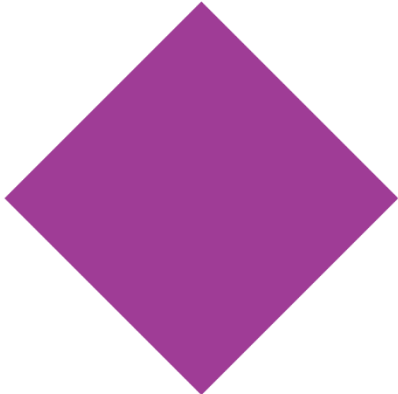




**Trustees' Report and
Financial Statements**
The Cochrane Collaboration
(A company limited by guarantee)
For the year ended
31 December 2021

Company Number 03044323
Charity Number 1045921



CONTENTS

	Page
Trustees' Report	3-21
Independent Auditor's Report	22-25
Consolidated Statement of Financial Activities	26
Charity and Consolidated Balance Sheet	27
Consolidated Statement of Cash Flows	28
Notes to the Financial Statements	29-42

The Trustees of The Cochrane Collaboration (Cochrane), who are also Directors for the purposes of company law, present their report and financial statements for the year ended 31 December 2021.

Reference and Administration

Charity name: The Cochrane Collaboration ("Cochrane")

Registered address: St Albans House
57-59 Haymarket
London, SW1Y 4QX
UK

Advisors

Auditor: Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108-114 Golden Lane
London, EC1Y 0TL
UK

Banker: National Westminster Bank PLC
Charities & Education Team
Corporate & Commercial Banking
1st Floor, 440 Strand
London, WC2R 0QJ
UK

Legal advisers: Brodies LLP
15 Atholl Crescent
Edinburgh, EH3 8HA
UK

Harbottle & Lewis LLP
Hanover House
14 Hanover Square
London, W1S 1HP
UK

Trustees

The following Trustees held office on the Cochrane Governing Board during the year and to the date of signing these financial statements:

Xavier Bonfill Cosp (term ended November 2021)
Yuan Chi (elected November 2021)
Nicola Cullum (term ended November 2021)
Juan Franco
Sally Green
Tracey Howe (Co-Chair)
Karsten Juhl Jørgensen (term ended November 2021)
Karen Kelly (Treasurer)
Marguerite Koster
Tamara Kredo
Raewyn Lamb
Catherine Marshall (Co-Chair)
Jordi Pardo Pardo
Emma Persad (elected November 2021)
Vanessa Piechotta (elected November 2021)

Key management personnel

During 2021, the key management personnel of the Charity – defined as the Senior Management Team – comprised:

Mark Wilson, Chief Executive Officer (until April 2021)
Judith Brodie, Interim Chief Executive Officer (appointed June 2021)
Karla Soares-Weiser, Editor in Chief, *Cochrane Library*, and Interim Chief Executive Officer (April-May 2021)
Joanne Anthony, Head of Knowledge Translation (until December 2021)
Lucie Binder, Head of Governance & Strategy
Christopher Champion, Head of People Services
Casey Early, Head of Finance
Sylvia De Haan, Head of External Affairs & Geographic Groups' Support
Toby Lasserson, Deputy Editor in Chief, *Cochrane Library*, and Interim Editor in Chief (April-May 2021)
Christopher Mavergames, Head of IT Services/Chief Information Officer
Charlotte Pestrige, Head of Publishing, Research & Development

From 01 January 2022, following the review and restructure of the Central Executive Team, a new Executive Leadership Team was formed as follows:

Judith Brodie, Interim Chief Executive Officer (until June 2022)
Catherine Spencer, Chief Executive Officer (from July 2022)
Karla Soares-Weiser, Editor in Chief, *Cochrane Library*
Christopher Champion, Head of Engagement, Learning & Support
Casey Early, Director of Finance & Corporate Services
Sylvia De Haan, Head of Advocacy, Communications and Partnerships (until July 2022)
Charlotte Pestrige, Director of Publishing & Technology

Narrative Report

This Trustees' Report covers the twelve-month period 1 January - 31 December 2021.

1. Structure, Governance and Management

Nature of Governing Document

Cochrane's governing document is its Articles of Association.

Governing body

Cochrane's governing body is the Governing Board (the Board). The Board determines the strategic direction of the organization, including its policies, objectives and goals. It governs the Charity on behalf of the organization's members. Board members are the Charity's Trustees.

The majority of Board members – at least six – are elected by the organization's members and the rest are appointed by the Board. Two Co-Chairs are similarly appointed by the Board. Members serve for a three-year period and may be re-elected for a second consecutive term. New members go through a comprehensive induction with the Board Co-Chairs, Treasurer, and Charity staff, and are provided with introductory documentation to assist them.

The Governing Board is committed to the highest standards of governance. All Board members adhere to a [Governing Board Charter](#) and [Code of Conduct for Trustees](#), and undertake regular training and development.

In 2021, the Board's Governance Sub-Committee undertook an audit of organizational processes and policies against the [Charity Governance Code](#) with the aim of identifying areas for improvement, including self-appraisal by Trustees. Skills where members identified lower confidence will be the focus of Board training, and the required skillsets of new members appointed in 2022. In 2022, risk management and charity finance training will be provided.

Organizational structure

The Charity owns three subsidiaries, each with its own board of directors:

- Cochrane IKMD Denmark ApS is a Danish company set up to support the work of the Charity's Informatics & Technology Services Department based in Denmark.
- Collaboration Trading Company Limited existed solely to receive royalties from the sales of the *Cochrane Library* and to gift aid its profits to the Charity. This company was dormant from 2020.
- Cochrane Innovations Limited (the company) is a commercial trading company that exists to develop and sell derivative products and services from Cochrane's content and tools, to return income to the Charity and support the Charity's mission and objects. In December 2020, following a review of the remit and purpose of the company, its directors recommended that the company be closed as it is no longer needed to deliver Cochrane's financial sustainability and product development goals, which can be delivered within the Charity. To facilitate the strike off, a share capital reduction exercise - to return the original investment to the Charity – was carried out. The company is currently following a stepwise approach of transferring all ongoing activities to the Charity, after which the company will be struck off with a target completion date of December 2022.

The Chief Executive Officer (CEO) has overarching responsibility for the management of the organization and the executive delivery of its plans and activities to implement its strategic goals. In April 2021, Mark Wilson resigned as CEO after eight years of excellent service. Between April and May 2021, Karla Soares-Weiser acted as CEO and Toby Lasserson as Editor in Chief of the *Cochrane Library*.

In June 2021, Judith Brodie was appointed as Interim CEO and, until July 2022, led the Central Executive Team - the staff employed by the Charity or through Charity funding - to deliver the Charity's mission in collaboration with separately funded Cochrane Groups. In July 2022, Catherine Spencer was appointed as Cochrane's new permanent CEO following a robust recruitment process.

In 2021, the Editor in Chief of the *Cochrane Library* was Karla Soares-Weiser, who was responsible for developing, implementing and directing the editorial policies of the *Cochrane Library* in relation to the vision and objectives of the organization; improving the quality in the editing process and product with respect to scientific content; providing a lead for conceptualizing and developing new products derived from Cochrane Systematic Reviews ('Cochrane Reviews' or 'reviews'); and for applying ethical and scientific standards consistent with the goals of the organization.

In the second half of 2021, the Interim CEO led a review and restructure of the Central Executive Team with the support of an external consultant, to reduce costs and increase efficiency. The proposed changes took effect in January 2022, but in 2021, the departments of the Central Executive Team remained as they had been in 2020:

- Editorial & Methods;
- Knowledge Translation (incorporating communications and events management);
- Publishing, Research & Development;
- People Services (incorporating Cochrane membership, Managing Editor/Information Specialist support and Human Resources);
- Informatics & Technology (IT) Services;
- Chief Executive's Office (incorporating units covering Governance & Strategy, and External Affairs & Geographic Groups' Support);
- Finance Services.

