



Report & Financial Statements: The Cochrane Collaboration

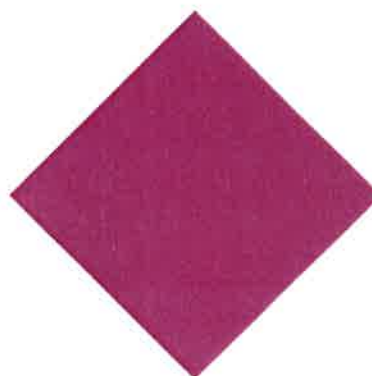
(A company limited by guarantee)

For the year ended 31 December 2015

Company Number 3044323

Charity Number 1045921

Trusted evidence.
Informed decisions.
Better health.



31 December 2015

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THE COCHRANE COLLABORATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Trustees of The Cochrane Collaboration, who are also directors for the purpose of company law, present their report and financial statements for the year ended 31 December 2015.

Reference and Administration

Charity name: The Cochrane Collaboration

Registered Charity Number: 1045921

Registered and
Correspondence Address: St Albans House,
57-59 Haymarket,
London SW1Y 4QX
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Advisors

Auditor: Mazars LLP
Chartered Accountants and Statutory Auditor
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Bankers: National Westminster Bank PLC
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Oxford, OX2 7HR
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Legal advisers: Maier Blackburn
Prima House,
267 Banbury Road
Oxford, OX2 7HT
UK

Trustees

The governing body of The Cochrane Collaboration is known as the Cochrane Steering Group (CSG). The following Trustees, who are also the directors for the purposes of company law, held office on the CSG during the year and to the date of signing these financial statements:

Prof L Bero (Co-Chair)
Prof C Farquhar (Co-Chair)
Prof A Atallah
Mr M Burton (Treasurer)
Ms K Dearness
Prof C Eccleston (resigned 14 August 2015)
Ms A Lyddiatt
Dr J Meerpohl
Ms M Nasser
Dr H Schünemann
Ms E Stovold
Ms D Thomson
Ms M Zhang

Senior Staff

The senior staff of the Charity during the year comprised:

Mr M Wilson, Chief Executive Officer
Dr D Tovey, Editor in Chief, *The Cochrane Library*
Mr H Sutherland, Company Secretary, Head of Finance & Core Services (until 30 November 2015)
Ms S Watson, Company Secretary, Head of Finance & Core Services (from 1 December 2015)
Ms M Cumpston, Head of Learning & Support
Mr C Mavergames, Head of Informatics and Knowledge Management
Ms J Wood, Head of Communications and External Affairs

Narrative Report

This Trustees' Report covers the twelve-month period 1 January 2015 – 31 December 2015.

1. Structure, Governance and Management

Nature of Governing Document

The governing documents of The Cochrane Collaboration are the Articles of Association, as amended on 30 October 2013.

Trustee Appointment

Trustees serve as 'Steering Group' members for a three-year period, and may be re-elected for a second consecutive term. After a three-year break, they may be elected again when an appropriate vacancy occurs. Trustees are elected by the official members of the Collaboration (which are the individual operating units, or Cochrane 'Groups') to specific posts representative of their membership group.

Organisational Structure

An elected Steering Group comprising 12 elected Trustees governs The Cochrane Collaboration on behalf of its Members.

The Cochrane Collaboration's Chief Executive Officer, Mark Wilson, has overarching responsibility for the management of the organization, including its Central Executive (CE - the staff employed by the Charity or through Charity funding).

The Editor in Chief of the *Cochrane Library*, Dr David Tovey, is responsible for developing, implementing, and directing the editorial policies and vision of the *Cochrane Library* in relation to the vision and objectives of the collaboration; improving the quality in the editing process and product with respect to scientific content; providing a lead for conceptualising and developing new products derived from Cochrane Systematic Reviews in partnership with the Chief Executive Officer; and for applying ethical and scientific standards consistent with the goals of the Collaboration.

The Central Executive's Information & Knowledge Management Department (IKMD) is based in Freiburg, Germany, and Copenhagen, Denmark, and is responsible for developing and maintaining Cochrane's online presence; RevMan, the Collaboration's systematic review management software; Archie, the online repository for the Collaboration's documents and contact details; and other Cochrane software and IT systems. Other Central Executive team members provide leadership and support in advocacy, media and communications, fundraising, learning, training and capacity building, editorial services, finance and core services.

Cochrane Groups across the world contribute to the activities of the charity:

- 52 subject-based Cochrane Systematic Review Groups facilitate the preparation, by volunteer contributors, of Cochrane Systematic Reviews;
- 16 Methods Groups provide support in methods for research evidence synthesis;
- 14 Cochrane Centres (with responsibility for 29 Branches) in Europe, the Americas, Africa, Asia and Australasia provide a regional focus for the Collaboration's activities; and
- 9 thematic Fields and Networks represent crosscutting health issues and carry out knowledge translation and advocacy activity.

Each Cochrane Group has a devolved management team appropriate to its function. For Cochrane Review Groups, for instance, this normally consists of a Co-ordinating Editor (commonly a senior healthcare professional such as a Professor or Senior Consultant with extensive knowledge of the healthcare area concerned), a Managing Editor, a Trials Search Co-ordinator, and administrative support. These teams support 'Cochrane Review author teams', consisting of authors and editors; with input provided by statisticians, methodologists, healthcare consumers and others.

Principal Risks and Uncertainties

The board of Trustees has considered the principal risks to which The Cochrane Collaboration is exposed. It uses a risk management matrix to set out and evaluate the major risks, their likely impact, the steps taken to mitigate risk, and further action that could be taken. The key risk in 2015 was securing continued funding for Cochrane's Canadian Groups, following the decision of the Canadian Institute of Health Research (CIHR) to end the mechanism from September 2015 through which it had funded these Groups over the previous decade. Cochrane Canada led private lobbying and public campaign efforts across the country to press for alternate funding support for Cochrane Groups, which otherwise faced closure; and these efforts continue in 2016 supported by Cochrane's Central Executive, with a potential alternate funding mechanism now having been identified.

The other main, and continuing, risk and uncertainty affecting the charity is the impact in the short, medium and long term on Cochrane's revenues of its decision to make its new and updated systematic reviews 'open access' from 2020. The proportion of Cochrane Reviews already freely available through the charity's existing open access policy is steadily growing, and in 2015 the Steering Group approved a new Open Access strategy that will guide the charity in assessing and responding to this challenge in the coming years. Cochrane's development of new products and services to establish diversified revenue sources and an 'enhanced' *Cochrane Library* offering that would protect and grow future licence income is a critically important response to this ongoing challenge.

Contingency plans have also been developed by the Senior Management Team to manage and reduce other, less serious risks with a detailed Risk Management Report updated quarterly which is considered and approved by the trustees twice a year.

2. Objectives and Activities

Legal Objects

The legal objects of the Charity, as defined in its Articles of Association, are: '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, for the public benefit.'

Vision and Mission of the Charity

The Cochrane Collaboration's Vision is: 'a world of improved health where decisions about health and health care are informed by high-quality, relevant and up-to-date synthesised research evidence'.

Cochrane's Mission is: 'to promote evidence-informed health decision making by producing high-quality, relevant, accessible systematic reviews and other synthesised research evidence'.

Cochrane is a global independent network of health practitioners, researchers, patient advocates and others, responding to the challenge of making the vast amounts of evidence generated through research useful for informing decisions about health. We are a not-for-profit organisation with more than 36,000 collaborators from over 120 countries working together to produce credible, accessible health information that is free from commercial sponsorship and other conflicts of interest.

