

THE COCHRANE COLLABORATION
(A company limited by guarantee)

Report and Financial Statements
31 March 2005

Company Number: 3044323

Charity Number: 1045921

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

THE COCHRANE COLLABORATION

Registered in England
Company Number: 3044323
Charity Number: 1045921

STEERING GROUP (during the year)

Mr G Aja
Dr G Antes
Dr L Bero
Dr K Clark (Co-Chair)
Prof MJ Clarke (Co-Chair)
Dr M Davies
Mr J Deeks
Mr Z Fedorowicz
Ms D Gheri
Dr S Green
Prof DJ Henderson-Smart
Dr S Lewis
Prof JP Neilson (Co-Chair)
Mr J Pardo
Dr R Scholten
Dr S Simi
Dr P Tugwell
Dr J Wale
Dr E Waters

TREASURER

Mr J Deeks / Prof MJ Clarke

COMPANY SECRETARY

Ms VM Hetherington

REGISTERED OFFICE

Summertown Pavilion
18-24 Middle Way
Oxford, UK
OX2 7LG

AUDITORS

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

BANKERS

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

SOLICITORS

Manches And Co
9400 Garsington Road
Oxford Business Park
Oxford, UK
OX4 2HN

THE COCHRANE COLLABORATION

31 March 2005

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**THE COCHRANE COLLABORATION
REPORT OF THE STEERING GROUP**

31 MARCH 2005

The Steering Group of The Cochrane Collaboration presents their report and financial statements for the year ended 31 March 2005. The Cochrane Collaboration is a registered charity (number 1045921), and is a company limited by guarantee (company number 3044323). The charity was incorporated on 10 April 1995. The charity's governing instruments are its Memorandum and Articles of Association. The Steering Group set out in the table below have held office during the whole of the year from 1 April 2004 to the date of this report, unless otherwise stated.

	Appointed	Resigned
Mr G Aja	3 October 2004	
Dr G Antes		3 October 2004
Dr L Bero	3 October 2004	
Dr K Clark (Co-Chair)		28 February 2005
Prof MJ Clarke (Co-Chair)		3 October 2004
Dr M Davies		
Mr J Deeks		
Mr Z Fedorowicz	3 October 2004	
Ms D Ghersi		
Dr S Green		
Prof DJ Henderson-Smart		3 October 2004
Dr S Lewis		
Prof JP Neilson (Co-Chair)		
Mr J Pardo		
Dr R Scholten	3 October 2004	
Dr S Simi		3 October 2004
Dr P Tugwell		
Dr J Wale		
Dr E Waters	3 October 2004	

In accordance with the Articles of Association, a proportion of the members of the Steering Group retire by rotation each year, and they are eligible for re-election. Dr Kathie Clark became Co-Chair on 3 October 2004, and resigned on 28 February 2005. Dr Mark Davies became Co-Chair (with Professor Jim Neilson) on 3 April 2005.

THE STATEMENT OF THE STEERING GROUP'S RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the 'going concern' basis unless it is inappropriate to presume that the charity will continue in operation.

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

MISSION STATEMENT

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

PRINCIPLES

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

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

MEMORANDUM AND ARTICLES OF ASSOCIATION

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

THE COCHRANE COLLABORATION STEERING GROUP (CCSG)

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

members in the year 2004/2005, elected by the overall membership of the Collaboration for three years, with annual rotation of a proportion of its members. The CCSG meets once during the annual Cochrane Colloquium and on one other occasion in the year. The minutes of its meetings can be obtained from the Collaboration's website (www.cochrane.org). In between these meetings, various working groups have regular meetings by telephone conference and face to face when possible. In the year 2004/2005 these working groups, accountable to the CCSG, were as follows:

Sub-Groups of the Steering Group:

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

Advisory Groups to the Steering Group:

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

The Collaboration Secretariat is responsible for supporting the CCSG and groups accountable to it.

