

The Cochrane Collaboration

(A company limited by guarantee)

Report and Financial Statements

For the year ended 31 March 2011

Company Number 3044323

Charity Number 1045921

THE COCHRANE COLLABORATION

31 MARCH 2011

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**THE COCHRANE COLLABORATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

The Trustees of The Cochrane Collaboration, who are also directors for the purpose of company law, present their report and financial statements for the year ended 31 March 2011.

Reference and Administration

Charity name: The Cochrane Collaboration

Registered and
Correspondence Address: Summertown Pavilion
18-24 Middle Way
Oxford
OX2 7LG
UK

Advisors

Auditors: Mazars LLP
Chartered Accountants and Registered Auditors
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF
UK

Bankers: National Westminster Bank PLC
Oxford North Branch
249 Banbury Road
Summertown
Oxford
OX2 7HR
UK

Legal advisers: Manches LLP
Solicitors
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN
UK

THE COCHRANE COLLABORATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

Trustees

The governing body of The Cochrane Collaboration is known as the Cochrane Collaboration Steering Group (CCSG). The following trustees, who are also the directors for the purposes of company law, have held office on the CCSG during the year:

Prof L Becker (Co-Chair; resigned 20 October 2010)	Dr S Hill
Prof L Bero (resigned 20 October 2010)	Dr S McDonald
Prof J Craig (Co-Chair)	Ms ME Schaafsma
Dr Z Fedorowicz (resigned 20 October 2010)	Prof R Scholten (resigned 20 October 2010)
Dr D Gillies (Treasurer)	Dr R Soll
Prof J Grimshaw (Co-Chair; appointed 20 October 2010)	Mrs E Whamond
Mrs SL Henderson	Prof K Williams
Ms GY Higgins	Dr H van der Wouden
Dr JPT Higgins	Mrs M Zhang

Senior Staff

The senior staff of the charity during the year comprised Mr N Royle, Chief Executive Officer, Ms VM Hetherington, Company Secretary and Administrator, and Dr D Tovey, Editor in Chief, *The Cochrane Library*.

Narrative Report

1. Structure, Governance and Management

Nature of Governing Document

The governing documents of The Cochrane Collaboration are the Memorandum and Articles of Association, as amended on 3 October 2004.

Trustee Appointment

Trustees serve as CCSG members for a three-year period, and may be re-elected for a second consecutive term. After a three-year break, they may be elected again when an appropriate vacancy occurs. Trustees are elected by The Cochrane Collaboration's members to specific posts, representative of their membership group.

Organisational Structure

The Charity is organised as follows:

An elected *Steering Group* (CCSG) governs The Cochrane Collaboration on behalf of its members.

The Cochrane Collaboration Secretariat (based in Oxford, UK)

A small staff co-ordinates the business, financial and organisational functions of The Cochrane Collaboration, consisting of the Chief Executive Officer, Company Secretary and Administrator, Deputy Administrator, Project Support and Business Communications Officer, and Team P.A. During the year they were joined by the Consumer Co-ordinator, a new role designed to assimilate and support the work of healthcare consumers and their representatives better within the Collaboration.

The Cochrane Editorial Unit (based in London, UK)

The Editor in Chief is supported by the Senior Editor, Scientific Editor, Editor, Programme Development Manager, Information Specialist and P.A. During the year they were joined by the Methods Co-ordinator, a new role designed to support and co-ordinate the work of methodologists better within the Collaboration. Working closely with the editorial teams of Cochrane Review Groups, the Editor in Chief is responsible for:

- developing, implementing, and directing the editorial policies and vision of *The Cochrane Library* in relation to the vision and objectives of the Collaboration;
- improving the quality in the editing process and product with respect to scientific content;
- providing a strong and visionary lead for conceptualising and developing new products derived from Cochrane Reviews; and
- acting as the main focus for this work, and for applying ethical and scientific standards consistent with the goals of the Collaboration.