The Charity makes extensive use of volunteers. Amongst their many contributions, volunteers in 2015 were involved in the following activities:

- Preparation of the Collaboration's outputs as members of 'Cochrane Review author teams';
- Developing the knowledge base and tools for facilitating preparation of the Collaboration's outputs;
- Dissemination of the Collaboration's principles and outputs through conference presentations, symposia, scientific papers, and related knowledge translation activities; and
- Engagement of healthcare consumers in the Collaboration's activities.

Strategy to 2020

In September 2013, the Charity's membership unanimously agreed to adopt a new *Strategy to 2020* for Cochrane. The *Strategy to 2020* identifies four principal goals and 28 objectives underpinning them; and together they will guide the development of the organisation for the next six years.

GOAL 1: PRODUCING EVIDENCE

To produce high-quality, relevant, up-to-date systematic reviews and other synthesised research evidence to inform health decision-making.

Objectives to 2020

HIGH-QUALITY:

1.1 We will continue to develop and implement comprehensive quality assurance mechanisms for editorial and methodological standards throughout our production and updating processes.

RELEVANT:

1.2 We will engage with patients and other healthcare consumers, health practitioners, policy-makers, guidelines developers and research funders to identify questions that are most relevant and important to them; and prioritise the production and updating of Cochrane Systematic Reviews accordingly.

UP-TO-DATE:

1.3 We will ensure that Cochrane Systematic Reviews represent the best evidence currently available by establishing and managing performance against updating targets, particularly for high priority reviews.

WIDE COVERAGE:

1.4 We will continue to support the production of Cochrane Systematic Reviews across a broad range of questions in order to develop the widest possible body of reliable knowledge about health.

PIONEERING METHODS:

1.5 We will ensure that established methods are applied consistently and appropriately in Cochrane Systematic Reviews; and continue to develop innovative methods for designing and conducting research evidence synthesis that help us to achieve our mission.

EFFICIENT PRODUCTION:

1.6 We will improve our technology and revise our processes to create more timely, consistent and efficient editorial and production systems.

1.7 We will expand our training and capacity-building programmes, promote innovation, and improve the experience of Cochrane Systematic Review production teams to retain and develop our contributor-base.

GOAL 2: MAKING OUR EVIDENCE ACCESSIBLE

To make Cochrane evidence accessible and useful to everybody, everywhere in the world.

Objectives to 2020

USER-CENTRED DESIGN AND DELIVERY:

2.1 We will put the needs of our users at the heart of our content design and delivery.

2.2 We will consult with our users to develop creative and flexible formats and delivery solutions for our content that make it more discoverable, accessible, useful and usable in diverse contexts and settings worldwide.

2.3 We will engage with our users to bring the concepts and methodologies of evidence synthesis into mainstream use beyond the research and medical communities, so that people know why and how evidence should be used to inform their health decision-making.

OPEN ACCESS:

2.4 We will achieve universal open access to Cochrane Systematic Reviews immediately upon publication for both new and updated reviews, and the archive of existing published reviews.

ACCESSIBLE LANGUAGE:

2.5 We will simplify and standardise the language used across our content to improve readability and reduce ambiguity.

MULTI-LINGUAL:

2.6 We will translate key content into at least the five other official languages of the World Health Organization (Spanish, French, Russian, Chinese and Arabic); and make it accessible in the same way as English-language content.

GOAL 3: ADVOCATING FOR EVIDENCE

To make Cochrane the 'home of evidence' to inform health decision-making, build greater recognition of our work, and become the leading advocate for evidence-informed health care.

Objectives to 2020

GLOBAL PROFILE:

3.1 We will clarify, simplify and improve the way we communicate to the world by creating an overarching 'Cochrane' brand.

THE 'HOME OF EVIDENCE':

3.2 We will make Cochrane the 'go-to' place for evidence to inform health decision-making by offering a range of evidence-informed products and resources.

3.3 We will build greater recognition of Cochrane's role as an essential link between primary research and health decision-making.

GLOBAL ADVOCATE:

3.4 We will advocate for evidence-informed health care and the uptake of synthesized research evidence in health policy-making and services planning.

3.5 We will promote reliable, high-quality primary research that is prioritised to answer real world health questions and improves the evidence-base on which our work is built.

3.6 We will campaign for transparency and integrity in scientific conduct, including the registration and reporting of results from all clinical trials, to ensure that the totality of evidence is available to those conducting research or making health decisions.

GLOBAL PARTNER:

3.7 We will build international and local partnerships and alliances with organisations that help us to reach people making decisions in health, particularly guidelines developers, policy-makers, associations of healthcare practitioners and patient organisations.

GLOBAL IMPACT:

3.8 We will demonstrate Cochrane's value and impact to funders, users and other beneficiaries of our work.

GOAL 4: BUILDING AN EFFECTIVE & SUSTAINABLE ORGANISATION

To be a diverse, inclusive and transparent international organisation that effectively harnesses the enthusiasm and skills of our contributors, is guided by our principles, governed accountably, managed efficiently and makes optimal use of its resources.

Objectives to 2020

INCLUSIVE AND OPEN:

4.1 We will establish a membership structure to improve our organisational cohesiveness and to reduce barriers to participation by creating a clear and open route into the organisation for people who want to get involved.

GLOBAL AND DIVERSE:

4.2 We will become a truly global organisation by establishing a Cochrane organisational presence in all regions, building capacity in low- and middle-income countries; promoting gender, linguistic and geographic diversity; and enabling generational change.

FINANCIALLY STRONG:

4.3 We will strengthen Cochrane's financial position by diversifying and expanding our funding base, both at core and group level.

EFFICIENTLY RUN:

4.4 We will review and adjust the structure and business processes of the organisation to ensure that they are optimally configured to enable us to achieve our goals.

INVESTING IN PEOPLE:

4.5 We will make major new investments in the skills and leadership development of our contributors.

TRANSPARENTLY GOVERNED:

- 4.6 We will increase the transparency of the organisation's governance and improve the opportunities for any contributor to participate in governing the organisation and/or to be appointed to a leadership position.

ENVIRONMENTALLY RESPONSIBLE:

- 4.7 We will review and adjust our operations to reduce their environmental impact.

Each year Cochrane's Central Executive, working with the rest of the organisation, develops annual targets linked to these Goals and Objectives. The 18 targets approved by the Steering Group in January 2015 prioritised Cochrane's work throughout the year. The monitoring and achievement of these targets is the principal means through which the Charity measures and reports its progress towards *Strategy to 2020* Goals and Objectives.

3. Achievements and Performance

2015 was the second year of Cochrane's *Strategy to 2020* and saw the delivery of the first phase of projects and changes to achieve the *Strategy*, as well as an intensive period of work on new initiatives that will bring substantial change to the organization in 2016 and beyond.

Some significant projects were launched in 2015 having been planned, consulted on and developed in 2014, such as the launch of the new Cochrane brand and websites in January, with rollout across more than 140 Cochrane Groups taking place in the first half of the year. Traffic on Cochrane.org increased by more than 30% after the launch. This was followed later in the year with the arrival of 12 non-English language Cochrane.org websites, the first fruits of the new investments in our translation strategy that began in 2014.