REPORT OF THE STEERING GROUP (continued)

STRATEGIC PLAN

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

REVIEW OF THE FINANCIAL YEAR

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

Both the level of business and the year-end financial position were highly satisfactory. The Steering Group expect that the increased level of subscriptions to *The Cochrane Library* will be sustained for the foreseeable future and that the guaranteed minimum income from the new publishing agreement with John Wiley and Sons Ltd (effective from 1 March 2003) will provide a sufficient safeguard against any drop-off in this. The Collaboration Trading Company Limited (the CTC), a wholly owned trading subsidiary of The Cochrane Collaboration, continued to receive monies that the Collaboration is unable to receive due to its charitable status. All profits made by the CTC are donated to The Cochrane Collaboration under the Gift Aid Scheme to support its charitable activities. In the year 2004/05 the amount of £230,687 was paid to the Charity by the Trading Company via Gift Aid. The Directors of the CTC are Prof Mike Clarke (Chair), Ms Monica Kjeldstrøm and Prof Peter Langhorne (all are former members of the CCSG). Ms Jini Hetherington is the Administrator and Company Secretary of both The Cochrane Collaboration and the Collaboration Trading Company Limited.

The results of the charity and the trading company combined, for the year ended 31 March 2005, are set out in the financial statements on pages 9 to 18. The reported deficit for the year of £89,808 (2004: surplus of £98,671) was in line with expectations and the Strategic Plan.

The Collaboration Trading Company's income in 2004/05 consisted mainly of royalties from subscriptions to *The Cochrane Library*.

In the financial year ending on 31 March 2005, a single donation of £3,019 was made from The Cochrane Collaboration's Discretionary Fund. No donations were made from The Cochrane Collaboration's Contingency Fund.

MAJOR CHANGES IN THE YEAR 2004/05

The major changes in the past year have been:

- The transfer of the Internet provision of *The Cochrane Library* from Update Software Ltd to Wiley InterScience, reflecting the change in the Collaboration's publishers.
- The launch of Phase 1 of the Collaboration's new Information Management System.
- The development of methods and materials for undertaking systematic reviews of diagnostic test accuracy studies.

FUTURE DEVELOPMENTS

The planned major developments for the coming year are:

- Roll-out of further components of the Information Management System.
- Further improvements to the user-interface for the Internet version of *The Cochrane Library*.
- Publication of freely available plain language summaries of reviews on the Collaboration's website (www.cochrane.org).
- Transfer of production of the CD-ROM version of *The Cochrane Library* from Update Software Ltd to John Wiley & Sons Ltd.
- Piloting and release of methods for Cochrane systematic reviews of diagnostic test accuracy studies.
- Continuing to make efforts to raise funds to increase the sustainability of The Cochrane Collaboration and its entities.
- Continuing to take a lead in actions to increase access to healthcare evidence, in particular in developing countries, and continuing to be involved in existing and new global initiatives in this regard.

RISK ASSESSMENT

An assessment of risk was carried out on 13 May 2005 in which governance, operational, external and financial risks were considered and appropriate measures were taken to reduce or mitigate risks where applicable. The results were tabulated and where gaps in existing procedures were identified, individuals were nominated to implement the necessary changes. This is an ongoing process, reviewed annually by the Steering Group.

RESERVES POLICY

The Cochrane Collaboration has a policy to reserve a proportion of its resources in a Contingency Fund to provide a buffer against fund shortages and to allow greater flexibility in meeting its charitable objectives.

The Contingency Fund is primarily a cash reserve to fund the running costs of the Secretariat for one year. In exceptional circumstances it can also be used for larger items of expenditure than would meet the criteria for the Discretionary Fund but which would exceed the amount allowed from that fund, in particular for items of Collaboration-wide benefit; decisions on expenditure from this fund are made by the Steering Group.

A contingency plan for maintaining basic functions of the Secretariat for 12 months was agreed by the Steering Group in 2005, to be followed in the case of income failure. The size of the contingency fund is reviewed on an annual basis according to the cost of meeting this plan, plus an allowance for contingencies of other kinds.

INVESTMENT POLICY

The charity's current policy regarding investment is to put all surplus income into interest-bearing savings accounts. The funds for items of expenditure need to be readily available, in keeping with the notice periods on these accounts. Commitments have been made to sponsoring registration fees (one per entity) for the Colloquium, redesigning the Collaboration website, and to the substantial development of the Collaboration's Information Management System, including establishing a team of staff to support the editorial bases of Collaborative Review Groups in implementing this new system.

ROYALTY AUDIT

The Collaboration waived its right to request an independent audit of the calculations by John Wiley and Son Limited of the royalty income for the year ended 31 March 2005 for the subsidiary entity, Collaboration Trading Company Limited.

AUDITORS

Mazars LLP have expressed their willingness to continue in office and a resolution to reappoint Mazars LLP as auditors to the charitable company and to authorise the Trustees to fix their remuneration will be proposed at the forthcoming Annual General Meeting on 23 October 2005.