THE COCHRANE COLLABORATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

Cochrane Entities

Fourteen geographical Centres (the fourteenth Centre, the French Cochrane Centre, was registered in June 2010) have oversight for the devolved activities of the Cochrane Entities (individual operating units of The Cochrane Collaboration) geographically or linguistically linked to their remit, such as:

- Cochrane Review Groups (CRGs, which facilitate the preparation, by volunteers, of Cochrane Reviews, the Charity's main output – see section 2, 'Objectives and Activities').
- Fields (which represent issues relevant to more than one CRG, including healthcare consumers).
- Methods Groups (whose members develop appropriate methodologies for Cochrane Review preparation).

Each Cochrane Entity has a devolved management team appropriate to its function. For CRGs this normally consists of a Co-ordinating Editor (commonly a senior healthcare professional such as a Professor or Senior Consultant with extensive knowledge of the healthcare area concerned), a Managing Editor, a Trials Search Co-ordinator, and administrative support. These people are in turn supported by a team of editors, review authors, journal handsearchers (who collate reports of relevant controlled trials), and specialist support is provided by statisticians, other methodologists, healthcare consumers and healthcare experts.

Risk Management

The board of trustees has considered the principal risks to which The Cochrane Collaboration is exposed. It uses a risk management matrix to set out and evaluate the major risks, their likely impact, and the steps taken to mitigate risk, and further action that could be taken. This matrix was updated on 25 May 2011.

The key risks are considered to be:

- The catastrophic loss of core publishing income, which funds the Collaboration's core activities.
- The risk of publishing a Cochrane Review containing significant errors that might affect public safety.

Contingency plans have been developed to manage both of these events.

Induction and Training of Trustees

The Secretariat inducts new trustees into their responsibilities as members of the Board by sending them an extensive collection of materials in advance of their joining the Board. These materials include such documents as the Memorandum and Articles of Association, the most recent approved Report and Financial Statements, descriptions of the Steering Group's sub- and advisory committees (some of which they will join), an organisational chart, minutes of several previous trustees' meetings, the charity's strategic plan and key policies, the table of risk assessment, information on and a claim form for expense reimbursement, etc.

2. Objectives and Activities

Legal Objects

The legal objects of the charity, as defined in the Memorandum and Articles of Association, are:

"The protection and preservation of public health through the preparation, maintenance and dissemination of systematic reviews of the effects of health care, for the public benefit."

Significant Activities

The charity has undertaken the following major activities in the year:

- Preparation of Cochrane Reviews.
- Dr David Tovey, Editor in Chief, has primary responsibility for the publication of Cochrane Reviews and related products, and for their continuing high quality.
- The following were published during the past year:
 - 550 new protocols for forthcoming Cochrane Reviews
 - 389 new Cochrane Reviews
 - 449 updated Cochrane Reviews (new citation versions)
- Dissemination of output: Providing free at the point of use one-click access to more of the world's population remains one of our goals. Around half the world's population now has free at the point of use one-click access to our output through various provisions. Considerable progress has been made in developing new ways in which people can access Cochrane outputs, and new products are expected to be launched in 2012.
- International conferences: The Cochrane Collaboration's annual conference - the 'Colloquium' - was held in Keystone, Colorado, USA, in October 2010 and was attended by 835 people from 53 countries.

THE COCHRANE COLLABORATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

- New methodological development: Development has continued to improve the presentation of Cochrane Reviews; a Methods Co-ordinator has been appointed to co-ordinate these activities better.

Contribution of volunteers

The charity makes extensive use of volunteers, with more than 28,000 people from 116 countries currently volunteering their time. Amongst their many contributions, volunteers were involved in the following activities:

- Developing the knowledge base and tools for facilitating preparation of The Cochrane Collaboration's outputs.
- Preparation of The Cochrane Collaboration's outputs through handsearching of scientific journals, authorship of Cochrane reviews and editorials, editorial activities such as peer review and refereeing, and other related activities.
- Dissemination of The Cochrane Collaboration's ethos and outputs through conference presentations, symposia, scientific papers, and related activities.
- Engagement of healthcare consumers in The Cochrane Collaboration's activities.