In January 2015 we also published the first list of high priority new and 'to be updated' reviews that will guide production and publication choices and better meet the needs of our users. The new Cochrane Author Support Tool (CAST) was delivered on schedule later in the year, offering huge new benefits to authors through the establishment of three integrated applications (a Cochrane-customised 'Covidence' tool, EPPI-Reviewer, and CRS-D - a central data repository for what is captured in the review process). The new Training and Professional Development Strategy began to provide improved and more integrated training and support for Cochrane contributors. In addition, the successful quality-screening project supporting Cochrane Review Groups (CRGs) was further developed into a new Integrated Quality Strategy, through which we aim to ensure that CRG teams, review authors, and others have the materials, support and environment necessary to be able to produce reviews that are of consistently high quality in the years ahead.

We launched an initial beta version of a browser-based Cochrane Review Manager (RevMan) as part of our plans to build a new evidence production system of tools; and made substantial progress on Cochrane's 'Project Transform', which will establish a new Cochrane content production platform and processes to help us attract and make better use of contributors' skills and experience. This platform will, in turn, help us set up a new Cochrane membership scheme in 2016 following extensive concept design and development work and wide consultation with existing collaborators in 2015. We also built deeper partnerships with key partners such as the WHO, Wikipedia, Guidelines International Network (G-I-N) and The Campbell Collaboration, as well as developing a new partnership strategy that will guide the choices of strategic partnerships to support our work in future.

Other initiatives started in 2015 will be finalized in 2016, such as the structure and function reviews of Governance and Cochrane Groups; and the user research project to evaluate perception of the Cochrane brand, understand how, why and when people use Cochrane evidence, and establish a framework for on-going reassessment so that we ensure we are continuing to meet end-user needs. Critically, Cochrane's Open Access strategy, which was completed and formally adopted in 2015, will bring three major

advances in 2016: 1) Cochrane Reviews will be automatically deposited in PubMed Central after a 12-month embargo; 2) protocols of Cochrane Reviews will be made Open Access immediately upon publication in the Cochrane Library; and 3) discounted 'Gold Open Access' vouchers will be made available to the major funders of Cochrane Groups.

Unfortunately, elements of two targets set in 2015 had to be abandoned because of restrictions and inadequacies of the technology platform hosting the Cochrane Library (Updating Classification and the launching of multi-lingual versions of the Library). These will now be delivered by the new publishing platform that will be developed in 2016 and launched in January 2017, in collaboration with our publishing partner, John Wiley & Sons, and a new third-party provider engaged by Wiley. No other 2015 targets were abandoned and where achievement against some targets slipped these should be delivered in 2016. The delays were due to our under estimation of the complexity and degree of change required to deliver some of the major initiatives - such as the Membership Scheme, Structure & Function Reviews, and Governance Review - and shortfalls in capacity, due to the sheer volume of work and slower than expected recruitment of additional staff in the Central Executive Team.

Overall, however, 2015 was an extremely successful year for Cochrane and in our progress towards achieving *Strategy to 2020*. Seventeen of the 18 targets for 2015 were delivered (or will be completed in the first half of 2016) and all were completed within budget. Total demand for Cochrane's major product, the *Cochrane Library*, rose by 10% worldwide. Publication of new Cochrane Reviews increased 14% compared with 2014. The Impact Factor of the Cochrane Database of Systematic Reviews also increased and a record 87 Cochrane Reviews were used in 2015 WHO Guidelines, with 75% of WHO Guidelines now using Cochrane Reviews. Royalties from the Cochrane Library exceeded the 5% target, with revenues the highest ever at £5.3 million. Other highlights of Cochrane's achievements in 2015, grouped under the strategic goals include:

GOAL 1: *To produce high quality, relevant, up-to-date systematic reviews and other synthesised research evidence to inform health decision-making.*

- Publishing 484 new Cochrane Systematic Reviews, 447 updated Reviews (new citation versions) and 559 new protocols for forthcoming Reviews in the *Cochrane Library*, published by John Wiley & Sons, Ltd. At the end of December 2015 the *Cochrane Library* contained 6,713 Cochrane Reviews, 2,426 protocols and over 901,000 records in its Central Register of Controlled Trials (CENTRAL).
- The Cochrane Database of Systematic Reviews increased its impact factor (as calculated by the Journal Citation Report) to 6.035, ranking it as one of the top 13 medical journals in the world. Its five-year impact factor is 6.536. The CDSR also saw an increase in the number of citations (43,592 in 2014) making it one of the top five most cited journals in its category.
- Cochrane's Editorial Unit (CEU) continued a screening programme that evaluates all ready-for-publication Cochrane Systematic Reviews against the *Methodological standards for the conduct of new Cochrane Intervention Reviews* (the MECIR programme) to ensure they all met the highest quality standards and delivered other improvements as part of the *Cochrane Content Publication and Delivery Programme*, a multi-year initiative to enhance the *Cochrane Library* user experience; content creation and quality; dissemination and impact (covering *Strategy to 2020* Goals 1-2).

GOAL 2: *To make Cochrane evidence accessible and useful to everybody, everywhere in the world.*

- In 2015 over 6.8 million pdf downloads of Cochrane Systematic Reviews were made from the *Cochrane Library* (a rise of 13%), with more than 10.3 million abstract page views of Reviews made on Wiley's Online Library (compared to 10.1 million in 2014). There was an extraordinary 200% growth in access to Cochrane Reviews through the new Cochrane.org website, with page views increasing from 3.98 million in 2014 to 6.77 million in 2015.
- Cochrane is committed to making its Systematic Reviews accessible to all through open access, but in a way that the organisation can sustain and does not undermine its ability to develop and grow in the future. Over 3.6 billion people in 148 countries have free at the point of use access to the *Cochrane Library*, and in 2015 another 871 Cochrane Reviews became open access for everyone, everywhere.

GOAL 3: *To make Cochrane the 'home of evidence' to inform health decision-making, build greater recognition of our work, and become the leading advocate for evidence-informed health care.*

- The quality and quantity of Cochrane's media coverage of its published outputs continued to grow in 2015 through a rapidly expanding network of international media contacts and relationships. Total media coverage increased by 22% in 2015; and social media followers also continued their substantial growth, with Twitter followers up by 27%, Facebook 'friends' by 40%, and subscribers to *Cochrane Connect* newsletter by 19%.
- Cochrane continued to support the +AllTrials initiative, campaigning for all past and present clinical trials to be registered and their results reported; and was involved in the development of a new campaign to Reduce research Waste And Reward Diligence (REWARD) in order to improve efficiencies in the research lifecycle.

GOAL 4: *To be a diverse, inclusive and transparent international organisation that effectively harnesses the enthusiasm and skills of our contributors, is guided by our principles, governed accountably, managed efficiently and makes optimal use of its resources.*

- Cochrane's Steering Group continued its bi-annual face-to-face meetings and regular teleconferences in order to provide the oversight and strategic leadership for which it is responsible; and completed a 'Governance Review' which drew up recommended improvements in the way the charity is governed that will be consulted on with Cochrane members and voted on at the Charity's Annual General Meeting in October 2016.
- Cochrane held its annual conference - the 'Colloquium' - in Vienna, Austria, in September 2015. The Colloquium's theme was 'Filtering the information overload for better decisions'.
- The Charity continued to support and to oversee the work of its wholly-owned trading company, *Cochrane Innovations*. The Steering Group approved a new Cochrane Innovations business strategy in May 2015.