Approved by the board on 21 September 2005
and signed on its behalf by

Jonathan Deeks, Trustee and Treasurer

Summertown Pavilion
18-24 Middle Way
Oxford OX2 7LG, UK

Independent auditors' report to the members of The Cochrane Collaboration

We have audited the financial statements for the year ended 31 March 2005 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

Respective responsibilities of trustees and auditors

As described in the Statement of the Steering Group's Responsibilities the Steering Group Members, who are also the trustees and the directors of The Cochrane Collaboration for the purposes of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Steering Group is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Report of the Steering Group and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of audit opinion

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

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether

caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of state of the charitable company's and group's affairs as at 31 March 2005 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Mazars LLP

Chartered Accountants
and Registered Auditors
St Thomas House, 6 Becket Street, Oxford, OX1 1PP

Date: 21 September 2005

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 2005

	Note	Restricted	Designated	Unrestricted	Group 31 March 2005	Group 31 March 2004
		£		£	£	£
INCOMING RESOURCES						
Donations, Legacies and similar income		38,462	-	1,590	40,052	15,830
Royalties		-	-	528,745	528,745	553,184
Investment Income - Interest Received	3	1,056	-	17,694	18,750	16,948
Other incoming resources		-	-	407	407	835
Total Incoming Resources		39,518	-	548,436	587,954	586,797
CHARITABLE EXPENDITURE						
Scholarship in furtherance of charitable objectives	5	2,478	-	-	2,478	3,150
Grants paid	6	4,229	3,019	319,132	326,380	100,293
Costs of activities in furtherance of charitable objectives	7	4,100	-	334,168	338,268	369,932
Management and Administration	8	-	-	10,635	10,635	14,751
Total Resources Expended	9	10,807	3,019	663,934	677,762	488,126
Net Incoming/(Outgoing) Resources before transfers		28,711	(3,019)	(115,498)	(89,808)	98,671
Fund Transfers	16	-	14,298	(14,298)	-	-
Net Incoming/(Outgoing) Resources		28,711	11,279	(129,796)	(89,808)	98,671
Fund balances brought forward at 1 April 2004		71,856	350,702	197,147	619,705	521,033
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2005	15,16	£100,567	£361,981	£67,351	£529,898	£619,704

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

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

The notes on pages 12 to 18 form part of these accounts.

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 2005

	Note	Restricted £	Designated £	Unrestricted £	2005 £	2004 £
INCOMING RESOURCES						
Donations, Legacies and similar income		38,462	-	1,590	40,052	15,830
Donations under Gift Aid from subsidiary undertaking		-	-	358,731	358,731	344,701
Investment Income	3	1,056	-	8,443	9,499	10,387
Total Incoming Resources		39,518	-	368,764	408,282	370,918
CHARITABLE EXPENDITURE						
Charitable expenditure:						
Scholarship in furtherance of charitable objectives	5	2,478	-	-	2,478	3,150
Grants paid in furtherance of charitable objectives	6	4,229	3,019	319,132	326,380	100,293
Costs of activities in furtherance of charitable objectives	7	4,100	-	154,497	158,597	154,053
Management and Administration	8	-	-	10,635	10,635	14,751
Total Resources Expended	9	10,807	3,019	484,264	498,090	272,247
Net Incoming/(Outgoing) Resources Before Transfers		28,711	(3,019)	(115,500)	(89,808)	98,671
Fund Transfers		-	14,298	(14,298)	-	-
Net Incoming/(Outgoing) Resources		28,711	11,279	(129,798)	(89,808)	98,671
Fund balances brought forward at 1 April 2004		71,856	350,702	197,184	619,742	521,071
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2005	15,16	100,567	361,981	67,386	529,934	619,742

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

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

The notes on pages 12 to 18 form part of these accounts.