It is impossible to calculate the monetary value of volunteers' contributions, but if the work they perform were to be done at commercial rates their contributions would cost tens of millions of pounds per year.

Aims of the Charity

The aims of the charity are as follows:

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.

The Cochrane Collaboration's vision is that healthcare decision-making throughout the world will be informed by high quality, timely research evidence. The Cochrane Collaboration will play a pivotal role in the production and dissemination of this evidence across all areas of health care.

Main objectives for the year

The main objectives for the year were:

- To ensure high quality Cochrane Reviews are available across a broad range of healthcare topics.
- To promote access to Cochrane Reviews and the other products of The Cochrane Collaboration.
- To ensure an efficient, transparent organisational structure and management system for The Cochrane Collaboration.
- To achieve sustainability of The Cochrane Collaboration.

This was achieved by pursuing the following goals:

Goal 1: To ensure high quality Cochrane Reviews are available across a broad range of healthcare topics, by:

- Broadening consumer participation.
- Identifying procedures to update reviews.
- Continuously improving the software.
- Updating the Cochrane Handbook of Systematic Reviews for Interventions.
- Liaising with methodologists about priority areas for research.
- Avoiding duplication of effort (i.e. in reviews, contact information).
- Expanding low- and middle-income country participation in reviews.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

Goal 2: To promote access to Cochrane Reviews and the other products of The Cochrane Collaboration, by:

- Identifying and responding to the needs of users of reviews.
- Developing plain language summaries for the remaining 20 per cent of reviews without them.
- Ensuring that cost is not a barrier to use, by seeking opportunities to provide global access.
- With Wiley-Blackwell, developing a marketing strategy for reviews that includes promotion and public relations.
- Raising awareness and demand within potential user groups, including those communities for whom English is not the first language.
- Reviewing the success of the publication arrangements for The Cochrane Collaboration's output, and taking action as appropriate.

Goal 3: To ensure an efficient, transparent organisational structure and management system for The Cochrane Collaboration, by:

- Taking stock annually to ensure that the organisational focus supports the core function of preparing, maintaining and promoting the accessibility of reviews.
- Identifying and defining the relationships among the various entities and advisory groups within The Cochrane Collaboration.
- Establishing clear lines of reporting between the entities, the Steering Group and its advisory groups.
- Ensuring that entities adhere to the practices and policies of The Cochrane Collaboration.
- Developing appropriate information management systems.
- Establishing and maintaining an up-to-date, evidence-based, user-friendly website.
- Ensuring accurate dissemination of information about The Cochrane Collaboration via CCInfo and Cochrane News.
- Developing and implementing a strategy for establishing alliances with major international organisations.

Goal 4: To achieve the sustainability of The Cochrane Collaboration, by:

- Ensuring an adequate income stream for The Cochrane Collaboration.
- Developing mechanisms to enhance training and career development.
- Evaluating and reviewing the Strategic Plan every three years.

3. Achievements and Performance

Review of Activities in the year

Significant progress has continued to be made against the Collaboration's objectives, as defined above. The major focus has remained the development of our response to the Strategic Review of the Collaboration, conducted by Jeremy Grimshaw and his team in 2008, and reported on in 2009. Initiatives under way and to which considerable resources have been allocated, include:

- Embedding our Editor in Chief into our procedures and structures, and expanding his team appropriately, to ensure that our published product, principally Cochrane Reviews, remains of the highest quality, and of relevance to key audiences including policy makers, healthcare consumers, and healthcare practitioners.
- Revising our governance arrangements to ensure that our trustees are in the best position to undertake their governance role on behalf of the Collaboration. Of particular note was the implementation of the decision taken in March 2010 to revise our committee structure to ensure that it is fit for purpose for the next decade, and to reduce the size of the board of trustees whilst at the same time realigning its focus on core responsibilities, ensuring a clear fit between purpose and structure.
- Formally adopting a new structure of entity 'Executives', providing a more manageable co-ordination and communication structure for our main collaborating groups.
- Developing sets of core competencies for those involved in our processes and governance structures, due to be finalised in late 2011.
- Finalising our additional purpose of education and training by developing a new strategic training policy and plan, adopted in October 2010.
- Examining the scope for additional new products in line with our charitable objectives, increasing the accessibility of Cochrane Reviews to different audiences.
- Revising our approach to marketing and communication, and engaging a consultancy firm to help develop a new strategy.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

- During the year The Cochrane Collaboration was accepted into official relations with the World Health Organization, and was represented at the 2011 World Health Assembly in Geneva.
- At the end of the financial year we held a strategic session to consider the support we offer, and the work we conduct, in and with lower- and middle-income countries, and with people in countries where we are under-represented. The deliberations of this session will be translated into action plans for how we can develop our work better in these areas.

Fundraising performance

The Cochrane Collaboration's core income is derived principally from publication royalties from its main output, *The Cochrane Library*, published on its behalf by John Wiley & Sons, Ltd. During 2010-11 the income from this source remained steady compared to 2009-10, reflecting or perhaps exceeding expectations based on global economic conditions.

4. Financial Review

Reserves Policy

The aim of the reserves policy is to accumulate sufficient funds to enable us to achieve our long-term strategic aims, and then to allocate these funds to projects of Collaboration-wide impact over single- or multi-year projects as required. We have a strategic plan of work going forward that is managed through our cash flow forecast, which details known and expected annual expenditure over the next decade. In addition to the known and expected items of expenditure there are a number of expected projects that have not yet been costed, such as new product development, increased support to resource-poor settings, and expanding our training provision, which are expected to entail considerable outlay. Taking these into account, it is judged that there are sufficient resources to allow us to achieve our strategic aims over the next few years, whilst still being able to react flexibly to and take advantage of opportunities as they arise.

It is also the policy of the trustees to have a contingency plan for maintaining the Collaboration's basic functions for twelve months in the event of the loss of core income from publishing. The resources necessary to enact the contingency plan are reviewed on an annual basis. For the year 2010-11, the level of the contingency fund was set at £748,000.

Agreed payments for the projects funded by the fourth and final round of the Collaboration's Opportunities Fund began in the year 2010-11, with all invoices for older projects settled as final reports were received. The Steering Group had agreed at its meeting in Auckland, New Zealand, in March 2010 to discontinue the Opportunities Fund on completion of the fourth round, considering that it was not contributing sufficiently to achieving the Collaboration's strategic goals. Instead, core funds will be directed at programmes considered of key strategic importance, including *Cochrane Training* and *Cochrane Methods*. These initiatives will include budgets allocated by application to groups conducting research, development, training and advocacy projects in relevant subject areas.

Discretionary Fund

A Fund to the value of £15,000 per year was designed to facilitate small projects of general benefit to a majority of the Collaboration's entities. Three projects received funding this year:

- Costs of a meeting in Milan, Italy, to address the handling of comparison of multiple interventions in Cochrane Reviews.
- Costs of a workshop in Ottawa, Canada, on including non-randomized studies in Cochrane Reviews.
- Development of a guide for authors on involving consumers in Cochrane Reviews.

Other designated funds are set out in the notes to these financial statements.

Funds in deficit

There were no funds in deficit in the year.

Investment policy

The Cochrane Collaboration has no investments other than deposit accounts. 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 ten-day notice periods on these accounts. Commitments have been continued to sponsor registration fees (one per entity) for the Colloquium, to develop and maintain The Cochrane Collaboration

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

website, and for the substantial development of The Cochrane Collaboration's Information Management System, including maintaining a small team of people to support the editorial bases of Cochrane Review Groups in implementing the system (the IMS Support team).