Fundraising Performance

The Cochrane Collaboration's core income is derived mostly from publication royalties from its main output, the *Cochrane Library*, published on its behalf by John Wiley & Sons, Ltd. In 2015 the income from this source increased by 11% compared to 2014.

4. Financial Review

Reserves Policy

The aim of the Charity's Reserves Policy is to accumulate sufficient funds to enable us to achieve our long-term strategic aims; and then to allocate these funds to projects of organization-wide impact over single- or multi-year projects as required. The Trustees decided to retain between £2 million and £2.5 million for its strategic reserves, releasing the rest to use in the Charity's activities that support its *Strategy to 2020* needs and for further investment in Cochrane Innovations, a commercial subsidiary working to generate additional resources for Cochrane through the development and sale of health evidence products and services.

In the Trustees' judgement this allocation of the Charity's strategic reserves means that there will be sufficient resources to allow us to achieve our strategic goals and objectives over the next five years, while still being able to react flexibly to sudden financial needs or take advantage of other opportunities and challenges as they arise.

It is also the policy of the Trustees to have a contingency plan for maintaining Cochrane's basic functions for twelve months in the event of the loss of core income from publishing. The resources necessary to enact the contingency plan are reviewed on an annual basis.

Discretionary Fund

Cochrane's Discretionary Fund provides £20,000 per year to facilitate small projects of general benefit to a majority of the Collaboration's Groups (with no project receiving more than £5,000). Expenditure included two projects which were approved for funding totalling £7,700 in 2015: £4,500 for the Cochrane Airways Fund for its HarmoniSR project to standardize content in the Cochrane Register of Studies; and £3,200 for the Cochrane Dementia and Cognitive Improvement Group, to assess machine learning approaches for semi-automating citation screening, using 18 months' worth of human-generated data from the Embase crowdsourcing project.

Funds in Deficit

There were no funds in deficit in the year.

Investment Policy

The Charity developed a new Investment Policy in 2015 that was approved by its Steering Group in January 2016. The policy and any investments made will be monitored and overseen by the CSG's Finance, Investment & Audit Sub-Committee.

Principal Funding Sources

Funding model

Core income referred to in this report comes from publishing income, as described above ('Fundraising Performance'). Core funds used to support the Central Executive are also directed at programmes considered of key strategic importance, including IT infrastructure development, Cochrane Training and Cochrane Methods.

Funding to support Cochrane Systematic Review preparation and related activities comes principally from national and trans-national government sources (typically from health, research and related ministries); and national and international charitable bodies. Some Cochrane Groups also raise funds through training activities.

The Groups who contribute towards the work of Cochrane are based within other organisations - such as universities and hospitals - which provide direct or indirect funding to support them. Groups are responsible for their own funding and for sourcing funding to support Cochrane Review preparation and related activities. In addition, many Cochrane review authors fund their own costs and time related to writing their reviews, though some authors are funded to undertake reviews. It is impossible to calculate the monetary value of volunteers' contributions, but if the work they perform were to be done at commercial rates their contributions would cost tens of millions of pounds per year.

Policy on commercial sponsorship

Cochrane maintains a clear barrier between the production of Cochrane Reviews and any funding from commercial sources with financial interests in the conclusions of the reviews.

Sponsorship of a Cochrane Systematic Review by any commercial source or sources is prohibited (a 'commercial source' is any for-profit manufacturer or provider of health care, or any other for-profit source with a real or potential vested interest in the findings of a specific review). A Foundation Fund was established in 2005 to accept donations from conflicted sources. While government departments, not-for-profit medical insurance companies and health management organisations may find the conclusions of Cochrane Reviews carry financial consequences for them, these are not included in the definition of commercial sources. Also not included are for-profit companies that do not have real or potential vested interests in Cochrane Reviews.

Other sponsorship of Cochrane's activities is allowed, but a sponsor should not be allowed to delay or prevent publication of a Cochrane Review, or to interfere with the independence of the authors of reviews in regard to the conduct of their reviews, and the protocol for a Cochrane Review should specifically mention that a sponsor cannot prevent certain outcome measures being assessed in the review. Cochrane's policy surrounding commercial sponsorship of its annual Colloquia prohibits any sponsorship from commercial sources (as defined above).

Remuneration and Pay Policy for Staff

Cochrane is committed to ensuring that it pays staff fairly and in a way which ensures it attracts and retains the right skills to have the greatest impact in delivering its charitable objectives. It aims to pay a fair salary that is competitive within the charitable sector, proportionate to the complexity of each role, and in line with organizational objectives. New posts are benchmarked against pay levels in equivalent posts in other not for profit, health and publishing organizations; and additional benchmarking exercises for Central Executive staff will take place in 2016.

The Steering Group reviews the salaries of staff as part of its consideration of the annual Plan & Budget. Central Executive staff salaries were uplifted by 2% for 2015 as a cost of living adjustment but frozen in 2016. The Steering Group has established a Remuneration Sub-Committee to oversee and provide advice on Cochrane's remuneration policy and practice.

5. Future Plans

The Charity's Goals and Objectives for 2016 are set out above (see *Strategy to 2020*, page 4). Annual targets for 2016 have been established for each of the four strategic Goals and these can be found at: <http://community.cochrane.org/organizational-info/resources/strategy-to-2020>. Cochrane's focus in 2016 will be on demonstrating to our stakeholders – the users of our evidence, our contributors, our partners and funders – the outcomes and tangible benefits that implementation of *Strategy to 2020* is bringing to their experience with Cochrane year on year.

Public Benefit Statement

This public benefit statement has been drawn up in accordance with the Charity Commission's January 2008 guidance on public benefit:

To deliver high quality healthcare services, medical and allied health professionals depend on high-quality information about the effects and effectiveness of the health interventions available to meet population or individual health and healthcare needs. Health consumers, including patients, need to be able to make valid choices between the various options open to them. Huge amounts of information are available; hundreds of thousands of scientific articles are published every year. Nobody can assimilate this mass of information.

The primary public benefit provided by Cochrane, therefore, relates to the advancement of health by assimilating, on behalf of the world's population, the results of primary research relating to individual treatments, and then presenting these results in a single scientific paper (a 'Cochrane Systematic Review'), formulated to be accessible to both healthcare consumers and practitioners.

The secondary public benefit relates to the advancement of education. Producing hundreds of Cochrane Systematic Reviews each year requires the assistance of 36,000 contributors, principally health professionals, patients and their representatives, and academics. These contributors need to be trained in the advanced techniques necessary for the work, and so international educational initiatives are a key part of the Cochrane's activities.

The third public benefit relates to Cochrane's role in informing and improving the agenda for primary research by shaping it around the decisions that people are taking in health; identifying uncertainties, missing or poor evidence; and improving health research methodologies.

Statement of Trustees' responsibilities

Company law requires the Trustees to prepare the financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the 'going concern' basis.