THE COCHRANE COLLABORATION

BALANCE SHEETS

For the year ended 31 March 2005

	Note	Cochrane Collaboration 31 March 2005 £	Group 31 March 2005 £	Cochrane Collaboration 31 March 2004 £	Group 31 March 2004 £
FIXED ASSETS					
Fixtures and Fittings	11	-	3,216	-	5,529
Investments	12	1,100	1,000	1,100	1,000
		<hr/>		<hr/>	
		1,100	4,216	1,100	6,529
CURRENT ASSETS					
Debtors	13	322,339	153,596	247,813	143,181
Cash at bank and in hand		214,355	388,470	403,354	511,813
		<hr/>		<hr/>	
		536,694	542,066	651,167	654,994
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR					
	14	(7,860)	(16,385)	(32,525)	(41,819)
		<hr/>		<hr/>	
NET CURRENT ASSETS					
		528,834	525,681	618,642	613,175
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		529,934	529,898	619,742	619,704
INCOME FUNDS					
Restricted funds	15	100,567	100,567	71,856	71,856
Unrestricted funds:					
Designated	16	361,981	361,981	350,702	350,702
Other unrestricted		67,386	67,351	197,184	197,146
		<hr/>	<hr/>	<hr/>	<hr/>
	17	529,934	529,898	619,742	619,704
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 12 to 18 form part of these accounts.

Approved by the trustees on 21 September 2005
and signed on their behalf by

Mr J Deeks

Trustee and Treasurer

THE COCHRANE COLLABORATION

NOTES TO THE ACCOUNTS

For the year ended 31 March 2005

1. ACCOUNTING POLICIES

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

The charity's main accounting policies are as follows:

a) Accounting Convention

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

b) Incoming Resources

Donations, legacies and gifts income is recognised on a receipts basis (ie when it is virtually certain that the income will be received) other than for donations received under Gift Aid from the subsidiary undertaking, Collaboration Trading Company Limited, which is recognised on a receivable basis (ie when the income is earned).

Group incoming resources include royalties from the sale of The Cochrane Library to Collaboration Trading Company Ltd, which are recognised on a receivable basis (ie when the income is earned).

Investment income, representing bank interest earned, is recognised on an receivable basis (ie when the income is earned).

c) Resources Expended

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

Expended resources are classified between the relevant activity categories of resources expended as relevant to the nature of the expenditure incurred. All expenditure is considered to be directly chargeable to the relevant activity category and there are no expenses which are apportioned across activity categories.

d) Fixed assets

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

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

Fixed assets with an initial cost of under £100 are not capitalised.

e) Investments

Investment in subsidiary undertakings is included at cost.

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

f) Basis of Consolidation

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

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

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

g) Funds Structure

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

The charity holds funds which have been internally designated for specific purposes. These are classified under "designated funds"

Designated funds includes a balance of £350,000, estimated to be the running costs of the charity for one year, which is held in reserve.

h) Unrestricted Funds

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

Transfers out of unrestricted funds represent new designations made in the period, and are detailed in note 16.

i) Grant expenditure

Grants payable are recognised in the year in which the offer is accepted by the recipient except in those cases

where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued expenditure

j) Foreign exchange

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

THE COCHRANE COLLABORATION

NOTES TO THE ACCOUNTS

For the year ended 31 March 2005

2. SURPLUS FOR THE FINANCIAL YEAR

	Cochrane Collaboration 2005 £	Collaboration Trading Co. 2005 £	Group 2005 £	Group 2004 £
The surplus is after charging:				
Auditors' remuneration	4,800	2,600	7,400	5,400
- audit services	-	-	-	1,500
- royalty audit	-	-	-	2,435
- non audit services	-	-	-	-

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Cochrane Collaboration 2005 £	Collaboration Trading Co. 2005 £	Group 2005 £	Group 2004 £
Bank interest	9,499	9,251	18,750	16,948

4. TAXATION

The Cochrane Collaboration is a registered charity, and is therefore not liable to corporation tax on its charitable activities. The Collaboration Trading Company is not a charity and is therefore subject to corporation tax on its activities. However, the net profit chargeable to corporation tax on its trading activities will be donated in full to its charitable parent entity. On this basis, no provision has been made for Corporation Tax.

5. SCHOLARSHIP IN FURTHERANCE OF CHARITABLE OBJECTIVES

	Cochrane Collaboration £	Collaboration Trading Co. £	Group 2005 £	Group 2004 £
Aubrey Sheiham Scholarship Paid	-	-	-	1,300
Travel and other costs reimbursed to Scholar	2,478	-	2,478	1,850
	2,478	-	2,478	3,150