At the heart of Cochrane's work in 2021 were the activities of a global network of autonomously funded and governed Cochrane Groups:

- Eight Cochrane Systematic Review Group Networks (comprising 52 subject-based Review Groups) facilitate the preparation, by a variety of contributors (some of whom are volunteers) of Cochrane Systematic Reviews.
- 17 Methods Groups provide support in methods for research evidence synthesis.
- 13 thematic Fields represent cross-cutting health issues and carry out knowledge translation and advocacy activity.
- Plus, a Geographic Group presence in 54 countries, facilitating engagement with regional stakeholders; representing and promoting Cochrane locally; building capacity for review production and use; and engaging in knowledge translation activities and supporting advocacy.

For full details on their activities see [cochrane.org](https://www.cochrane.org). Each Cochrane Group has its own funding and 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 doctor with extensive knowledge of the healthcare area concerned), a Managing Editor, an Information Specialist 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.

Cochrane Groups have a voice in Cochrane's leadership and strategic decision-making through the Cochrane Council. The purpose of the Council is to provide:

- A forum for Cochrane Groups to consider high-level matters affecting Cochrane;
- A mechanism to raise matters and provide input to the Governing Board on behalf of Cochrane's Groups; and
- A forum to consider matters at the request of the Board and inform Board deliberations.

The Council Co-Chairs attend the Governing Board meetings and vice versa. Both sets of Co-Chairs also have regular meetings together.

Statement of Responsibilities of the Trustees

The Trustees are responsible for preparing the *Trustees' Annual Report and Financial Statements* in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in [The Charities Statement of Recommended Practice \(SORP\)](#).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material 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 Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the Charity guarantee to contribute an amount not exceeding £10 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 December 2021 was 13,133 (2020: 13,203). The Trustees are members of the Charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Auditor

Sayer Vincent LLP was reappointed as Cochrane's auditor by the Trustees in October 2021.

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 or any other charitable activities, for the public benefit.”

Vision and Mission of the Charity

In June 2021, the organization adopted a new strategic plan, the '[Strategy for Change](#)', which set out updated vision and mission statements:

Our vision is a world of better health for all people where decisions about health and care are informed by high-quality evidence.

We are an independent, diverse, global organization that collaborates to produce trusted synthesized evidence, make it accessible to all, and advocate for its use.

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. By December 2021, Cochrane had over 13,000 members and 102,000 supporters from more than 130 countries working together to produce, disseminate and promote credible, accessible health information that is free from commercial sponsorship and other conflicts of interest.

The Charity relies heavily on the contributions of these people around the world to produce its core outputs. Some of them work entirely voluntarily, in their own time, for no remuneration. Others undertake Cochrane activity as part of their paid employment, or as part of a course of study or training in which they are engaged. In 2021 they were involved in the following activities:

- Preparing Cochrane's outputs, predominantly as members of 'Cochrane Review author teams'.
- Disseminating and advocating for Cochrane's outputs and evidence synthesis methodologies through conference presentations, symposia, scientific papers, and other knowledge translation activities.
- Developing the knowledge base, tools and training of people for facilitating preparation of Cochrane's outputs.

Cochrane's work is internationally recognized as the benchmark for high-quality information about the effectiveness of health care.

Public Benefit Statement

This public benefit statement has been drawn up in accordance with the Charity Commission's 2013 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 to meet individual healthcare needs. Health consumers, including patients, need to be able to make valid choices between the various options open to them. Policy-makers require high-quality evidence in order to develop effective policies that can impact the health of populations on a national and international scale. 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, is the advancement of human health by assimilating, on behalf of the world's population, the results of primary research relating to individual treatments or interventions, and then presenting these results in a single scientific paper called a 'Cochrane Review' or 'systematic review'.

The secondary public benefit relates to Cochrane's work to improve research integrity by developing and advocating for improved health research methodologies; and identifying uncertainties, missing or poor evidence in primary research.

The third public benefit relates to supporting the use of our health evidence by those who need it to make health decisions, through what we call 'knowledge translation'. Knowledge translation activities include:

- Producing Cochrane evidence in different and accessible formats such as graphics, podcasts, or videos, to help the target audience be able to use it more easily.
- Translating Cochrane evidence from English into different languages.
- Building partnerships with stakeholders to support the uptake of Cochrane evidence in their setting.
- Capacity building through workshops in local settings.

The fourth public benefit relates to the advancement of education. Producing hundreds of Cochrane Reviews each year requires the assistance of hundreds of thousands of members and supporters, who include academic researchers, health professionals, patients. These contributors need to be trained in the advanced techniques necessary for the work, and so international educational initiatives are a key part of Cochrane's activities.

Organizational strategic plan

The *Strategy for Change* was approved by the Governing Board in June 2021. It replaced the *Strategy to 2020* and was based on a draft new strategic framework developed from 2019-2020, which had extensive input from members and supporters. However, the Board decided a shorter-term focus on the changes Cochrane needs to make in the next two years to remain financially sustainable was required.

Alongside the three goals, the *Strategy for Change*'s focus on improved efficiency, sustainability, increased awareness and impact, and enhanced accountability, will guide work to 2023. The Objectives for Change are to produce timely, high-quality Cochrane Reviews; streamline review production; advocate for evidence-informed decision-making; achieve Open Access to Cochrane Reviews; and improve the user experience of our evidence. These are the building blocks for planning and priorities.

3. Achievements and Performance: Strategic Report

The *Strategy for Change* is based on the principles of collaboration, relevance, integrity, and quality. It will guide the organization to deliver on three goals in the next three years:

1: Producing trusted evidence:

To produce trusted and timely synthesized evidence addressing the most important questions for health and care decision making

2: Advocating for evidence:

To be a leading global advocate for evidence informed health and care

3: Informing health and care decisions

To inform health and care decisions by making our evidence accessible, usable, and available to all

Achievements against strategic plan:

GOAL 1 Producing trusted evidence

In 2021, 3,100 authors prepared 507 new and updated reviews by summarising evidence from over 10,000 included studies. Among 18 Special Collections published, Cochrane showcased content covering stillbirth prevention, brain tumours, physical activity in healthy ageing, and low value healthcare interventions. The 2020 Impact Factor (released in 2021) for the *Cochrane Database of Systematic Reviews* was 9.289 (2019: 7.890). The Impact Factor is a metric that is used for evaluating and comparing journals based on frequency with which the journal content is cited. The *Cochrane Database of Systematic Reviews* is ranked 11th (2019: 10th) out of general medical journals and is ranked 5th (2019: 4th) in terms of total citations.

In addition:

- We released a [new policy](#) to improve research integrity by helping authors identify and manage problematic studies.
- We rolled out a new web-based version of our bespoke writing tool for Cochrane Reviews, [RevMan Web](#), with many new features, including study-centric data, and support for methodology; and implemented the new editorial management system.
- [Cochrane Crowd](#), our citizen science platform, passed 23,000 contributors and 6 million classifications of primary research.