The Trustees have maintained adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the company, enabling them to ensure that the financial statements comply with the Companies Act 2006. They have safeguarded the assets of the company and taken reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

- (a) As far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) The Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Cochrane has decided to hold a competitive tender in 2016 to appoint, or reappoint, auditors for its 2016 financial year and beyond.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved and signed on behalf of the Trustees by

Mark J. Burton

.....
Mr M Burton, Trustee and Treasurer

Date: *14/09/2016*
.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COCHRANE COLLABORATION

We have audited the financial statements of The Cochrane Collaboration for the twelve months to 31 December 2015 that comprise the Charity Statement of Financial Activities, the Consolidated Statement of Financial Activities, the Consolidated (and Parent Charitable Company) Balance Sheets, Consolidated Statement of Cash Flows 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. 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 Ethical Standards for Auditors. This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2015 and of the group's 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 and the Charities Act 2011.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

Stephen Brown

Stephen Brown (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes, MK9 1FF

Date: *26 September 2016*

THE COCHRANE COLLABORATION STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER
2015
CHARITY ONLY (SEE OVER FOR GROUP ACCOUNTS)

	Note	Restricted £	Designated £	Unrestricted £	Year ended 31 December 2015 £	Period ended 31 December 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds						
Donations and legacies	5	4,438	-	68,377	72,815	80,976
Investment Income	6	-	-	4,894,854	4,894,854	4,194,649
Income from charitable activities	8	53,436	-	104,616	158,052	124,846
Total Incoming Resources		<u>57,874</u>	<u>-</u>	<u>5,067,847</u>	<u>5,125,721</u>	<u>4,400,471</u>
RESOURCES EXPENDED						
Expenditure on Raising Funds	9	-	-	101,698	101,698	10,000
Charitable Activities	10	27,960	609,862	5,550,397	6,188,219	2,775,382
Total Resources Expended		<u>27,960</u>	<u>609,862</u>	<u>5,652,095</u>	<u>6,289,917</u>	<u>2,785,382</u>
Net (Outgoing)/Incoming Resources						
Before Transfers		29,914	(609,862)	(584,248)	(1,164,196)	1,615,089
Fund Transfers	18	774	(1,899,946)	1,899,172	-	-
Net (Outgoing)/Incoming Resources		<u>30,688</u>	<u>(2,509,808)</u>	<u>1,314,924</u>	<u>(1,164,196)</u>	<u>1,615,089</u>
Reconciliation of funds						
Total funds brought forward at 1 Jan		86,814	2,529,808	1,692,141	4,308,763	2,693,674
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER	17,18	<u>117,502</u>	<u>20,000</u>	<u>3,007,065</u>	<u>3,144,567</u>	<u>4,308,763</u>

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 funds carried forward at 31 December 2015 of £3,144,567 differ from the consolidated funds of £6,758,104 on page 17 due to the net reserves retained in the trading subsidiaries, Collaboration Trading Company Limited, Cochrane Innovations Limited and Cochrane IKMD Denmark ApS.

The notes on pages 20 to 34 form part of these accounts.

THE COCHRANE COLLABORATION CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER
2015

	Note	Restricted £	Designated £	Unrestricted £	Group Year ended 31 December 2015 £	Group Period ended 31 December 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds						
Donations and legacies	5	4,438	-	68,377	72,815	80,976
Investment Income	6	-	-	84,409	84,409	56,210
Income from charitable activities	8	55,436	-	5,222,411	5,275,847	3,570,664
Total Incoming Resources		<u>57,874</u>	<u>-</u>	<u>5,375,197</u>	<u>5,433,071</u>	<u>3,707,850</u>
RESOURCES EXPENDED						
Expenditure on Raising Funds	9	-	-	101,698	101,698	10,000
Charitable Activities	10	27,960	370,166	5,738,840	6,136,966	2,843,289
Total Resources Expended		<u>27,960</u>	<u>370,166</u>	<u>5,840,538</u>	<u>6,238,664</u>	<u>2,853,289</u>
Net Incoming/(Outgoing) Resources before transfers		29,914	(370,166)	(465,341)	(805,593)	854,561
Fund Transfers	17	<u>774</u>	<u>(2,139,642)</u>	<u>2,138,868</u>	<u>-</u>	<u>-</u>
Net Incoming/(Outgoing) Resources		30,688	(2,509,808)	1,673,527	(805,593)	854,561
Fund balances brought forward at 1 January		<u>86,814</u>	<u>2,529,808</u>	<u>4,947,075</u>	<u>7,563,697</u>	<u>6,709,136</u>
FUND BALANCES CARRIED FORWARD AT 31 DECEMBER	17,18	<u>117,502</u>	<u>20,000</u>	<u>6,620,602</u>	<u>6,758,104</u>	<u>7,563,697</u>

The statement of financial activities includes all gains and losses recognised in the year.

The group's incoming resources and expended resources all relate to continuing operations.

The notes on pages 20 to 34 form part of these accounts.

THE COCHRANE COLLABORATION CHARITY & CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2015

		Cochrane Collaboration 31 December 2015 £		Cochrane Group 31 December 2015 £		Cochrane Collaboration 31 December 2014 £		Cochrane Group 31 December 2014 £	
	Note								
FIXED ASSETS									
Fixtures, Fittings & Equipment	12	22,955	22,955	7,653	7,653				
Investments	13	306,463	1,000	306,463	1,000				
		<u>329,418</u>	<u>23,955</u>	<u>314,116</u>	<u>8,653</u>				
CURRENT ASSETS									
Debtors: amounts due after one year	14	-	721,271	-	721,271				
Debtors	14	484,707	1,416,733	259,988	1,139,877				
Cash at bank and in hand	15	5,621,121	6,345,753	5,816,479	7,003,035				
		6,105,828	8,483,757	6,076,467	8,864,183				
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	16	(3,290,679)	(1,349,608)	(2,081,820)	(709,139)				
NET CURRENT ASSETS		2,815,149	7,134,149	3,994,646	8,155,044				
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,144,567</u>	<u>7,158,104</u>	<u>4,308,763</u>	<u>8,163,697</u>				
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	17	-	(400,000)	-	(600,000)				
NET ASSETS		<u>3,144,567</u>	<u>6,758,104</u>	<u>4,308,763</u>	<u>7,563,697</u>				
INCOME FUNDS									
Restricted funds	18	117,502	117,502	86,814	86,814				
Unrestricted funds:									
Designated	19	20,000	20,000	2,529,808	2,529,808				
Other unrestricted		3,007,065	6,620,602	1,692,141	4,947,075				
	20	<u>3,144,567</u>	<u>6,758,104</u>	<u>4,308,763</u>	<u>7,563,697</u>				

The notes on pages 20 to 34 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved and authorised for issue by the trustees on ~~14 September~~ 2016 and signed on their behalf by



Mr M Burton
Trustee and Treasurer

THE COCHRANE COLLABORATION CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2015

	Year ended 31 December 2015 £	Period ended 31 December 2014 £
Cash flows from operating activities		
Net (outgoing)/incoming resources	(805,593)	854,559
Adjustments for:		
Depreciation	16,618	3,816
Loss on disposal of fixed assets	-	4,899
Interest income	(84,409)	(56,210)
Trade and other receivables	(276,856)	7,640
Trade and other payables	440,469	(538,937)
Cash flows generated from operating activities	<u>(709,771)</u>	<u>275,767</u>
Purchase of property plant and equipment	(31,920)	(1,850)
Interest received	84,409	56,210
Cash flows generated from investing activities	<u>52,489</u>	<u>54,360</u>
Net (decrease)/increase in cash	(657,282)	330,127
Cash and cash equivalents at beginning of period	7,003,035	6,672,908
Cash and cash equivalents at end of period	<u>6,345,753</u>	<u>7,003,035</u>

1. ACCOUNTING POLICIES

a) General information

The Cochrane Collaboration is a charitable company limited by guarantee, incorporated in the United Kingdom. The address of its registered office is St Albans House, 57-59 Haymarket, London, SW1Y 4QX. Its charity number is 1045921 and its company number: 3044323.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Companies Act 2006.