Principal funding sources

Funding model

Core income referred to in this report comes from publishing income, as described above ('Fundraising performance'). The groups ('entities') who contribute towards the work of The Cochrane Collaboration are principally based within other organisations such as universities and hospitals, and as such are responsible for their own funding. Their funding model is described below.

Most of The Cochrane Collaboration's funding for Cochrane Review preparation and related activities comes from government and institutional sources, and from the in-kind contributions of health professionals, researchers and their employers. Funding derived from subscriptions to and sales of *The Cochrane Library* are used to invest in core activities such as software development (in partnership with other funders such as the Nordic Cochrane Centre, for which the Collaboration is deeply grateful) and in projects of Collaboration-wide application. This allows national funders to fund activities in their own country, and international activities benefiting many countries to be funded through international income.

The main sources of income for individual entities, as reported to the Monitoring and Registration Committee, are as follows:

- National and trans-national government funding (including EU), typically from health and related ministries (79%);
- National and international charitable body funding (8%);
- Sale of products (including *The Cochrane Library*, derivatives, books, etc.) (6%);
- International organisation funding, e.g. WHO (2%);
- Non-pharmaceutical sponsorship funding (<1%);
- Conferences (including colloquia and symposia) (1%); and
- Host institution in-kind funding (3%).

Funds are currently available for the day-to-day operations of most of The Cochrane Collaboration's Review Groups and Centres. However, a number of these face severe financial pressures such as meeting the cost of salary increases arising from linked third-party pay awards (e.g. NHS pay awards in the UK), and others are struggling to maintain all or part of their funding.

Policy on commercial sponsorship

After a period of extensive consultation during 2004, there was overwhelming consensus that The Cochrane Collaboration should maintain a clear barrier between the production of Cochrane Reviews and any funding from commercial sources with financial interests in the conclusions of the reviews. Thus, sponsorship of a Cochrane Review by any commercial source or sources is prohibited. A Foundation Fund was established in 2005 to accept donations from conflicted sources. (A 'commercial source' is any for-profit manufacturer or provider of health care, or any other for-profit source with a real or potential vested interest in the findings of a specific review.) Whilst government departments, not-for-profit medical insurance companies and health management organisations may find the conclusions of Cochrane Reviews carry financial consequences for them, these are not included in this definition. Also not included are for-profit companies that do not have real or potential vested interests in Cochrane Reviews (e.g. banks).

Other sponsorship is allowed, but a sponsor should not be allowed to delay or prevent publication of a Cochrane Review, or to interfere with the independence of the authors of reviews in regard to the conduct of their reviews, and the protocol for a Cochrane Review should specifically mention that a sponsor cannot prevent certain outcome measures being assessed in the review.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

5. Plans for the future

Over the next few years the Collaboration will continue to consider and implement the recommendations of the Strategic Review, which summarises that The Cochrane Collaboration needs:

Clarity of purpose, and should:

- Reaffirm our primary purpose to be the production of systematic reviews.
- Formalise additional purposes including training, methods development and advocacy for evidence-based decision-making and identify the responsibilities of entities for these.
- Identify principles for developing new products or lines of activity.

Engagement of partners for mutual benefits, and should:

- Develop a Marketing and Communications Strategy to promote external and internal awareness of the value arguments for and achievements of The Cochrane Collaboration.
- Improve the usability of *The Cochrane Library* and other products for diverse stakeholders.
- Develop a partnership strategy to engage other systematic review producers and knowledge packagers.
- Establish formal membership for its contributors.
- Establish an External Advisory Board.

New resource options for supporting strategic objectives, and should:

- Invest in a development function for new products or lines of activities.
- Investigate the development of a broad-based educational program (*'Cochrane Education'*).
- Investigate the development of a responsive review program (*'Cochrane Response'*).
- Acknowledge the reality of our current infrastructure funding model and work to maintain it.
- Explore and pursue new funding opportunities.