Cochrane Library - Top accessed reviews in 2021:

1. Ivermectin for preventing and treating COVID-19 (*Full text views: 408,973*)
2. Signs and symptoms to determine if a patient presenting in primary care or hospital outpatient settings has COVID-19 (*Full text views: 198,355*)
3. Antibody tests for identification of current and past infection with SARS-CoV-2 (*Full text views: 111,944*)
4. Rapid, point-of-care antigen and molecular-based tests for diagnosis of SARS-CoV-2 infection (*Full text views: 93,322*)
5. Chloroquine or hydroxychloroquine for prevention and treatment of COVID-19 (*Full text views: 55,658*)

6. Enteral versus parenteral nutrition and enteral versus a combination of enteral and parenteral nutrition for adults in the intensive care unit (*Full text views: 43,798*)
7. Physical interventions to interrupt or reduce the spread of respiratory viruses (*Full text views: 40,012*)
8. Music therapy for depression (*Full text views: 22,642*)
9. Interprofessional collaboration to improve professional practice and healthcare outcomes (*Full text views: 21,591*)
10. Interventions to support the resilience and mental health of frontline health and social care professionals during and after a disease outbreak, epidemic or pandemic: a mixed methods systematic review (*Full text views: 21,175*)

GOAL 2 Advocating for evidence

- We made statements at two World Health Assemblies - advocating for the need of evidence synthesis in the response to COVID-19.
- We hosted a major advocacy event: [Cochrane Convenes: Preparing for and responding to global health emergencies: what have we learnt from COVID-19:](#)
 - 90 healthcare policy makers, researchers, funders, journalists, science communicators and consumer representatives from around the world participated in seven roundtable discussions.
 - The event was led by Cochrane, co-sponsored by the World Health Organization (WHO), and co-organized with partners of COVID-END (COVID-19 Evidence Network to support Decision-making).
- Cochrane Groups - including Cochrane Austria, Cochrane Mexico, and Cochrane Belgium - continued their advocacy work for clinical trial transparency.

GOAL 3 Informing health and care decisions

- All COVID-19 related reviews continued to be made free to access and 75% of all Cochrane Reviews were – and still are – cost free to access globally.
- Teams in different countries continued to translate and disseminate Cochrane evidence into 15 languages, including: Croatian, French, German, Japanese, Korean, Malay, Persian, Polish, Portuguese, Russian, Simplified Chinese, Traditional Chinese, Spanish, Tamil, and Thai. We published 8,774 new or updated translations of review abstracts and Plain Language Summaries over the year; with 39,546 translations of Cochrane Reviews offered on the Cochrane Library and Cochrane.org websites at the end of 2021. All our COVID-19 evidence was translated into multiple languages, and some translated evidence was among the most popular on our websites.
- We published 48 Cochrane podcasts based on new and updated Cochrane Reviews, and 139 podcast translations in 12 different languages. Cochrane teams around the world also continued sharing Cochrane evidence for different audiences and in various languages via hundreds of social media posts, newsletters, blogs, journal articles, visuals and animations; with a focus on COVID-19 evidence in 2021.
- We created and shared [109 YouTube videos](#), featuring new evidence as well as organizational updates and discussions. Cochrane YouTube videos were viewed 184,300 times in 2021.
- We launched [Cochrane Evidence Essentials](#) in German and Russian and released the fifth and final module in the course. *Cochrane Editorial Essentials* is our free online resource offering an introduction to health evidence, and how to use it to make informed health choices.

- We have a collaboration with the UK National Institute for Health & Care Excellence (NICE) to support the production of guidelines for UK health professionals, so that the evidence we produced translates into practice changes and improved health.

Achieving impact - the use of our evidence:

- There were around 14 million full text views of Cochrane Reviews, CENTRAL records and Cochrane Clinical Answers (CCAs), from over 190 countries.
- Over 82% of all Cochrane.org page views were to translated information; and more than 80% of all visitors to Cochrane.org used browsers in languages other than English.
- Web traffic to Cochrane.org in 2021 confirmed the numbers from 2020, when a spectacular growth occurred and page views increased to 84 million - compared to 77 million in 2019, 37 million in 2018, and 22 million in 2017.
- Cochrane received 11,538 global media mentions in 2021, up a thousand on the previous year. The Ivermectin review is Cochrane's most talked about review in social media of all time.
- 2,246 Twitter posts across the Cochrane and Cochrane Library Twitter accounts generated more than 25.8 million impressions and attracted about 18,000 new followers.
- At the end of 2021, more than 306,400 people followed Cochrane and Cochrane Library updates across different social media channels, compared to 262,000 at the end of 2020, including a Facebook group, Facebook page, LinkedIn group, LinkedIn page, Cochrane Twitter, Cochrane Library Twitter, YouTube, Instagram, and TikTok. In addition, tens of thousands more people follow the many social media accounts of Cochrane's Fields and Geographic, Review and Methods Groups.
- User research showed that the Cochrane Library continues to excel in satisfaction, likelihood of future use and recommendations.

Responding to organizational challenges:

In 2021, the UK National Institute for Health Research announced that by 2023 it will end its infrastructure funding of UK-based Cochrane Review Groups, which make up more than half of all Cochrane Review Groups worldwide. This will have an impact on how Cochrane Reviews are produced and reflects a number of challenges that Cochrane has plans to address over the next two years:

- Cochrane Group funding is less secure, and we are committed to making all Cochrane Reviews Open Access immediately upon publication, which will reduce the Charity's income from sales of licences to the Cochrane Library.
- There is more competition in the evidence synthesis market, so we need to demonstrate our value and make our range of evidence synthesis products affordable.
- We have grown rapidly and organically, becoming inefficient and hard to understand as a global organization, so we need to streamline and simplify the way we work.
- We need to be more agile and adapt more quickly to new ways of accessing, using, and sharing information.

We are responding to these challenges through the *Strategy for Change* and in 2021 we launched a stakeholder consultation on the future of evidence synthesis production. In an engagement process that ran from September to November, Cochrane members expressed their hopes, concerns and ideas about the proposed new production models through a [workshop series](#) and an online survey available on the [Future Cochrane website](#). This feedback helped to revise the model that was then presented to the Governing Board and approved in February 2022.

Also in 2021:

- We launched the Cochrane China and Cochrane India Networks.
- We maintained a programme of virtual meetings and engagement to ensure our community continued to be able to connect.
- We restructured the Central Executive Team to save money, to streamline the way we operate and integrate a focus on fundraising. This has contributed to projected expenditure savings of over £2million GBP by 2023, which will enable us to achieve break-even operational budgets over this period.
- We recruited three new Governing Board members, all under 30 years-old, and two members were re-elected.
- We ran an [author experience survey](#) to update on the findings from 2019. Overall, the Cochrane Review authors who participated were pleased with their experience of working with Cochrane, the majority of them stating that they are satisfied with the overall experience as a Cochrane author, although there are opportunities for improvement.
- In 2021, we welcomed 2,067 new members to the organization and approximately 45,000 new supporters.

Financial Review

Principal funding sources

Core income referred to in this report comes from publishing income, as described below. Core funds support the Charity's staff - the Central Executive Team - to deliver programmes considered of key strategic importance to the Cochrane community, including review quality oversight, Cochrane Review Group transformation, knowledge translation activities, Information Technology infrastructure development, Cochrane Training and Cochrane Methods.

The global network of Groups who contribute towards the work of Cochrane are based in other organizations - such as universities and hospitals - which provide direct or indirect funding to support them. Cochrane Groups are responsible for sourcing their own funding to support Cochrane Review preparation and related activities. This funding 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. Group funding globally equates to roughly £15 million GBP per annum when converted from local currencies into GBP, but is not shown in the Charity's accounts as it is not accessible by the Charity.

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 (e.g. through a university Master's programme). 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 GBP per year.

Overview of the year

Charitable expenditure of £9,107,000 (2020: £9,048,000) was incurred during the year and has supported our charitable objects, including continuing investments in strategic projects, as set out in the statement of financial activities on page 26 of this report.