6. GRANTS PAID IN FURTHERANCE OF CHARITABLE OBJECTIVES

	Cochrane Collaboration £	Collaboration Trading Co. £	Group 2005 £	Group 2004 £
Grants paid to:				
German Cochrane Centre, <i>Grant for website development</i>	99,270	-	99,270	-
Nordic Cochrane Centre, <i>Grant for Information Management System (IMS)</i>	81,016	-	81,016	42,085
Bond University - Australia, Duke University - USA, Düsseldorf University - Germany, and Liverpool University - UK, <i>Host institutes of IMS Support Team Members</i>	61,366	-	61,366	-
Australasian Cochrane Centre, <i>Grant for Melbourne Colloquium entities registration</i>	30,960	-	30,960	-
UK Cochrane Centre, <i>Grant for Preparation of Handbook</i>	12,864	-	12,864	-
UK Cochrane Centre, <i>Grant for Diagnostic test reviews (pilot)</i>	7,293	-	7,293	-
Oslo branch of the Nordic Cochrane Centre, <i>Colloquium Manager software</i>	7,284	-	7,284	-
Canadian Cochrane Centre, <i>Inventory Project</i>	7,224	-	7,224	-
Applicability and Recommendations Methods Group, <i>Grant for Summary of Findings project</i>	6,700	-	6,700	-
Oxfam, <i>Disasters Emergency Committee</i>	3,000	-	3,000	-
South African Cochrane Centre, <i>SAFRICC study of developing countries</i>	2,155	-	2,155	-
International Conference Services, <i>Grant for Ottawa Colloquium entities registration</i>	-	-	-	25,170
Canadian Cochrane Centre, <i>inventory of resources that use Cochrane systematic reviews</i>	-	-	-	7,224
University of York, <i>Grant for conversion of abstracts</i>	-	-	-	4,250
University of Liverpool, <i>Grant for emergency editors' meeting of the Pregnancy and Childbirth Group</i>	-	-	-	3,000
MRC South Africa, <i>Grant for copies of course textbook</i>	-	-	-	1,041
German Cochrane Centre, <i>Grant for beta testing of website</i>	-	-	-	997
Total grants made from unrestricted funds	319,132	-	46,520	83,767
South African Medical Research Council, <i>Reviewers for Africa Programme</i>	4,229	-	4,229	-
Iberoamerican Cochrane Centre, <i>Rockefeller Foundation grant for developing country stipends</i>	-	-	-	11,317
Total grants made from restricted funds	4,229	-	4,229	11,317
Total grants made from designated funds	3,019	-	3,019	5,209
TOTAL GRANTS PAID	326,380	-	53,768	100,293

THE COCHRANE COLLABORATION

NOTES TO THE ACCOUNTS

For the year ended 31 March 2005

7. COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITABLE OBJECTIVES

	restricted	designated	unrestricted	Cochrane Collaboration 2005 TOTAL £	Collaboration Trading Co. 2005 Unrestricted £	Group 2005 £	Group 2004 £
Consultancy Fee	-	-	-	-	-	-	2,972
Staff salaries	-	-	63,714	63,714	99,723	163,437	150,563
CEO meetings and related expenses	-	-	9,648	9,648	-	9,648	7,231
Steering Group expenses	-	-	47,678	47,678	-	47,678	58,574
Direct costs	-	-	-	-	33,884	33,884	26,849
Running costs	-	-	31,707	31,707	46,064	77,770	107,568
Chris Silagy Prize	-	-	989	989	-	989	-
Kenneth Warren Prize	3,261	-	-	3,261	-	3,261	3,580
Visiting Fellowship	-	-	762	762	-	762	-
Aubrey Sheiham Scholarship fund expenses	839	-	-	839	-	839	12,595
	4,100	-	154,497	158,597	179,670	338,268	369,932

8. MANAGEMENT AND ADMINISTRATION

	Cochrane Collaboration TOTAL £	Collaboration Trading Co.	Group 2005 £	Group 2004 £
Printing, postage and stationery	29	-	29	1,984
Telephone	1,275	-	1,275	394
Insurance	2,954	-	2,954	832
Audit and accountancy	4,790	-	4,790	300
Bank interest and charges	(84)	-	(84)	522
Sundry expenses	(119)	-	(119)	696
Legal and professional	1,790	-	1,790	(640)
Website development costs (beta testing)	0	-	0	10,663
	10,635	-	10,636	14,751

