

Company Registration No. 3657122 (England and Wales)

**COLLABORATION TRADING COMPANY LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

# COLLABORATION TRADING COMPANY LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Prof MJ Clarke Ms M Kjeldstrøm Prof P Langhorne
<b>Secretary</b>	VM Hetherington
<b>Company number</b>	3657122
<b>Registered office</b>	Summertown Pavilion 18-24 Middle Way Oxford OX2 7LG
<b>Auditors</b>	Mazars LLP Seacourt Tower West Way Oxford OX2 0JG
<b>Business address</b>	Summertown Pavilion 18-24 Middle Way Oxford OX2 7LG
<b>Bankers</b>	National Westminster Bank plc 249 Banbury Road Summertown Oxford OX2 7HR
<b>Solicitors</b>	Manches & Co 9400 Garsington Road Oxford Business Park Oxford OX4 2HN

---

# COLLABORATION TRADING COMPANY LIMITED

## CONTENTS

---

	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 9

---

# COLLABORATION TRADING COMPANY LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007

---

The directors present their report and financial statements for the year ended 31 March 2007.

### **Principal activities**

The principal activity of the company continued to be the collection of royalties from the sale of subscriptions to The Cochrane Library.

Both the level of business and the year-end financial position were highly satisfactory. The company continued to receive Royalty income through the year from subscriptions to The Cochrane Library. These monies were donated to The Cochrane Collaboration under the Gift Aid Scheme to support its charitable activities.

### **Directors**

The following directors have held office since 1 April 2006:

Prof MJ Clarke

Ms M Kjeldstrøm

Prof P Langhorne

### **Directors' interests**

The directors held no beneficial interests in the shares of the company at any time during the period. None of the directors received any remuneration in the year. No rights to subscribe for shares in, or debentures of, the company were granted or exercised during the year.

### **Auditors**

Mazars LLP have signified their willingness to continue in office. In accordance with section 385 of the Companies Act 1985, a resolution to reappoint Mazars LLP as auditors to the Company and to authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

# COLLABORATION TRADING COMPANY LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

---

### Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

At the directors' request, and in line with the provision made in the contract for publication of The Cochrane Library with John Wiley and Sons Limited, a royalty audit was undertaken by the auditors of Wiley's systems and records for income arising from the publication contract. This audit revealed no irregularities and confirmed that the correct royalty payment had been received by the Trading Company.

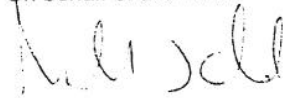
### Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Prof MJ Clarke  
Director

8 Apr 2007



# COLLABORATION TRADING COMPANY LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COLLABORATION TRADING COMPANY LIMITED

---

We have audited the financial statements of Collaboration Trading Company Limited for the year ended 31 March 2007 which comprise the Profit and Loss Account, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements.

We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed. We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# COLLABORATION TRADING COMPANY LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF COLLABORATION TRADING COMPANY LIMITED

---

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Mazars LLP

Chartered Accountants  
Registered Auditor

1 October 2007  
.....

Seacourt Tower  
West Way  
Oxford  
OX2 0JG

# COLLABORATION TRADING COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

---

		2007	2006
	Notes	£	£
Turnover		1,108,281	1,022,311
Cost of sales - Complimentary subscriptions		(33,688)	(35,673)
<b>Gross profit</b>		<u>1,074,593</u>	<u>986,638</u>
Administrative expenses		(186,447)	(168,568)
<b>Operating profit</b>	<b>2</b>	<u>888,146</u>	<u>818,070</u>
Gift Aid Payment		(910,994)	(828,794)
<b>Loss on ordinary activities before interest</b>		<u>(22,848)</u>	<u>(10,724)</u>
Other interest receivable and similar income	<b>3</b>	<u>22,848</u>	<u>10,724</u>
<b>Profit on ordinary activities before taxation</b>		-	-
Tax on profit on ordinary activities	<b>4</b>	-	-
<b>Loss on ordinary activities after taxation</b>	<b>9</b>	<u>-</u>	<u>-</u>