Cochrane's core income is overwhelmingly derived from publication royalties from its main output, the *Cochrane Library*, published by John Wiley & Sons, Ltd ('Wiley'). In 2021, income from sales of licences to the *Cochrane Library* fell by 1% to £10,004,000 (2020: £10,126,000); with royalties paid to Cochrane down by 7% to £6,002,000 (2020: £6,432,000). Other Publications Income, decreased substantially to £527,000 (2020: £5,515,000), due to a signing bonus in the previous year related to the new publishing contract with Wiley. Additional sources of revenue were received in 2021 from 'Cochrane Response' (£496,000, the Charity's consultancy service), Other Cochrane Products (£340,000) and Trusts & Grant Income (£282,000).

The reduced publishing income, particularly in respect of a one-off signing bonus, was the main reason for the operating deficit of £1,415,000 compared with the substantial net operating surplus, in 2020, of £3,781,000. The 2021 deficit was considerably reduced from the budgeted deficit of £2,085,000 and comparable to the underlying 2020 deficit (without the signing bonus) of £1,219,000.

Remuneration and pay policy for staff

Cochrane is committed to ensuring it pays Charity staff fairly and in a way that ensures it attracts and retains the right skills to have the greatest impact in delivering its charitable objectives. It aims to pay a fair remuneration that is competitive within the charitable sector, proportionate to the complexity of each role, and in line with organizational objectives. The Governing Board reviews staff remuneration as part of its consideration of the annual Plan & Budget. Central Executive staff remuneration is determined using an established job evaluation scheme and relevant market comparisons. Provision

was increased, in 2021, by 1.2% to cover the necessary cost of living adjustments in the following year. The Remuneration Committee oversees and advises on Cochrane's remuneration policy and practice.

Reserves policy

In December 2020, the Trustees approved a new Reserves Policy that will support Cochranes' strategic plans for 2021 onwards. This risk-based Reserves Policy was developed by the Finance, Audit & Investment Committee (now the Finance, Audit & Risk Committee) following an assessment of Cochrane's strategic risks, including publishing income risk, and with regard to the latest Charity Commission guidance. This guidance requires the Reserves Policy to be clearly laid out with strong justifications on why the stated Reserves are needed. The new Policy balances the need to hold back Reserves to mitigate the publishing income risks but also signals intentions to fulfil charitable objects for current and future beneficiaries (e.g. strategic projects).

The major risk exposure in Cochrane's income portfolio is its dependence on publishing income from royalties received from sales of licences to the *Cochrane Library*, which represents nearly 80% of normal annual turnover. Cochrane's expressed commitment is that by 2025 at the latest Cochrane will achieve universal open access to Cochrane systematic reviews immediately on publication for both new and updated reviews. A considerable amount of work has started to assess Open Access models that will support our ambition and sustainability.

A portion of Cochrane's Reserves (£2,000,000) has been specifically designated as a 'Continuity Fund' to mitigate this risk and help provide financial stability through a post Cochrane Review Open Access transition period. The Continuity Fund is designed to support Cochrane to complete any adjustments required in this period, should future publishing incomes be significantly reduced.

A Strategic Investment Fund (£2,361,000) is being allocated to specific single- or multi-year strategic or change projects of organization-wide impact required to help Cochrane achieve its Strategic Plans and meet its organizational Mission. The word "investment" is key, and proposals from the Central Executive Team to access and use Reserves from this Fund for strategic or change projects and initiatives will be supported by a business case and approved by the Board via the Finance, Audit and Risk Committee. During the year, £139,000 was allocated against a project to scale up the Central Editorial Service (including increasing the Fast-Track Service for high-priority and high-profile reviews) and pilot the independent editorial process with up to 20 CRGs to test feasibility and gather key learnings.

Cochrane holds reserves to ensure it can meet its operational needs and working capital requirements ('Free Reserves'). The Free Reserves floor should be not less than three months' sustainable operating costs to provide operational cash flow. The target Free Reserves floor is around £2,000,000.

Free reserves (unrestricted income funds less designated funds less fixed assets) at the end of 2021 were £4,219,000, an excess over the target Free Reserves floor of £2,219,000. The Trustees intend to continue investing in the implementation of Cochrane's strategic goals and objectives, including for future sustainability and resilience, and this will draw down on the Charity's reserves in the coming years.

Going concern assessment (ISA 570 (Revised))

The Trustees have assessed Cochrane's financial and operating outlook to 30 June 2023. They have considered Cochrane's liquidity, particularly in respect of contracted income, worse-case scenarios and the current level of Free Reserves. The Trustees have concluded that there are no material uncertainties that impact on Cochrane's ability to continue operating and that the Going Concern accounting basis is appropriate.

Investment policy

In the short-term, the Charity will seek to maximise bank interest as the challenges being addressed by the two-year *Strategy for Change* are managed. Consequently, the Finance, Audit & Investment Committee was renamed the Finance, Audit & Risk Committee. The long-term commitment, for Cochrane, is to use its invested Reserves to generate additional income for the Charity from a low-risk investment portfolio in accordance with the Charity's ethical values and independence.

Fundraising

Cochrane does not engage in public fundraising and does not use professional fundraisers. The Charity, nevertheless, observes and complies with the relevant fundraising regulations and codes where appropriate. During the year there was no non-compliance of these regulations and codes, and we received no complaints relating to our fundraising practice. We plan to strengthen and increase fundraising activity in support of our sustainability objective, and will ensure professionalism and compliance in doing that.

Policies on conflict of interest and commercial sponsorship

Cochrane strives to attain the highest levels of objectivity and to ensure user confidence in the quality of *Cochrane Library* content. In October 2020 a new and even more stringent [Conflict of Interest \(Col\) policy for Cochrane Library content](#) came into force. The revised policy, as with previous versions, not only requires interests to be declared, but also mandates that some conflicts will prevent individuals from contributing to a Cochrane Review.

The intent of the policy is to avoid conflicts of interest associated with commercial sponsorship and ensure that the people or organizations that fund the creation of *Cochrane Library* content are free from such conflicts. The policy definition of a commercial organization is 'any for-profit organization with a financial interest in the topic of *Cochrane Library* content'.

In addition, no Cochrane Review Group (CRG) is permitted to accept funding from any commercial organization with a financial interest in the CRG topic area. While government departments, not-for-profit medical insurance companies and health management organizations may find the conclusions of Cochrane reviews carry financial consequences for them, these are not included in the policy definition of a commercial organization.

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 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.

Future Plans

2022 Priorities

2022 will take Cochrane a step nearer to fulfilling our commitment to making all Cochrane Reviews Open Access immediately upon publication. We know how important it is to make the best evidence freely available to all those who need it - the experience of the COVID-19 pandemic reinforces that, and the funders of our global network of Groups expect it. With that commitment there is a financial challenge that we are determined to meet, so in 2022 we will be continuing the step-by-step transformation of Cochrane we launched in 2021 in line with the [Strategy for Change](#).

The future of evidence synthesis

- Following the consultation on the [future of evidence synthesis proposals](#), the Governing Board approved a radical change to Cochrane's evidence synthesis production model and the immediate move to implementation activities.

They have asked the Central Executive Team to work with Cochrane Groups to:

- Rearrange the current Cochrane Review Groups into around 20 thematic groups responsible for defining global priorities and providing expertise.
- Create around ten interdisciplinary Evidence Synthesis Units with responsibility for the conduct of evidence syntheses, located in both High- and Low- or Middle-Income Countries.
- Expand the Central Editorial Service to handle the editorial process for all evidence syntheses published in the Cochrane Library, including a direct pathway and a fast-track service, to strengthen consistency and delivery.
- Undertake targeted projects to simplify Cochrane's systems, processes, and develop our tools to enhance efficiency in the production of evidence synthesis.

