize Fund	21,327	-	(1,730)	19,597
Aubrey Sheiham Scholarship Fund	1,242	71,511	(6,969)	65,784
	<u>£22,569</u>	<u>£71,511</u>	<u>£(8,699)</u>	<u>£85,381</u>

The Kenneth Warren Prize Fund has been formed to fund the annual prize of the same name.

The Aubrey Sheiham Fund is to provide three months scholarships in order that an individual can carry out healthcare research.

**THE COCHRANE COLLABORATION**

**Notes to the financial statements for the year ended 31 March 2003 (continued)**

**16. DESIGNATED FUNDS**

	Balance as at 31 March 2002 £	New designations £	Utilised £	Balance as at 31 March 2003 £
Contingency	150,000	-	(18,741)	131,259
Discretionary	10,000	-	(4,089)	5,911
	<u>£160,000</u>	<u>-</u>	<u>£(22,830)</u>	<u>£137,170</u>

The charity designates to the Discretionary Fund a maximum of £10,000 of its unrestricted funds annually in support of Cochrane entities which require funding for their activities which are in line with the charity's mission. Each successful application will be restricted to £2,000.

The Contingency Fund is primarily a cash reserve to fund the running costs of the Secretariat for one year. It can also be used for larger items of expenditure than are permitted from the Discretionary Fund, with no predetermined limit, in particular for items of Collaboration-wide benefit; decisions on expenditure from this fund are made by the Steering Group.

Funds utilised in the year were expended as follows:

	<b>Contingency</b> £	<b>Discretionary</b> £	<b>Total 2003</b> £	<b>Total 2002</b> £
Stavanger Colloquium <i>for consumer and developing country stipends</i>	10,399	-	10,399	-
Canadian Cochrane Centre, <i>to enable continuation of production of CCInfo and Cochrane News</i>	6,153	-	6,153	-
New England Cochrane Center, <i>for storage of paper records related to handsearching</i>	1,543	-	1,543	-
German Cochrane Centre, <i>registration fee for web designer</i>	646	-	646	-
University of Liverpool <i>testing of RevMan analyses</i>	-	750	750	-
Cochrane Cancer Network, <i>legal fees of 'Aid Cancer'</i>	-	2,000	2,000	-
Cochrane Consumer Network, <i>to purchase laptop computer</i>	-	1,339	1,339	-
Total utilised	18,741	4,089	22,830	-

## THE COCHRANE COLLABORATION

Notes to the financial statements for the year ended 31 March 2003 (continued)

### 17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted £	Unrestricted £	Total £
Fixed assets	-	5,500	5,500
Current assets	84,504	558,578	643,082
Current liabilities	-	(119,977)	(119,977)
	<u>£84,504</u>	<u>£444,101</u>	<u>£528,605</u>

### 18. FINANCIAL COMMITMENTS

At 31 March 2003 the charitable company had annual commitments under constructive obligations in respect of premises rental as follows:

	Cochrane Collaboration and Group Total 31 March 2003 £	Cochrane Collaboration and Group Total 31 March 2002 £
Expiry date: Between two and five years	<u>6,352</u>	<u>6,352</u>

### 19. RELATED PARTY TRANSACTIONS

The charitable company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Although the Cochrane Collaboration is situated in the same building as the UK Cochrane Centre, the two organisations are separate and distinct.