These financial statements have been prepared on a going concern basis.

The financial statements have been prepared in £ sterling as this is the group functional currency.

The charity's main accounting policies are as follows:

c) Accounting Convention

The financial statements are prepared under the historical cost convention (i.e. balances are recorded at the original cost and are not subsequently revalued).

d) Basis of Consolidation

The income and expenditure and assets and liabilities of Collaboration Trading Company Limited, Cochrane Innovations Limited and Cochrane IKMD Denmark ApS are consolidated within the results of The Cochrane Collaboration. All amounts in respect of group balances and transactions have been eliminated in arriving at the group figures.

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

e) Incoming Resources

Donations, legacies and gifts income is recognised on a receipts basis (i.e. when it is virtually certain that the income will be received) under Gift Aid from the subsidiary undertakings, Collaboration Trading Company Limited (Company No. 07674064), Cochrane Innovations Limited (Company No. 03657122), and Cochrane IKMD Denmark ApS, and is recognised on a receivable basis (i.e. when the income is earned).

Group incoming resources include royalties from the subscriptions to and sales of The Cochrane Library to Collaboration Trading Company Limited, which are recognised on a receivable basis (i.e. when the income is earned). In the Consolidated Statement of Financial Activities (SOFA) this income has been included in incoming resources from charitable activities.

A sign on fee in relation to an agreement signed in a prior year has been included in deferred income. The income will be recognised on a straight line basis over the life of the agreement.

Investment income, representing amounts received from subsidiary and bank interest earned, is recognised at the earlier of receipt or approval by the subsidiary company's Board of Directors.

f) Resources Expended

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

Expended resources are classified between the relevant activity categories of resources expended as relevant to the nature of the expenditure incurred. All expenditure is considered to be directly chargeable to the relevant activity category apart from salary costs for non-editorial staff which are apportioned evenly across activity categories.

g) 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
Leasehold improvements	25% Straight Line Method

Fixed assets with an initial cost of under £1,000 are not capitalised.

h) Investments

Investments in subsidiary undertakings are included at cost.

Other investments are included at cost or deemed cost due to the non-availability of reliable market values.

i) Cash and Cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

j) Funds Structure

The charity holds a number of funds which have been restricted for specific purposes by the donors. These are classified under "restricted funds". The charity holds funds which have been internally designed for specific purposes. These are classified under "designated funds".

k) Unrestricted Funds

Unrestricted funds represent revenue grants and donations and interest receivable etc, which can be applied to the objectives of the charity. Transfers out of unrestricted funds represent new designations made in the period and are detailed in note 19.

l) Grant Expenditure

Grants payable are recognised in the year in which the offer is accepted by the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued expenditure.

m) Foreign Exchange

Transactions denominated in foreign currencies are translated into sterling on the exchange rate ruling on the date of transaction.

n) Operating Leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

o) Financial Commitments

Approved grants are recognised as liabilities once approved by the trustees and communicated to the beneficiary.

p) Liabilities

When an obligation exists that will probably lead to expended resources after the year end, a liability is recognised.

q) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value

t) Operating Leases

Payments made under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

u) Accounting Judgements and Estimates

In applying the accounting policies, the trustees have made critical accounting judgements, estimates and assumptions about the carrying amount of the assets and liabilities. These estimates and assumptions are based on historical experience and are reviewed on a continual basis. The critical accounting judgements, estimates and assumptions that have a material effect on the amounts recognised in the financial statements for both the current and next financial years are discussed below.

Judgements

Impairment testing is carried out for all tangible assets and investments at the year date where there has been an indication that impairment exists. For the purposes of impairment testing the carrying amounts of the tangible assets and investments are reviewed and an impairment loss is recognised where the carrying amounts exceed the assets' recoverable amounts.

Estimates

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The gain or loss arising on the disposal or retirement of property, fixtures and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in the Statement of Financial Activities.

v) Restatement of comparatives

The charity has restated cost of generating funds (note 9) to £10,000 which was previously £727,393, as in the opinion of the Trustees it will give a clearer understanding of the charities activity as fundraising costs

THE COCHRANE COLLABORATION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2015

now represent those costs that are actively involved in the process of generating additional funds for the charity. Previously the charity recognised editorial costs and an allocation of general wages and salaries. These are now recognised within note 10. There has been no impact on the charity or group's surplus or net assets.

2. Transition to FRS 102

The financial statements for the year ended 31 December 2015 are the Group's first financial statements that comply with FRS 102; the date of transition is 1 April 2014. There have been no adjustments on reported income or expenditure and funds from transition to FRS 102.

3. Comparative Group Statement of Financial Activities

	Restricted	Designated	Unrestricted	Group Period ended 31 December 2014
	£	£	£	£
INCOMING RESOURCES				
Incoming resources from generated funds				
Donations and legacies	6,934	-	74,042	80,976
Investment Income	189	-	56,021	56,210
Income from charitable activities	17,595	-	3,553,069	3,570,664
Total Incoming Resources	24,718	-	3,683,132	3,707,850
RESOURCES EXPENDED				
Expenditure on Raising Funds	-	-	10,000	10,000
Charitable Activities	67,101	-	2,776,188	2,843,289
Total Resources Expended	67,101	-	2,786,188	2,853,289
Net Incoming/(Outgoing) Resources before transfers	(42,383)	-	896,944	854,561
Fund Transfers	1,000	(13,184)	12,184	-
Net Incoming/(Outgoing) Resources	(41,383)	(13,184)	909,128	854,561
Fund balances brought forward at 1 April 2014	128,197	2,542,992	4,037,947	6,709,136
FUND BALANCES CARRIED FORWARD AT 31 December 2014	86,814	2,529,808	4,947,075	7,563,697

4. SURPLUS FOR THE FINANCIAL YEAR

Cochrane
Collaboration Group Group

THE COCHRANE COLLABORATION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2015

	Year ended 31 December 2015	Year ended 31 December 2015	Period ended 31 December 2014
	£	£	£
The surplus is after charging:			
Auditors' remuneration:			
- audit services	5,500	10,500	6,750
- non – audit services	1,750	6,500	1,500
Depreciation	16,618	16,618	3,816
Loss on disposal of fixed assets	-	-	4,899
Operating Leases	163,698	163,698	60,403

5. VOLUNTARY INCOME

	Restricted	Designated	Unrestricted	Cochrane Collaboration Year ended 31 December 2015	Group Year ended 31 December 2015	Group Period ended 31 December 2014
	£	£	£	£	£	£
Donations	4,438	-	68,377	72,815	72,815	80,976
	<u>4,438</u>	<u>-</u>	<u>68,377</u>	<u>72,815</u>	<u>72,815</u>	<u>80,976</u>

6. INVESTMENT INCOME

	Restricted	Designated	Unrestricted	Cochrane Collaboration Year ended 31 December 2015	Group Year ended 31 December 2015	Group Period ended 31 December 2014
	£	£	£	£	£	£
Bank interest	-	-	84,409	84,409	84,409	56,210
	<u>-</u>	<u>-</u>	<u>84,409</u>	<u>84,409</u>	<u>84,409</u>	<u>56,210</u>

Investment income in the Charity SOFA of £4,894,854 (Dec 2014: £4,194,649) also includes monies receivable from Collaboration Trading Company Limited as a distribution.