Other strategic priorities for 2022 as agreed by the Governing Board in December 2021 are:

- Ensuring a detailed roadmap to deliver full Open Access by 2025 is in place by the end of the year.
- Advocacy activities that build on the success of [Cochrane Convenes](#); an online, multi-partner event that explored and then recommended the changes needed in evidence synthesis to prepare for and respond to future global health emergencies: Publishing the report and basing advocacy and influencing on the findings and recommendations.
- Investment in income generation and diversification, including a fundraising strategy.
- A focus on Central Executive Team culture and ways of working, to ensure the Team's new structure – which took effect in January 2022 - works effectively with and for the community to deliver our collective goals.

In addition, a review of organizational governance is planned to standardize and simplify the governance structures in place between the Charity, and Cochrane Groups and members, so that people are clearer about what decisions they're responsible for taking and to whom they're accountable.

Principal Risks and Uncertainties

We are taking steps to ensure that risk management becomes an integral part of our governance and embedded throughout the organization. We identify and address our key strategic risks to mitigate their likelihood and impact. There are two levels to the risk and assurance process. Our strategic risk approach is designed to identify the key risks which could prevent Cochrane from achieving its

strategic objectives. It also identifies the assurance processes which we have in place to mitigate these risks and any outstanding actions around these assurance processes. We must also consider operational risks which underpin the strategic risk framework, dealing with a greater number of potential risks at a more detailed level.

The Trustees consider all aspects of risk and assurance and are supported in this by the work of the Finance, Audit and Risk Committee. The major strategic risks of Cochrane, together with plans and strategies in managing these risks, are shown in the following table:

<p>Strategy and governance - Are we delivering the strategy and impact in order to meet our vision?</p>	<ul style="list-style-type: none"> • In 2021, we launched a new strategic framework - <i>Strategy for Change: 2021-2023</i> – which provides a short-term plan for a more efficient, effective and sustainable organization. • We will be developing the next long-term consultative strategic framework in 2023 to incorporate a sustainable business model, ready for implementation from 2024. • In 2022, we will appoint three new Governing Board members to help ensure the Board continues to have a wide range of skills, knowledge, and backgrounds to be effective. • In 2022, we will undertake an organizational governance review to standardize and simplify the governance structures in place between the Charity, and Cochrane Groups and members.
<p>Financial sustainability - Are we managing the finances to ensure we continue to make an impact in the medium to long term?</p>	<ul style="list-style-type: none"> • In 2021, we completed a restructure of the Charity that will achieve over £2m annual savings and help achieve a break-even operating target by 2023. • The new Charity structure includes provision for a Director of Development and fundraising team to establish an income generation strategy (including fundraising) to deliver a balanced income portfolio across fundraising and enterprise income (sales). • Working with the publisher of the Cochrane Library, John Wiley & Sons Ltd, we are continuing to explore new Open Access business models that are affordable for customers whilst also providing financial sustainability for the Charity. • The Charity’s management accounts are reviewed quarterly by senior management and the Finance, Audit & Risk Committee. • In 2022, we will maintain rolling five-year financial forecasts and incorporate the latest strategic plans.

<p>Compliance - Do we comply with all legal and regulatory requirements?</p>	<ul style="list-style-type: none"> • In 2021, we completed an external data protection assessment against the European Union’s General Data Protection Regulation. In 2022, we will update our data protection policy and ensure all staff undertake data protection training. We will also scan our systems for weaknesses, especially in respect of cyber security. These activities are designed to manage this risk of data and information held by Cochrane being accessed, used, disrupted, modified or destroyed by unauthorised parties. • In 2021, two new financial policies on anti-money laundering and counter fraud were approved by the Governing Board. • We will update the health and safety risk assessments and policies for the Charity’s staff – including any relevant COVID-19 regulations - to reflect the virtual office environment that will be in place from the end of 2022. • In 2022, we will carry out an external Value Added Tax (VAT) review to ensure that our VAT treatment is fully compliant. • In 2022, as we scale up our fundraising activities, we will sign up to the Code of Fundraising Practice and register with the Fundraising Regulator.
<p>People and culture - Do we have the right skills and experience to deliver our goals?</p>	<p>Charity leadership:</p> <ul style="list-style-type: none"> • In 2022, we will recruit a permanent Chief Executive Officer and Director of Development. <p>Charity staff:</p> <ul style="list-style-type: none"> • Following the Central Executive Team’s restructure, we will focus on organizational culture and ways of working in 2022, including investment in training and development of staff and continued promotion of wellbeing initiatives. <p>Cochrane Groups:</p> <ul style="list-style-type: none"> • Funding of Cochrane Groups is uncertain in the UK and elsewhere. We are taking steps to ensure that essential work undertaken by these groups can continue and we are developing support mechanisms for authors and other community members who may be receiving less support from Cochrane Groups now. • We are engaging extensively with community members with regard to future plans for evidence synthesis in Cochrane to ensure that we retain the involvement of our many talented content experts across the Cochrane community. <p>Overall organization:</p> <ul style="list-style-type: none"> • We are conducting a listening and learning exercise to understand diversity and inclusion in Cochrane better. A report and associated action plan will be developed in the first quarter of 2022.

	<ul style="list-style-type: none"> • In 2022, we will start work with the Cochrane Council to develop an organizational statement of values to inform organizational decision-making and culture.
<p>Reputational - are we delivering the strategy in a way which safeguards our reputation?</p>	<ul style="list-style-type: none"> • In 2022, we will be updating the suite of policies and procedures designed to manage reputational risk including, those covering organizational (non-content) conflicts of interest, data protection, and controversial reviews. • In 2022, we will develop a new organizational communications plan, including key messages for proactive communications, and a crisis communications and management framework. • We are working on diversity and inclusion to maintain a supportive, inclusive and respectful organization and will launch new Safeguarding and Whistleblowing policies.
<p>Producing and publishing trusted synthesized evidence - Can we maintain the delivery of our mission including any contractual obligations as intended?</p>	<ul style="list-style-type: none"> • Following an extensive consultation, the Governing Board approved a radical change to Cochrane's evidence synthesis production model that will allow us better to respond to global health and social care priorities. In 2022, we will move to implementation activities via the establishment of a comprehensive programme of work. • This includes, in the second half of 2022, an expansion of the Central Editorial Service to support high-priority reviews and mitigate the likely reduction in article submissions with the closure of some Cochrane Review Groups in 2023. • We will also develop a project plan to deliver new formats for Cochrane Reviews, with the aim of making the production process more efficient and Cochrane Reviews more user-friendly. • We will continue to seek the simplification of production processes and technology - this includes a range of product and technological improvements to support the streamlining of review production and editorial processes.

Our risk management framework complies with recommended practice as outlined by the Charity Commission for England and Wales. During 2021, we conducted a review of our risk management framework. In February 2022 the Trustees approved a new Risk Policy, following professional advice from the risk and assurance team at Sayer Vincent.

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:

Karen Kelly

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Karen Kelly, Trustee and Treasurer

Date:13 July 2022.....

Independent auditor's report to the members of The Cochrane Collaboration.