All management and administration expenditure is from unrestricted funds

9. TOTAL RESOURCES EXPENDED

	Staff	Depreciation	Other	Cochrane Collaboration TOTAL 2005 £	Group 2005 Total £	Group 2004 Total £
Expenditure in furtherance of charitable objectives						
Scholarship	-	-	2,478	2,478	2,478	3,150
Grants paid	-	-	326,380	326,380	326,380	100,293
Costs of activities	63,714	-	94,883	158,597	338,268	369,932
Management and Administration	-	-	10,635	10,635	10,635	14,751
	63,714	-	434,376	498,090	677,761	488,126

THE COCHRANE COLLABORATION

NOTES TO THE ACCOUNTS

For the year ended 31 March 2005

10. TOTAL STAFF COSTS

	Cochrane Collaboration 2005 £	Collaboration Trading Co. 2005 £	Group 2005 £	Group 2004 £
Wages and salaries	57,016	95,750	152,766	131,231
Social security costs	6,698	3,973	10,671	19,332
	<u>63,714</u>	<u>£99,723</u>	<u>£163,437</u>	<u>150,563</u>

	Cochrane Collaboration 2005	Cochrane Collaboration 2004	Group 2005	Group 2004
The average number of employees analysed by function was:	1	1	4	4
One employee earned £50,000 or more.				

Trustees' remuneration and expenses

The trustees received no remuneration during the year, apart from reimbursement of direct expenses for attendance at trustees' meetings and in furtherance of their duties of £47,678 (2004: £58,574).

Professional indemnity insurance was purchased in the year for £2,520 (2004: £2,520).

In the year a total of £248,065 (2004: £72,067) was granted to associated Cochrane entities, of this total £137,523 (2004: £13,503) was granted to Cochrane entities who have a representative on the Steering Committee. These members did not take part in the approval of these awards.

11. FIXED ASSETS - Group Only

	Computer Equipment £	Fixtures & Fittings £	Total £
Cost			
As at 1 April 2004	5,596	7,032	12,628
Additions	623	(168)	455
Disposals	-	-	-
As at 31 March 2005	<u>6,219</u>	<u>6,864</u>	<u>13,083</u>
Depreciation			
As at 1 April 2004	2,384	4,716	7,100
Charge for the year	1,555	1,212	2,767
Eliminated on disposals	-	-	-
As at 31 March 2005	<u>3,939</u>	<u>5,928</u>	<u>9,866</u>
Net Book Value			
As at 31 March 2005	<u>2,280</u>	<u>936</u>	<u>3,216</u>
As at 31 March 2004	<u>3,212</u>	<u>2,317</u>	<u>5,528</u>

All fixed assets are held by the subsidiary, Collaboration Trading Company Limited.

12. FIXED ASSET INVESTMENTS

	Cochrane Collaboration 2005 £	Group 2005 £	Cochrane Collaboration 2004 £	Group 2004 £
Investment in Collaboration Trading Company Limited	100	-	100	-
Other investments	1,000	1,000	1,000	1,000
TOTAL	<u>1,100</u>	<u>1,000</u>	<u>1,100</u>	<u>1,000</u>

The investment represents a 100% shareholding in Collaboration Trading Company Limited (incorporated in England and Wales). All figures have been included in the consolidation. At the year end, after donations to The Cochrane Collaboration under Gift Aid, the net assets of Collaboration Trading Company Limited (the total of Share Capital and accumulated Profit and Loss Account) were £62, following results for the year of £nil.

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

THE COCHRANE COLLABORATION

NOTES TO THE ACCOUNTS
For the year ended 31 March 2005

13. DEBTORS

	Cochrane Collaboration 2005 £	Group 2005 £	Cochrane Collaboration 2004 £	Group 2004 £
Other debtors	1,890	4,890	17,126	18,181
Accrued income	-	148,706	-	125,000
Amount due from subsidiary	320,449	-	230,687	-
	<u>322,339</u>	<u>153,596</u>	<u>247,813</u>	<u>143,181</u>

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

	Cochrane Collaboration 2005 £	Group 2005 £	Cochrane Collaboration 2004 £	Group 2004 £
Social security and other taxation	2,079	1,202	2,103	3,044
VAT creditors	-	2,755	-	-
Accruals	5,781	12,428	30,422	38,775
	<u>7,860</u>	<u>16,385</u>	<u>32,525</u>	<u>41,819</u>

15. RESTRICTED FUNDS

	Balance as at 31 March 2004 £	Incoming resources £	Expenditure £	Transfer between funds £	Balance as at 31 March 2005 £
Kenneth Warren Prize Fund	20,782	411	(3,261)	-	17,932
Aubrey Sheiham Scholarship Fund	51,074	39,107	(7,546)	-	82,635
Charity and Group	<u>71,856</u>	<u>39,518</u>	<u>(10,807)</u>	<u>-</u>	<u>100,567</u>