7. TAXATION

The Cochrane Collaboration is a registered charity, and is therefore not liable to pay corporation tax on its charitable activities. The Collaboration Trading Company and Cochrane Innovations are not charities and are therefore subject to corporation tax on their activities. However, the distributions of net profit chargeable to corporation tax on their trading activities are considered as donations on an annual basis. On this basis, no provision has been made for corporation tax. IKMD was incorporated in Denmark during the year. No provision for corporate taxes has been made for the first period.

8. INCOME FROM CHARITABLE ACTIVITIES

	Cochrane Collaboration Year ended 31 December 2015 £	Group Year ended 31 December 2015 £	Group Period ended 31 December 2014 £
Royalties from subscriptions to and sales of The Cochrane Library and other income	-	4,926,141	3,164,062
Other income	158,052	349,706	406,602
	<u>158,052</u>	<u>5,275,847</u>	<u>3,570,664</u>

Distributions made from Collaboration Trading Company Limited and Cochrane Innovations Limited to The Cochrane Collaboration under Gift Aid are included in the charity's income as Investment Income and are shown in note 6.

9. EXPENDITURE ON RAISING FUNDS

	Restricted £	Designated £	Un- restricted £	Cochrane Collaboration Year ended 31 December 2015 £	Group Year ended 31 December 2015 £	Group Period ended 31 December 2014 £
Staff salaries (see note 11)	-	-	93,592	93,592	93,592	10,000
Travel costs	-	-	8,106	8,106	8,106	-
	<u>-</u>	<u>-</u>	<u>101,698</u>	<u>101,698</u>	<u>101,698</u>	<u>10,000</u>

10. EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted £	Designated £	Unrestricted £	Group Year ended 31 December 2015 £	Group Period ended 31 December 2014 £
Awards, Scholarships & Prizes					
Anne Anderson Award	7,106	-	-	7,106	3,601
Thomas C Chalmers Award	324	-	-	324	629
Aubrey Sheiham Scholarship	3,160	-	-	3,160	1,373
Chris Silagy Prize	758	-	-	758	-
Bill Silverman Prize	647	-	-	647	624
Kenneth Warren Prize	1,321	-	-	1,321	-
Total Awards, Scholarship & Prizes	13,316	-	-	13,316	6,227
Evidence Aid	11,162	-	-	11,162	60,874
Direct/Running costs	-	-	542,737	542,737	199,524
Grants	3,482	370,166	162,276	535,924	415,566
Legal Fees	-	-	103,430	103,430	41,348
Editorial costs	-	-	624,878	624,878	450,662
Other support costs	-	-	2,109,972	2,109,972	468,968
Staff salaries (see note 11)	-	-	2,195,547	2,195,547	1,200,120
	27,960	370,166	5,738,840	6,136,966	2,843,289

THE COCHRANE COLLABORATION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2015

11. TOTAL STAFF COSTS

	Cochrane Collaboration Year ended 31 December 2015 £	Group Year ended 31 December 2015 £	Group Period ended 31 December 2014 £
Wages and salaries	1,782,185	1,925,610	1,047,253
Social security costs	159,952	177,142	109,284
Pension costs	176,272	186,387	53,583
	<u>2,118,409</u>	<u>2,289,139</u>	<u>1,210,120</u>

Staff Costs have been apportioned between the headings in the Statement of Financial Activities in accordance with the accounting policy, as follows:

	Cochrane Collaboration Year ended 31 December 2015 £	Group Year ended 31 December 2015 £	Group Period ended 31 December 2014 £
Expenditure on Raising Funds	93,592	93,592	10,000
Expenditure on Charitable Activities	<u>2,024,817</u>	<u>2,195,547</u>	<u>1,200,120</u>
	<u>2,118,409</u>	<u>2,289,139</u>	<u>1,210,120</u>

Cochrane Collaboration Year ended 31 December 2015	Group Year ended 31 December 2015	Group Period ended 31 December 2014
----------------------------------------------------------------	-----------------------------------------------	-------------------------------------------------

The average number of employees analysed by function was:

Management	3	4	4
Administration	28	28	26
	<u>31</u>	<u>32</u>	<u>30</u>

4 employees received annual emoluments in excess of £60,000 during the year (Period to Dec 2014: 2).
No employee received annual emoluments in excess of £120,000 during the year (Period to Dec 2014: 1).
2 employees received annual emoluments in excess of £150,000 during the year (Period to Dec 2014: 1).

Key management personnel includes the Chief Executive, Editor in chief and the senior management team, comprising in total 6 (2014: 5) persons. The total remuneration of the key management personnel of the charity were £651,500 (2014: £380,005).

11. TOTAL STAFF COSTS (CONTINUED)

Trustees' remuneration and expenses

The Trustees received no remuneration during the year, apart from reimbursement of direct expenses for attendance at Trustees' meetings in furtherance of their duties of £ 46,093 (Period to December 2014: £30,850). Funding provided to the academic institutions who employ the Co-Chairs of the organisation in the period was £54,723 (Period to December 2014: £11,185).

Professional indemnity insurance for the year cost £1,488 (Period to December 2014: £693).

12. FIXED ASSETS

Charity & Group

	Fixtures & Fittings £	Computer Equipment £	Leasehold Improvements £	Total £
Cost				
As at 1 January 2015	12,043	19,640	-	31,683
Additions	9,357	2,166	20,397	31,920
Disposals	-	-	-	-
As at 31 December 2015	<u>21,400</u>	<u>21,806</u>	<u>20,397</u>	<u>63,603</u>
Depreciation				
As at 1 January 2015	9,816	14,214	-	24,030
Charge for the period	5,347	6,292	4,979	16,618
Disposals	-	-	-	-
As at 31 December 2015	<u>15,163</u>	<u>20,506</u>	<u>4,979</u>	<u>40,648</u>
Net Book Value				
As at 31 December 2015	<u>6,237</u>	<u>1,300</u>	<u>15,418</u>	<u>22,955</u>
As at 31 December 2014	<u>2,227</u>	<u>5,426</u>	-	<u>7,653</u>

13. FIXED ASSETS INVESTMENTS

	Company number	Cochrane Collaboration 2015 £	Group 2015 £	Cochrane Collaboration 2014 £	Group 2014 £
Investment in Collaboration Trading Company Limited	03657122	100	-	100	-
Investment in Cochrane Innovations Limited	07674064	300,100	-	300,100	-
Investment in Cochrane IKMD Denmark ApS		5,263	-	5,263	-
Other investments		1,000	1,000	1,000	1,000
		<u>306,463</u>	<u>1,000</u>	<u>306,463</u>	<u>1,000</u>

The investments represent a 100% shareholding in Collaboration Trading Company Limited, a 100% shareholding in Cochrane Innovations Limited (incorporated in England and Wales) and a 100% shareholding in Cochrane IKMD Denmark ApS (incorporated in Denmark). All figures have been included in the consolidation.

Other investments represent the value of the oil painting of the Cochrane logo gifted by Sir Iain Chalmers.

14. DEBTORS

	Cochrane Collaboration 2015 £	Group 2015 £	Cochrane Collaboration 2014 £	Group 2014 £
DEBTORS DUE WITHIN ONE YEAR				
Prepayments and accrued income	195,590	1,329,178	85,721	1,132,447
Amounts due from subsidiaries	37,318	-	166,837	-
Other debtors	66,878	66,878	-	-
Trade debtors	10,083	20,677	7,430	7,430
VAT debtor	174,838	-	-	-
DEBTORS DUE AFTER MORE THAN ONE YEAR				
Trade debtors	-	400,000	-	400,000
Prepayments and accrued income	-	321,271	-	321,271
	<u>484,707</u>	<u>2,138,004</u>	<u>259,988</u>	<u>1,861,148</u>

All financial assets are shown at amortised cost.