Opinion

We have audited the financial statements of The Cochrane Collaboration (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2021 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Cochrane Collaboration's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

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

- Adequate accounting records have not been kept by the parent charitable company, 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the Finance, Audit and Risk Committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud

rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Sayer Vincent LLP

Judith Miller (Senior statutory auditor)

2 August 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

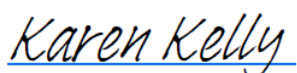
	Note	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Income from:							
Charitable activities	2	7,603	80	7,683	12,777	42	12,819
Investments	3	9	-	9	10	-	10
Total income		7,612	80	7,692	12,787	42	12,829
Expenditure on:							
Raising funds	4	104	-	104	115	-	115
Charitable activities							
Editorial & methods		2,546	-	2,546	2,493	-	2,493
Knowledge translation		1,253	-	1,253	1,331	-	1,331
Publishing, research & development		1,119	12	1,131	1,260	-	1,260
People services		1,059	-	1,059	1,024	-	1,024
Informatics & technology services		2,311	68	2,379	2,167	75	2,242
Other charitable activities		635	-	635	571	12	583
Total expenditure		9,027	80	9,107	8,961	87	9,048
Net income / (expenditure) for the year	5	(1,415)	-	(1,415)	3,826	(45)	3,781
Transfers between funds		-	-	-	26	(26)	-
Net income / (expenditure) before other recognised gains and losses		(1,415)	-	(1,415)	3,852	(71)	3,781
Other (losses)/gains		(16)	-	(16)	12	-	12
Net movement in funds		(1,431)	-	(1,431)	3,864	(71)	3,793
Reconciliation of funds:							
Total funds brought forward		10,012	-	10,012	6,148	71	6,219
Total funds carried forward		8,581	-	8,581	10,012	-	10,012

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

As at 31 December 2021

	Note	The group		The charity	
		2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Fixed assets:					
Tangible assets	10	-	1	-	1
Investments	11	1	1	7	676
		<u>1</u>	<u>2</u>	<u>7</u>	<u>677</u>
Current assets:					
Debtors	14	955	1,227	1,031	1,207
Short term deposits	22	-	8,000	-	8,000
Cash at bank and in hand	22	9,096	1,945	8,654	1,660
		<u>10,051</u>	<u>11,172</u>	<u>9,685</u>	<u>10,867</u>
Liabilities:					
Creditors: amounts falling due within one year	15	(1,471)	(1,162)	(1,511)	(1,091)
Net current assets		<u>8,580</u>	<u>10,010</u>	<u>8,174</u>	<u>9,776</u>
Total net assets	18	<u>8,581</u>	<u>10,012</u>	<u>8,181</u>	<u>10,453</u>
Funds:	19				
Restricted income funds		-	-	-	-
Unrestricted income funds:					
Designated funds		4,361	4,500	4,361	4,500
General funds		3,915	5,953	3,820	5,953
Non-charitable trading funds		305	(441)	-	-
Total unrestricted funds		<u>8,581</u>	<u>10,012</u>	<u>8,181</u>	<u>10,453</u>
Total funds		<u>8,581</u>	<u>10,012</u>	<u>8,181</u>	<u>10,453</u>

Approved by the trustees and signed on their behalf by



Ms. Karen Kelly, Trustee and Treasurer

Date: 13 July 2022

The Cochrane Collaboration

Consolidated statement of cash flows

For the year ended 31 December 2021

Reconciliation of net income to net cash flow from operating activities

	2021 £'000	2020 £'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,415)	3,781
Depreciation charges	1	1
Dividends, interest and rent from investments	(9)	(10)
Decrease in debtors	272	488
Increase/(decrease) in creditors	309	(134)
Net cash provided by operating activities	(842)	4,126

	Note	2021 £'000	£'000	2020 £'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities			(842)		4,126
Cash flows from investing activities:					
Dividends, interest and rents from investments		9		10	
Purchase of short term deposits		-		(8,000)	
Proceeds from sale of short-term deposits		8,000		-	
Net cash provided by investing activities			8,009		(7,990)
Change in cash and cash equivalents in the year			7,167		(3,864)
Cash and cash equivalents at the beginning of the year			1,945		5,797
Change in cash and cash equivalents due to exchange rate movements			(16)		12
Cash and cash equivalents at the end of the year	22		9,096		1,945

1 Accounting policies

a) Statutory information

The Cochrane Collaboration is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is St Alban's House, 57–59 Haymarket, London, SW1Y 4QX, UK.

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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006/Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries, Cochrane Innovations Limited and Cochrane IKMD Denmark ApS, on a line by line basis. Collaboration Trading Company Limited, which did not trade during the current or preceding period, is now dormant and is therefore not consolidated. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the group and the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of supporting Cochrane Groups to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

i) Foreign exchange

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support costs are the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function including governance costs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Support costs including governance costs are apportioned based on the percentage of direct costs attributable to each activity.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

1 Accounting policies (continued)

l) Tangible fixed assets (continued)

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|--------------------------|----------------------------|
| ● Fixtures and fittings | Straight-line over 4 years |
| ● Computer equipment | Straight-line over 3 years |
| ● Leasehold improvements | Straight-line over 4 years |

m) Investments

Investments in subsidiary undertakings are included at cost.

n) 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.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of others.

p) 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.

The group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

q) Pensions

The group operates a defined contribution scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

2 Income from charitable activities

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Royalties from The Cochrane Library	6,002	-	6,002	6,432	-	6,432
Cochrane Response	496	-	496	499	-	499
Other Publications Income	527	-	527	5,515	-	5,515
Other Cochrane Products	340	-	340	324	-	324
Trusts and Grant Income	202	80	282	-	42	42
Other Income	36	-	36	7	-	7
Total income from charitable activities	7,603	80	7,683	12,777	42	12,819

In 2020, Other Publications Income included commercial enhancements related to a new publishing contract with Wiley.

3 Income from investments

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Bank interest	9	-	9	10	-	10
	9	-	9	10	-	10

4a Analysis of expenditure (current year)

	Charitable activities									2021 Total £'000	2020 Total £'000
	Cost of raising funds £'000	Editorial & methods £'000	Knowledge translation £'000	Publishing, research & development £'000	People services £'000	Informatics & technology Services £'000	Other charitable activities £'000	Governance costs £'000	Support costs £'000		
Staff costs (note 6)	-	1,403	339	553	373	958	327	270	520	4,743	4,341
Other people costs	89	318	157	216	222	16	164	-	50	1,232	1,234
Consultancy/outsourced support	-	414	19	177	181	623	34	114	4	1,566	1,620
Commissioned Work	-	41	396	-	13	-	11	-	-	461	669
Technology	-	-	55	7	19	411	-	-	-	492	395
Premises costs	-	-	-	-	-	12	-	-	272	284	328
Legal & professional	-	-	-	6	33	10	1	1	27	78	118
Colloquium costs	-	-	88	-	-	-	-	-	-	88	56
Travel & subsistence	-	-	-	-	-	1	3	1	6	11	85
Sundry	-	3	19	9	1	5	3	1	47	88	78
Employee-related costs	-	-	-	-	64	-	-	-	-	64	57
Room hire & catering	-	-	-	-	-	-	-	-	-	-	52
Finance costs	-	-	-	-	-	-	-	-	-	-	15
	89	2,179	1,073	968	906	2,036	543	387	926	9,107	9,048
Support costs	11	258	127	115	108	242	65	-	(926)	-	-
Governance costs	4	109	53	48	45	101	27	(387)	-	-	-
Total expenditure 2021	104	2,546	1,253	1,131	1,059	2,379	635	-	-	9,107	9,048

Notes

Staff costs (as shown above) are those costs relating to employed CET staff paid via the payroll system.

Other people costs are costs relating to self-employed contracted CET staff paid via invoice for services.

Consultancy/outsourced support costs relate to external contractors.