---



# COLLABORATION TRADING COMPANY LIMITED

## BALANCE SHEET AS AT 31 MARCH 2007

	Notes	2007		2006	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		3,478		5,809
<b>Current assets</b>					
Debtors	6	383,789		358,162	
Cash at bank and in hand		210,771		476,790	
		<u>594,560</u>		<u>834,952</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(597,976)</u>		<u>(840,699)</u>	
<b>Net current liabilities</b>			<u>(3,416)</u>		<u>(5,747)</u>
<b>Total assets less current liabilities</b>			<u>62</u>		<u>62</u>
<b>Capital and reserves</b>					
Called up share capital	8		100		100
Profit and loss account	9		(38)		(38)
<b>Shareholders' funds</b>			<u>62</u>		<u>62</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved and signed on behalf of the Board on 28/01/07 by



Prof MJ Clarke  
Director

# COLLABORATION TRADING COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents income net of VAT from royalties receivable from the sale of subscriptions to, and products derived from The Cochrane Library and sundry items from sale of Cochrane Collaboration memorabilia.

#### 1.4 Tangible fixed assets and depreciation

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

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

#### 1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

<b>2 Operating profit</b>	<b>2007</b>	<b>2006</b>
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	2,331	4,114
Auditors' remuneration	2,900	2,750
	<u>          </u>	<u>          </u>

<b>3 Investment income</b>	<b>2007</b>	<b>2006</b>
	£	£
Bank interest	22,848	10,724
	<u>          </u>	<u>          </u>

### 4 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

# COLLABORATION TRADING COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

### 5 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 April 2006 and at 31 March 2007	19,790
<b>Depreciation</b>	
At 1 April 2006	13,981
Charge for the year	2,331
At 31 March 2007	16,312
<b>Net book value</b>	
At 31 March 2007	3,478
At 31 March 2006	5,809

6 Debtors	2007	2006
	£	£
Prepayments and accrued income	383,789	358,162

7 Creditors: amounts falling due within one year	2007	2006
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	555,348	785,314
Taxation and social security	36,509	30,272
Other creditors	6,119	25,113

8 Share capital	2007	2006
	£	£
<b>Authorised</b>		
100 Ordinary shares of £1 each	100	100
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

# COLLABORATION TRADING COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

---

### 9 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2006	(38)
Balance at 31 March 2007	<u>(38)</u>

### 10 Control

The ultimate controlling party is The Cochrane Collaboration, a charitable company registered in England. Collaboration Trading Company Limited is its trading subsidiary.

### 11 Related party transactions

The 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.

# COLLABORATION TRADING COMPANY LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

---

		2007		2006
	£	£	£	£
<b>Turnover</b>				
Royalty income		1,104,254		1,022,299
Miscellaneous sales		67		12
Rent receivable		3,960		-
		<u>1,108,281</u>		<u>1,022,311</u>
<b>Cost of sales</b>				
Direct costs	33,688		35,673	
		<u>(33,688)</u>		<u>(35,673)</u>
<b>Gross profit</b>	96.96%	1,074,593	96.51%	986,638
<b>Administrative expenses</b>		<u>(186,447)</u>		<u>(168,568)</u>
<b>Operating profit</b>		888,146		818,070
<b>Exceptional items</b>				
Gift Aid Payment	(910,994)		(828,794)	
		<u>(910,994)</u>		<u>(828,794)</u>
<b>Other interest receivable and similar income</b>				
Bank interest received		22,848		10,724
		<u>22,848</u>		<u>10,724</u>
<b>Loss before taxation</b>	-	<u>-</u>	-	<u>-</u>

---



# COLLABORATION TRADING COMPANY LIMITED

## SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 MARCH 2007

---

	2007	2006
	£	£
<b>Administrative expenses</b>		
Wages and salaries (excl. National Insurance)	108,669	97,996
Staff Training	1,457	(705)
Rent re operating leases	22,160	24,421
Rent re licences and other	(38)	38
Rent & rates	4,419	4,315
Insurance	897	477
Secretariat budget	2,953	6,058
Repairs and maintenance	4,404	3,270
Service charge payable	6,279	1,522
Printing, postage and stationery	3,867	4,899
Advertising	-	807
Telephone	473	5,587
Computer running costs	8,640	5,194
Legal and prof fees - allowable	10,347	3,013
Accountancy	850	795
Audit fees	2,900	2,750
Bank charges	551	306
Cleaning	2,160	2,340
Sundry expenses - allowable	3,128	1,371
Depreciation on computer equipment	1,990	2,975
Depreciation on Fixtures, Fittings and Equipment	341	1,139
	<hr/>	<hr/>
	186,447	168,568
	<hr/>	<hr/>

---