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

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

THE COCHRANE COLLABORATION

NOTES TO THE ACCOUNTS
For the year ended 31 March 2005

16. DESIGNATED FUNDS

	Balance as at 31 March 2004 £	Transfers and new designations £	Utilised £	Balance as at 31 March 2005 £
Contingency	350,000	-	-	350,000
Discretionary	702	14,298	(3,019)	11,981
	<u>350,702</u>	<u>14,298</u>	<u>(3,019)</u>	<u>361,981</u>

The charity designates to the Discretionary Fund a maximum of £15,000 of its unrestricted funds annually in support of those Cochrane entities which require funding for their activities which are in line with the charity's mission. Each successful application will be restricted to £3,000 (exclusive of any administration charges).

The Contingency Fund is primarily a cash reserve to fund the running costs of the Secretariat for one year which is considered to be £350,000. Decisions on expenditure from this fund are made by the Steering Group.

Funds utilised in the year were expended as follows:

	Discretionary 2005 £	Total 2005 £	Total 2004 £
Christian Medical College, Vellore, <i>Exploratory meeting to investigate set up of a South Asian Cochrane Network.</i>	3,019	3,019	-
Pregnancy and Childbirth Group, <i>Evaluation of the work of the PCG Consumer Panel.</i>	-	-	2,000
Cochrane Consumer Network, <i>legal advice on the future of Cochrane Collaboration Consumer Network Incorporated (CCCN).</i>	-	-	633
France Légaré, <i>attendance at meeting to establish French Cochrane Network.</i>	-	-	1,056
Sreekumar Nair, <i>visit from India to Australia to ARI Group and workshop attendance.</i>	-	-	1,520
	<u>3,019</u>	<u>3,019</u>	<u>5,209</u>
Total utilised			

THE COCHRANE COLLABORATION

NOTES TO THE ACCOUNTS
For the year ended 31 March 2005

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Charity	Restricted £	Unrestricted £	Total £
Fixed assets	-	1,100	1,100
Current assets	99,890	436,804	536,694
Current liabilities	-	(7,860)	(7,860)
	<u>99,890</u>	<u>430,044</u>	<u>529,934</u>
Group	Restricted £	Unrestricted £	Total £
Fixed assets	-	4,216	4,216
Current assets	99,890	442,176	542,066
Current liabilities	-	(16,385)	(16,385)
	<u>99,890</u>	<u>430,007</u>	<u>529,898</u>

18. FINANCIAL COMMITMENTS

At 31 March 2005 the charitable company had annual commitments under constructive obligations in respect of premises rental as follows:

	Cochrane Collaboration and Group Total 31 March 2005 £	Cochrane Collaboration and Group Total 31 March 2004 £
Expiry date:		
Less than one year	-	8,704

At 31 March 2005 the Cochrane Collaboration and Group have the following other financial commitments

	Website Development Project £	IMS Project £	Cochrane Collaboration and Group Total 31 March 2005 £	Cochrane Collaboration and Group Total 31 March 2004 £
Less than one year	67,363	77,356	144,719	120,339
Between one and two years	-	61,872	61,872	77,356
Greater than two years	-	-	-	61,872

In addition, the following initiatives and one-off grants expenditure was approved, but not committed at 31 March 2005. These have not been provided for in these financial statements

	£
CENTRAL support	18,825
Chris Silagy Prize (Colloquium attendance)	2,000
Cochrane inventory project	1,225
Developing countries initiative	2,845
Diagnostic test reviews development	5,250
Discretionary Fund	15,000
IMS - Support Team costs (fees and meeting costs)	56,854
Methodological quality - time-to-event	9,500
Methodological quality - study quality	12,085
Methodological quality - cluster & cross-over	8,200
Methodological quality - QUORUM	1,200
MeerKat support	4,452
Style Guide working group	600
Tsunami working party	815
Umbrella reviews	1,619
	<u>140,470</u>

19. RELATED PARTY TRANSACTIONS

The charitable company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies in consolidated financial statements.