Management, accountability and effective leadership, and should:

- Clarify the roles and responsibilities of its scientific/professional, managerial and editorial leadership.
- Develop and implement a formal succession planning mechanism for entity leadership.
- Develop and implement performance appraisal mechanisms for entity leaders.
- Enhance accountability mechanisms of entities to ensure core functions are met and Collaboration policies are implemented.
- Develop and implement policy for minimal competencies for review author teams.
- Develop and implement central decision-making processes that clearly identify communication, implementation and monitoring plans.
- Review the membership of the Cochrane Collaboration Steering Group (CCSG) and its alignment with the purposes of the Collaboration.
- Define required competencies for CCSG membership and induction and ongoing training for CCSG members.
- Review terms of reference and membership of CCSG Sub-Groups and Advisory Groups.

'Strategic thinking' embedded at all levels, and at all times, in the Collaboration, and should:

- Undertake a formal environmental scan every two to three years.
- Use uncommitted income strategically to develop new products/lines of activity.
- Review terms of reference, and number and geographic spread of Cochrane entities to ensure efficient alignment with the purposes of the Collaboration.
- Develop an ongoing and participatory approach to strategy formation.

Public benefit statement

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

To deliver high quality healthcare services, medical and allied health professionals depend on high quality information about the effects and effectiveness of the healthcare interventions available to meet population or individual healthcare needs. Healthcare consumers and healthcare consumers need to be able to make valid choices between the various

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (continued)

options open to them, in order to facilitate dialogue between patient and provider. 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 The Cochrane Collaboration therefore relates to the advancement of health and the saving of lives, by assimilating, on behalf of the world's population, the results of multiple clinical trials relating to individual treatments, and then presenting these results in a single scientific paper (a 'Cochrane Review'), formulated to be accessible to both healthcare consumer and practitioner.

The secondary public benefit relates to the advancement of education. Producing hundreds of Cochrane Reviews each year requires the assistance of thousands of volunteers. In fact, around 28,000 people now contribute their time to this task, principally health professionals, patients and their representatives, and academics. These volunteers need to be trained in the advanced techniques necessary for the work, and so international educational initiatives train upwards of 3,500 people each year in Cochrane techniques.

Statement of Trustees' responsibilities

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

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

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

Statement of disclosure to auditors

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

Auditors

The auditors, Mazars LLP, have signified their willingness to continue in office. A resolution to re-appoint them as auditors will be proposed at the forthcoming annual general meeting.

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

.....
Dr D Gillies
Trustee and Treasurer

Date:

THE COCHRANE COLLABORATION

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

We have audited the financial statements of The Cochrane Collaboration for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Consolidated Statement of Financial Activities, the Charity and Group Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also the directors of the charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's and group's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

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

Date:

THE COCHRANE COLLABORATION

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2011

Charity only (see over for group accounts)

		Restricted £	Designated £	Unrestricted £	2011 £	2010 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary Income	3	311,364	10,831	85,339	407,534	72,469
Investment Income	4	699	-	2,450,263	2,450,962	2,261,725
Incoming resources from charitable activities						
	6	-	-	-	-	6,381
Total Incoming Resources		<u>312,063</u>	<u>10,831</u>	<u>2,535,602</u>	<u>2,858,496</u>	<u>2,340,575</u>
RESOURCES EXPENDED						
Costs of Generating Funds	7	-	-	194,685	194,685	152,042
Charitable Activities	8	172,524	102,381	1,441,266	1,716,171	1,200,433
Governance Costs	9	-	-	256,146	256,146	248,852
Total Resources Expended		<u>172,524</u>	<u>102,381</u>	<u>1,892,097</u>	<u>2,167,002</u>	<u>1,601,327</u>
Net (Outgoing)/Incoming Resources Before Transfers		139,539	(91,550)	643,505	691,494	739,248
Fund Transfers	15	25,000	5,657	(30,657)	-	-
Net (Outgoing)/Incoming Resources		164,539	(85,893)	612,848	691,494	739,248
Reconciliation of funds						
Total funds brought forward at 1 April		<u>100,437</u>	<u>140,991</u>	<u>2,584,667</u>	<u>2,826,095</u>	<u>2,086,847</u>
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH	15,16	<u>264,976</u>	<u>55,098</u>	<u>3,197,515</u>	<u>3,517,589</u>	<u>2,826,095</u>