15. CASH AND CASH EQUIVALENTS

	Cochrane Collaboration 2015 £	Group 2015 £	Cochrane Collaboration 2014 £	Group 2014 £
Cash at bank	5,621,121	6,345,753	5,816,479	7,003,035

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Cochrane Collaboration 2015 £	Group 2015 £	Cochrane Collaboration 2014 £	Group 2014 £
Trade creditors	277,292	277,292	164,565	164,565
Amounts due to subsidiaries	2,403,251	-	1,810,283	-
Social security and other taxation	91,051	121,575	39,671	40,140
VAT creditors	-	210,310	-	225,878
Other creditors	30,401	30,401	-	-
Accruals and deferred income	488,684	710,030	67,301	278,556
	<u>3,290,679</u>	<u>1,349,608</u>	<u>2,081,820</u>	<u>709,139</u>

All financial liabilities are stated at amortised cost.

17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Cochrane Collaboration 2015 £	Group 2015 £	Cochrane Collaboration 2014 £	Group 2014 £
Accruals and deferred Income	-	400,000	-	600,000
	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>600,000</u>

The Wiley & Sons development grant of £1,000,000 granted in January 2013 to be used over 5 years, being a release of £200,000 income per year to the SOFA. Of this amount £600,000 was received in January 2013, and £400,000 is to be received in January 2017. These amounts are represented in accrued & deferred income.

All financial liabilities are stated at amortised cost.

17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR (CONTINUED)

Analysis of movement of
deferred income

	Balance as at 1 Jan 2015	Released during the year	Balance as at 31 December 2015	Balance as at 31 December 2014
	£	£	£	£
Wiley & Sons Grant	600,000	(200,000)	400,000	600,000
	600,000	(200,000)	400,000	600,000

18. RESTRICTED FUNDS

	Balance as at 1 Jan 2015	Incoming resources	Expenditure	Transfer between funds	Balance as at 31 December 2015
	£	£	£	£	£
Kenneth Warren Prize	7,544	-	(1,321)	-	6,223
Bill Silverman Prize	631	-	(647)	16	-
Thomas C Chalmers Award	1,264	-	(324)	-	940
Aubrey Sheiham Scholarship	33,509	4,438	(3,160)	-	34,787
Evidence Aid	29,915	-	(11,162)	-	18,753
Anne Anderson Award	13,951	-	(7,106)	-	6,845
Chris Silagy Prize	-	-	(758)	758	-
Grants	-	53,436	(3,482)	-	49,954
Charity and Group	86,814	57,874	(27,960)	774	117,502

The Kenneth Warren Prize was formed to fund the annual prize of the same name.

The Bill Silverman Prize was formed to fund the annual prize of the same name.

The Thomas C Chalmers Award was formed to fund the annual prize of the same name.

The Aubrey Sheiham Scholarship Fund is to provide one three-month scholarship each year, in order that individuals from developing countries can learn to prepare systematic reviews.

Evidence Aid – An initiative to improve access to information for people and organisations facing health and healthcare challenges arising in natural disasters and other large-scale health emergencies and crises.

The Anne Anderson Prize was formed to fund the annual prize of the same name.

The Chris Silagy Prize was formed to fund the annual prize of the same name.

The bracketed figures represent expenditure which is deducted from the fund balances.

19. DESIGNATED FUNDS

Charity	Balance as at 1 Jan 2015 £	Transfers and new designations £	Incoming Resources £	Expenditure £	Balance as at 31 December 2015 £
Discretionary Fund	20,000	10,350	-	(10,350)	20,000
Colloquium Fund	9,808	-	-	(9,808)	-
Strategic Investment Fund	2,500,000	(1,910,296)	-	(589,704)	-
	<u>2,529,808</u>	<u>(1,899,946)</u>	-	<u>(609,862)</u>	<u>20,000</u>

Group	Balance as at 1 Jan 2015 £	Transfers and new designations £	Incoming Resources £	Expenditure £	Balance as at 31 December 2015 £
Discretionary Fund	20,000	10,350	-	(10,350)	20,000
Colloquium Fund	9,808	-	-	(9,808)	-
Strategic Investment Fund	2,500,000	(2,149,992)	-	(350,008)	-
	<u>2,529,808</u>	<u>(2,139,642)</u>	-	<u>(370,166)</u>	<u>20,000</u>

The charity designates to the Discretionary Fund a maximum of £20,000 (Dec 2014: £20,000) of its unrestricted funds annually in support of those Cochrane entities which require funding for their activities that are in line with the charity's mission. Awards from the Fund are approved by Cochrane's Steering Group and each successful application is restricted to £5,000 (exclusive of any administration charges). A transfer has been made from the unrestricted reserves to increase the balance to £20,000 at the year-end following expenditure of £10,350 from the fund in 2015.

The Colloquium Fund was established for activities associated with the preparation, administration, oversight, management and reporting related to the organisation of Cochrane Colloquia. This Fund has now been closed and expenditures related to Cochrane's Colloquium costs are included in the charity's annual operational budget.

A Strategic Investment Fund was established to support the 'Cochrane Game Changers Initiative', which was launched in January 2014. The 'Game Changers Initiative' invited submissions for substantial projects designed to significantly affect Cochrane's future activities or ways of working. 'Project Transform' was the successful recipient of the 'Game Changers' award and 2015 expenditure on the project was drawn from the Strategic Investment Fund. The Steering Group decided not to run further 'Game Changer' award rounds and instead move the balance from designated to unrestricted funds to be used in support of other projects.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Restricted	Unrestricted	Total
	£	£	£
Fixed assets	-	329,418	329,418
Current assets	117,502	5,988,326	6,105,828
Current liabilities	-	(3,290,679)	(3,290,679)
	<u>117,502</u>	<u>3,027,065</u>	<u>3,144,567</u>
Group	Restricted	Unrestricted	Total
	£	£	£
Fixed assets	-	23,955	23,955
Current assets	117,502	8,366,255	8,483,757
Current liabilities	-	(1,349,608)	(1,349,608)
Non current liabilities	-	(400,000)	(400,000)
	<u>117,502</u>	<u>6,640,602</u>	<u>6,758,104</u>

21. FINANCIAL COMMITMENTS

Operating lease commitments

At 31 December 2015 the charitable company and group had annual commitments in respect of rental agreements as follows:

Agreements expiring:	Charity and Group		Charity and Group	
	2015	2015	2014	2014
	Land and buildings	Other	Land and Buildings	Other
	£	£	£	£
In one year or less	162,213	-	162,213	1,485
Over one year and less than two	162,213	-	162,213	-
Over two and less than five	270,354	-	432,567	-
Over five years	-	-	-	-
	<u>594,780</u>	<u>-</u>	<u>756,993</u>	<u>1,485</u>

Lease payments recognised as an expense in the year amounted to £163,698 (Period to December 2014: £60,403).

Pension Commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £186,387 (Period to December 2014: £53,583). Contributions totalling £26,961 (December 2014: £29,784) were payable to the fund at the balance sheet date and are included in creditors.

22. RELATED PARTY TRANSACTIONS

The charitable company has taken advantage of the exemption in section 33 of Financial Reporting Standard Number 102 from the requirements to disclose transactions with group companies in consolidated financial statements.