Collaboration Trading Company Limited

Company Registration No. 3657122 (England and Wales)

Directors' report and financial statements

For the year ended 31 March 2005

COLLABORATION TRADING COMPANY LIMITED

COMPANY INFORMATION

Directors	MJ Clarke (Chair) M Kjeldstrøm P Langhorne
Secretary	VM Hetherington
Company number	3657122
Registered office and business address	Summertown Pavilion 18-24 Middle Way Oxford OX2 7LG UK
Auditors	Mazars LLP St Thomas House 6 Becket Street Oxford OX1 1PP UK
Bankers	National Westminster Bank plc 249 Banbury Road Summertown Oxford OX2 7HR UK
Solicitors	Manches & Co 9400 Garsington Road Oxford Business Park Oxford OX4 2HN UK

COLLABORATION TRADING COMPANY LIMITED

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COLLABORATION TRADING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report and financial statements for the year ended 31 March 2005.

Principal activities

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

Directors

The following directors have held office since 1 April 2004:

MJ Clarke (Chair) (appointed 3 October 2004)

M Kjeldstrøm

JMP Kleijnen (resigned 3 October 2004)

P Langhorne

Directors' interests

The directors held no beneficial interests in the shares of the company at any time during the period.

No rights to subscribe for shares in, or debentures of, the company were granted or exercised during the year.

Auditors

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

Directors' responsibilities

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the board

MJ Clarke

Director

21 September 2005

COLLABORATION TRADING COMPANY LIMITED

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

We have audited the financial statements for the year ended 31 March 2005 which comprise the Profit and Loss account, the Balance Sheet and related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities and the accounting policies set out in the notes to the financial statements.

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

Respective responsibilities of the directors and auditors

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of audit opinion

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

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

COLLABORATION TRADING COMPANY LIMITED

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Mazars LLP

Chartered Accountants
Registered Auditor

St Thomas House
6 Becket Street
Oxford
OX1 1PP
21 September 2005

COLLABORATION TRADING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Turnover		529,152	554,019
Cost of sales		(33,884)	(26,849)
Gross profit		495,268	527,170
Administrative expenses		(145,788)	(189,030)
Operating profit	2	349,480	338,140
Gift Aid Payment		(358,731)	(344,701)
Loss on ordinary activities before interest		(9,251)	(6,561)
Other interest receivable and similar income		9,251	6,561
Loss on ordinary activities before taxation		-	-
Tax on loss on ordinary activities	3	-	-
Loss on ordinary activities after taxation	8	-	-

COLLABORATION TRADING COMPANY LIMITED

BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Tangible assets	4		3,216		5,529
Current assets					
Debtors	5	151,706		126,055	
Cash at bank and in hand		174,114		108,459	
		<u>325,820</u>		<u>234,514</u>	
Creditors: amounts falling due within one year	6	<u>(328,974)</u>		<u>(239,981)</u>	
Net current liabilities			<u>(3,154)</u>		<u>(5,467)</u>
Total assets less current liabilities			<u>62</u>		<u>62</u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss account	8		(38)		(38)
Shareholders' funds			<u>62</u>		<u>62</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 21 September 2005

MJ Clarke
Director

COLLABORATION TRADING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

1.1 Accounting convention

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

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

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

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

2 Operating profit

	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	2,767	3,743
Auditors' remuneration	2,600	2,400
Royalty audit	-	1,500
Other services	-	1,435
	<u> </u>	<u> </u>

3 Taxation

Current tax charge

<u> </u>	<u> </u>
-	-
<u> </u>	<u> </u>

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

COLLABORATION TRADING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

4 Tangible fixed assets		Plant and machinery etc
		£
Cost		
At 1 April 2004		12,628
Additions		455
		13,083
At 31 March 2005		13,083
Depreciation		
At 1 April 2004		7,100
Charge for the year		2,767
		9,867
At 31 March 2005		9,867
Net book value		
At 31 March 2005		3,216
At 31 March 2004		5,529
5 Debtors	2005	2004
	£	£
Other debtors	151,706	126,055
	151,706	126,055
6 Creditors: amounts falling due within one year	2005	2004
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	320,449	230,687
Taxation and social security	3,957	941
Other creditors	4,568	8,353
	328,974	239,981
7 Share capital	2005	2004
	£	£
Authorised		
100 Ordinary shares of £1 each	100	100
	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

COLLABORATION TRADING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

8 Statement of movements on profit and loss account	Profit and loss account
	£
Balance at 1 April 2004	(38)
Balance at 31 March 2005	<u>(38)</u>

9 Control

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

10 Related party transactions

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