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

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

The funds carried forward at 31 March 2011 of £3,517,589 differ from the consolidated funds of £3,517,066 on page 12 due to the net reserves retained in the trading subsidiary, Collaboration Trading Company Limited.

The notes on pages 14 to 23 form part of these accounts.

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2011

		Restricted	Designated	Unrestricted	Group	Group
	Note	£	£	£	31 March 2011	31 March 2010
		£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary Income	3	311,364	10,831	85,339	407,534	72,469
Investment Income	4	699	-	32,186	32,885	32,554
Incoming resources from charitable activities						
	6	-	-	2,454,166	2,454,166	2,427,578
Total Incoming Resources		<u>312,063</u>	<u>10,831</u>	<u>2,571,691</u>	<u>2,894,585</u>	<u>2,532,601</u>
RESOURCES EXPENDED						
Costs of Generating Funds						
	7	-	-	194,685	194,685	192,223
Charitable Activities	8	172,524	102,381	1,441,266	1,716,171	1,285,569
Governance Costs	9	-	-	292,721	292,721	315,561
Total Resources Expended		<u>172,524</u>	<u>102,381</u>	<u>1,928,672</u>	<u>2,203,577</u>	<u>1,793,353</u>
Net Incoming/(Outgoing) Resources Before Transfers						
		139,539	(91,550)	643,019	691,008	739,248
Funds Transfers	15,16	25,000	5,657	(30,657)	-	-
Net Incoming/(Outgoing) Resources		<u>164,539</u>	<u>(85,893)</u>	<u>612,362</u>	<u>691,008</u>	<u>739,248</u>
Reconciliation of funds						
Total funds brought forward at 1 April		<u>100,437</u>	<u>140,991</u>	<u>2,584,630</u>	<u>2,826,058</u>	<u>2,086,810</u>
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH						
	15,16	<u>264,976</u>	<u>55,098</u>	<u>3,196,992</u>	<u>3,517,066</u>	<u>2,826,058</u>

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

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

The notes on pages 14 to 23 form part of these accounts.

THE COCHRANE COLLABORATION

BALANCE SHEETS
As at 31 March 2011

COMPANY NO. 3044323

	Note	Cochrane Collaboration 31 March 2011 £	Group 31 March 2011 £	Cochrane Collaboration 31 March 2010 £	Group 31 March 2010 £
FIXED ASSETS					
Fixtures, Fittings & Equipment	11	14,951	17,807	10,699	15,090
Investments	12	1,100	1,000	1,100	1,000
		<u>16,051</u>	<u>18,807</u>	<u>11,799</u>	<u>16,090</u>
CURRENT ASSETS					
Debtors	13	933,175	662,904	1,293,713	680,937
Cash at bank and in hand		2,907,917	3,294,935	1,779,092	2,512,768
		<u>3,841,092</u>	<u>3,957,839</u>	<u>3,072,805</u>	<u>3,193,705</u>
CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR					
	14	(339,554)	(459,580)	(258,509)	(383,737)
		<u>3,501,538</u>	<u>3,498,259</u>	<u>2,814,296</u>	<u>2,809,968</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>3,517,589</u>	<u>3,517,066</u>	<u>2,826,095</u>	<u>2,826,058</u>
INCOME FUNDS					
Restricted funds	15	264,976	264,976	100,437	100,437
Unrestricted funds:					
Designated	16	55,098	55,098	140,991	140,991
Other unrestricted		3,197,515	3,196,992	2,584,667	2,584,630
	17	<u>3,517,589</u>	<u>3,517,066</u>	<u>2,826,095</u>	<u>2,826,058</u>

The notes on pages 14 to 23 form part of these accounts.