4a Analysis of expenditure (prior year)

	Charitable activities							Governance costs £'000	Support costs £'000	2020 Total £'000
	Cost of raising funds £'000	Editorial & methods £'000	Knowledge translation £'000	Publishing, research & development £'000	People services £'000	Informatics & technology services £'000	Other charitable activities £'000			
Staff costs (note 6)	-	1,351	299	543	383	790	248	195	532	4,341
Other people costs	97	250	180	210	256	26	157	-	58	1,234
Consultancy/outsourced support	-	444	49	193	104	714	-	116	-	1,620
Commissioned Work	-	45	470	90	32	-	24	8	-	669
Technology	-	-	42	5	10	338	-	-	-	395
Premises costs	-	1	-	-	-	13	-	-	314	328
Legal & professional	-	-	-	19	14	9	3	30	43	118
Colloquium costs	-	-	56	-	-	-	-	-	-	56
Travel & subsistence	-	7	16	1	-	1	47	13	-	85
Sundry	-	14	12	4	8	7	1	-	32	78
Employee-related costs	-	-	-	-	56	-	1	-	-	57
Room hire & catering	-	-	3	-	4	-	13	32	-	52
Finance costs	-	-	-	2	-	1	-	1	11	15
	97	2,112	1,127	1,067	867	1,899	494	395	990	9,048
Support costs	13	272	146	138	112	245	64	-	(990)	-
Governance costs	5	109	58	55	45	98	25	(395)	-	-
Total expenditure 2020	115	2,493	1,331	1,260	1,024	2,242	583	-	-	9,048

The Cochrane Collaboration

Notes to the financial statements

For the year ended 31 December 2021

5 Net income for the year

This is stated after charging:

	2021 £'000	2020 £'000
Depreciation	1	1
Operating lease rentals:		
Property	225	286
Auditor's remuneration (excluding VAT):		
Audit	19	16
Other services	6	3
Foreign exchange losses/(gains)	16	(12)

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £'000	2020 £'000
Salaries and wages	3,834	3,591
Redundancy and termination costs	184	48
Social security costs	413	363
Employer's contribution to defined contribution pension schemes	312	340

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	7	8
£70,000 – £79,999	3	4
£80,000 – £89,999	4	–
£90,000 – £99,999	2	3
£110,000 – £119,999	1	1
£130,000 – £139,999	1	–
£150,000 – £159,999	1	2

The total employee benefits including pension contributions of the key management personnel, including those on consultancy contracts, were £1,229,000 (2020: £1,128,000).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,000 (2020: £9,000) incurred by 7 (2020: 9) members.

The Cochrane Collaboration

Notes to the financial statements

For the year ended 31 December 2021

7 Staff numbers

The average number of employees (head count based on number of staff employed) was as follows:

	2021 No. Head count	2020 No. Head count
Editorial & Methods	22.6	22.9
Informatics & Technology Services	15.9	13.1
People Services	10.8	10.7
Publishing, Research & Development	8.6	8.8
CEO's Office	6.4	6.2
Finance Services	5.6	5.8
Knowledge Translation	5.5	5.6
	75.4	73.1

8 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

During the year, the Cochrane Collaboration recharged £47,000 (2020: £32,000) in respect of salaries, management fees and sundry costs to Cochrane Innovations Limited. At the end of the year, Cochrane Innovations Limited owed £84,000 (2020: £7,000) to the Cochrane Collaboration.

At the year end, Collaboration Trading Limited was owed £100 (2020: £100) by the Cochrane Collaboration.

During the year, the Cochrane Collaboration provided £522,000 (2020: £550,000) to Cochrane IKMD Denmark ApS. At the year end, the Cochrane Collaboration owed Cochrane IKMD Denmark ApS £152,000 (2020: £104,000).

During the year the following related parties received funding from Cochrane Collaboration. The individuals involved in each transaction were not included in the decision making process. All transactions were completed at arms' length.

Catherine Marshall, a trustee of the Cochrane Collaboration, is a self-employed consultant. During the year, Cochrane Collaboration paid for Co-Chair consultancy fees, totalling £31,000 (2020: £31,000). No funds were outstanding at the year-end.

Xavier Bonfill Cosp, a trustee of the Cochrane Collaboration to 29 November 2021, is the Director of the Iberoamerican Cochrane Centre. During this period, Cochrane Collaboration paid Cochrane Iberoamericana for a translation project totalling £160,000 (2020: £179,000). No funds were outstanding at the year-end.

Tracey Howe, a trustee of the Cochrane Collaboration, is a self-employed consultant. During the year, Cochrane Collaboration paid for Co-Chair consultancy fees, totalling £29,000 (2020: £8,000). No funds were outstanding at the year-end.

The Cochrane Collaboration

Notes to the financial statements

For the year ended 31 December 2021

8 Related party transactions (continued)

Sally Green, a trustee of the Cochrane Collaboration, is a Co-Director at Cochrane Australia, Monash University. During the year, Cochrane Collaboration paid Monash University for staffing costs totalling £1,000 (2020: £3,000) and consultancy costs totalling £10,000 (2020: £5,000) for commissioned work. In addition, Monash University paid the Cochrane Collaboration £8,000 (2020: £nil) for a Cochrane Interactive Learning subscription. No funds were outstanding at the year end.

Jordi Pardo, a trustee of the Cochrane Collaboration, is a Co-Managing Editor of Cochrane Musculoskeletal Group which forms part of The Centre for Global Health (CGH) at the University of Ottawa, Canada. During the year, Cochrane Collaboration paid CGH £nil (2020: £43,000) for commissioned work. No funds were outstanding at the year end. □

Tamara Kreda, a trustee of the Cochrane Collaboration, is a Senior Specialist Scientist at Cochrane South Africa, South African Medical Research Council (SAMRC). During the year, SAMRC refunded the Cochrane Collaboration for consultancy work in respect of Cochrane's Knowledge Translations Strategy, totalling £7,000 (2020: payments of £23,000). No funds were outstanding at the year end.

Yuan Chee, a trustee of the Cochrane Collaboration from 20 November 2021, is a self-employed consultant. During the period, the Cochrane Collaboration paid for tagging and data curation services totalling £3,000 (2020: £nil). At the year-end, £1,000 was included in creditors.

Lorne Becker, a director of Cochrane Innovations Limited, is a self-employed consultant. During the year, Cochrane Collaboration paid for consultancy fees, totalling £nil (2020: £1,000). No funds were outstanding at the year-end.

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary, Cochrane Innovations Limited, gift aids available profits to the parent charity. The charity's subsidiary Cochrane IKMD Denmark ApS recognised a corporation tax charge of DKK37,000 (£4,000) in its profit and loss account in the year to 31 December 2021.

10 Tangible fixed assets

Group and charity

	Fixtures and fittings £'000	Computer equipment £'000	Leasehold improvements £'000	Total £'000
Cost				
At the start of the year	26	26	20	72
Additions in year	-	-	-	-
At the end of the year	26	26	20	72
Depreciation				
At the start of the year	25	26	20	71
Charge for the year	1	-	-	1
At the end of the year	26	26	20	72
Net book value				
At the end of the year	-	-	-	-
At the start of the year	1	-	-	1

All of the above assets are used for charitable purposes.

The Cochrane Collaboration

Notes to the financial statements

For the year ended 31 December 2021

11 Fixed asset investments

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Investment in Cochrane Innovations	-	-	-	669
Investment in Cochrane IKMD	-	-	6	6
Other investments	1	1	1	1
	1	1	7	676

The investments represent a 100% (£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 but rounded to £nil in the table presented above for Collaboration Trading Company Limited and Cochrane Innovations Limited.

Following a review of the remit and purpose of Cochrane Innovations Limited, its Directors recommended – in December 2020 – that the company be closed as it is no longer needed to deliver the Cochrane group's financial sustainability and product development goals which can be delivered within the parent company. To facilitate the strike off, a share capital reduction exercise – to return the original investment to the parent company – was carried out. Consequently, the share capital of the company was reduced from £669,075 to £1.00 by cancelling and extinguishing 669,074 Ordinary Shares of £1.00 each fully paid (the Shares) and by crediting the total nominal amount paid up on the Shares to the company's profit and loss account.

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

12 Subsidiary undertakings

The charitable company owns the whole of the issued ordinary share capital of Collaboration Trading Company Limited and Cochrane Innovations Limited, both are companies registered in England, and Cochrane IKMD Denmark ApS, a company registered in Denmark. All activities have been consolidated on a line by line basis in the statement of financial activities, except for Collaboration Trading Limited, which was dormant in 2020 and therefore not consolidated. Cochrane Innovations Limited includes, within Other operating income/(expenditure), £669,075 realised profit from the reduction in share capital. A summary of the results of the subsidiaries is shown below:

	Cochrane Innovations Limited		Cochrane IKMD Denmark ApS	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Turnover	248	324	522	563
Gross profit	248	324	522	563
Administrative expenses	(89)	(111)	(565)	(508)
Other operating	668	(2)	57	(35)
Profit on ordinary activities	827	211	14	20
Exchange rate adjustment to opening balance	-	-	(6)	4
Profit for the financial year	827	211	8	24
The aggregate of the assets, liabilities and funds was:				
Assets	405	212	197	203
Liabilities	(100)	(65)	(99)	(113)
Share capital	-	(669)	(6)	(6)
Funds	305	(522)	92	84

13 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £'000	2020 £'000
Gross income	7,489	12,532
Result for the year	<u>(2,271)</u>	<u>3,562</u>

14 Debtors: falling due within one year

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	203	93	194	77
Other debtors	70	70	73	65
Prepayments	120	196	120	196
Accrued income	562	868	560	862
Amounts due from subsidiaries	-	-	84	7
	<u>955</u>	<u>1,227</u>	<u>1,031</u>	<u>1,207</u>

15 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	362	171	361	171
Accruals	396	311	387	293
Deferred income (note 16)	81	71	70	23
Taxation and social security	97	40	85	-
Other creditors	288	255	211	186
VAT creditor	247	314	245	314
Amounts due to subsidiaries	-	-	152	104
	<u>1,471</u>	<u>1,162</u>	<u>1,511</u>	<u>1,091</u>

16 Deferred income

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Balance at the beginning of the year	71	124	23	23
Amount released to income in the year	(48)	(101)	-	-
Amount deferred in the year	58	48	47	-
Balance at the end of the year	<u>81</u>	<u>71</u>	<u>70</u>	<u>23</u>

17 Pension scheme

The group operates three defined contribution schemes. The assets of these schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £312,000 (2020: £340,000). Contributions totalling £nil (2020: £26,000) were payable to funds, related to Germany-based staff, at the balance sheet date and are included in creditors.

For the year ended 31 December 2021

18a Analysis of group net assets between funds – current year

	General unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Investments	1	-	-	1
Net current assets	4,219	4,361	-	8,580
Net assets at the end of the year	4,220	4,361	-	8,581

18b Analysis of group net assets between funds – prior year

	General unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	1	-	-	1
Investments	1	-	-	1
Net current assets	5,510	4,500	-	10,010
Net assets at the end of the year	5,512	4,500	-	10,012

19a Movements in funds – current year

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At the end of the year £'000
Restricted funds:					
COVID-19 Open Study Register fund	-	80	(80)	-	-
Total restricted funds	-	80	(80)	-	-
Unrestricted funds:					
Designated funds:					
Continuity Fund	2,000	-	-	-	2,000
Strategic Investment Fund	2,500	-	(139)	-	2,361
Total designated funds	4,500	-	(139)	-	4,361
General funds	5,512	7,612	(8,904)	-	4,220
Total unrestricted funds	10,012	7,612	(9,043)	-	8,581
Total funds	10,012	7,692	(9,123)	-	8,581

19b Movements in funds – prior year

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At the end of the year £'000
Restricted funds:					
Gates Foundation	33	42	(75)	-	-
The Global Evidence Synthesis Initiative (GESI)	12	-	(12)	-	-
The Cochrane Colloquium	26	-	-	(26)	-
Total restricted funds	71	42	(87)	(26)	-
Unrestricted funds:					
Designated funds:					
Discretionary Fund	20	-	-	(20)	-
Continuity Fund	-	-	-	2,000	2,000
Strategic Investment Fund	-	-	-	2,500	2,500
Total designated funds	20	-	-	4,480	4,500
General funds	6,128	12,799	(8,961)	(4,454)	5,512
Total unrestricted funds	6,148	12,799	(8,961)	26	10,012
Total funds	6,219	12,841	(9,048)	-	10,012

20 Purposes of restricted funds

Gates Foundation – these were grants from the Bill and Melinda Gates Foundation which supported work to identify and scope specific opportunities in the application of evidence-based medicine and data liquidity at a systems level especially with regard to ontology development and alignment. During 2020, with the agreement of the Foundation, these funds were repurposed to support Cochrane's COVID related work including the development of the COVID-19 Study Register. This grant was fully utilised during 2020.

The Global Evidence Synthesis Initiative (GESI) – this is funding from the International Initiative for Impact Evolution to support the GESI-Cochrane partnership. This grant was fully utilised during 2020.

The Cochrane Colloquium – these funds related to unclaimed sponsorship income from the cancelled 2019 colloquium that were initially donated towards the 2020 colloquium. Following the cancellation of the 2020 colloquium, the sponsors agreed that this income could be retained by Cochrane for general purposes.

COVID-19 Open Study Register fund – this was a grant from UK Research and Innovation (UKRI) to support enhancements to the existing register by developing crowdsourcing and machine learning (AI) capability that will help to identify, link, describe and appraise studies in near real-time to significantly aid discoverability. This grant was received and fully utilised in 2021.

21 Purposes of designated funds

The **Cochrane Governing Board's Discretionary Fund** provides £20,000 per year to facilitate small projects of general benefit to the organisation (with no project receiving more than £5,000). No applications were made to the fund in 2019 which was discontinued in 2020.

The **Continuity Fund** is designed to support Cochrane complete any adjustments required in a post Cochrane Review Open Access transition period, should future publishing incomes be significantly reduced.

The **Strategic Investment Fund** will be allocated to specific single- or multi-year strategic or change projects of organization-wide impact required to help Cochrane achieve its Strategic Plans and meet its organizational Mission. During the year, £139,000 was allocated against a project to scale up the Central Editorial Service (including increasing the Fast-Track Service for high-priority and high-profile reviews) and pilot the independent editorial process with up to 20 CRGs to test feasibility and gather key learnings.

22 Analysis of cash and cash equivalents

	At 1 January 2021 £'000	Cash flows £'000	Other changes £'000	At 31 December 2021 £'000
Cash at bank and in hand	1,945	7,167	(16)	9,096
Total cash and cash equivalents	1,945	7,167	(16)	9,096

23 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Land and buildings	
	2021 £'000	2020 £'000
Less than one year	115	223
One to five years	-	149
	115	372

24 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each company member as defined by Cochrane's Articles of Association, in the event of winding up is limited to £10.

25 Funds held on behalf of others

At the end of the year, Cochrane Collaboration was holding £100,000 (2020: £109,000) on behalf of Health Education England in relation to the Cochrane (Oxford) Fellowship Fund. Additional funds were held in respect of two Cochrane thematic fields; Cochrane Rehabilitation (£71,000) and Cochrane Neurosciences (£8,000).

26 Contingent liabilities

The London office leasehold agreement, which expires in September 2022, is subject to reinstatement and dilapidations obligations at the end of the lease. During 2021, without prejudice discussions with the landlord have indicated that a liability is unlikely to exist and consequently no provision has been made in the financial statements.