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

Approved and authorised for issue by the Trustees and signed on their behalf by

Dr D Gillies
Trustee and Treasurer

Date:

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

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 Charity Commission in 2005 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 (i.e. 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 (i.e. when it is virtually certain that the income will be received) under Gift Aid from the subsidiary undertaking, Collaboration Trading Company Limited, and is recognised on a receivable basis (i.e. when the income is earned).

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

Investment income, representing amounts received from subsidiary and bank interest earned, is recognised on a receivable basis (i.e. 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 apart from salary costs for Secretariat staff which are apportioned evenly 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

Investments in subsidiary undertakings are included at cost.

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

f) Basis of Consolidation

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

Amounts disclosed in the accounts under the Trading 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 donors. These are classified under "restricted funds". The charity holds funds which have been internally designed for specific purposes. These are classified under "designated funds".

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.

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

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.

k) Operating leases

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

l) Financial Commitments

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

m) Liabilities

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

n) Governance Costs

Expended resources are recognised as governance costs where they relate to the oversight of the charity.

2. SURPLUS FOR THE FINANCIAL YEAR

	Cochrane Collaboration 2011 £	Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
The surplus is after charging:				
Auditors' remuneration – audit services	3,500	1,500	5,000	5,000
	<u>3,500</u>	<u>1,500</u>	<u>5,000</u>	<u>5,000</u>

3. VOLUNTARY INCOME

	Restricted £	Designated £	Unrestricted £	Cochrane Collaboration 2011 £	Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
Donations	311,364	10,831	85,339	407,534	-	407,534	72,469
	<u>311,364</u>	<u>10,831</u>	<u>85,339</u>	<u>407,534</u>	<u>-</u>	<u>407,534</u>	<u>72,469</u>

4. INVESTMENT INCOME

	Cochrane Collaboration 2011 £	Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
Bank interest	27,545	5,340	32,885	32,554
	<u>27,545</u>	<u>5,340</u>	<u>32,885</u>	<u>32,554</u>

Investment income in the Charity Statement of Financial Activities of £2,450,962 (2009 - 2010: £2,261,725) also includes monies receivable from Collaboration Trading Company Limited for donations made under Gift Aid.

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

5. TAXATION

The Cochrane Collaboration is a registered charity, and is therefore not liable to pay corporation tax on its charitable activities. The Collaboration Trading Company 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 is considered for donation on an annual basis. On this basis, no provision has been made for corporation tax.

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Cochrane Collaboration 2011 £	Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
Unrestricted funds				
Royalties from subscriptions to and sales of The Cochrane Library and other income	-	2,454,166	2,454,166	2,421,197
Other income	-	-	-	6,381
	<u>-</u>	<u>2,454,166</u>	<u>2,454,166</u>	<u>2,427,578</u>

Donations made from Collaboration Trading Company Limited to The Cochrane Collaboration under Gift Aid are included in the charity's income as Investment Income and are shown in note 4.

7. COSTS OF GENERATING FUNDS

	Restricted 2011 £	Designated 2011 £	Unrestricted 2011 £	Cochrane Collaboration 2011 TOTAL £	Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
Meeting expenses	-	-	31,986	31,986	-	31,986	179
Staff salaries	-	-	90,480	90,480	-	90,480	86,123
Editorial costs	-	-	72,219	72,219	-	72,219	105,921
	<u>-</u>	<u>-</u>	<u>194,685</u>	<u>194,685</u>	<u>-</u>	<u>194,685</u>	<u>192,223</u>

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

8. COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITABLE OBJECTIVES

	Restricted 2011 £	Designated 2011 £	Unrestricted 2011 £	Cochrane Collaboration 2011 TOTAL £	Cochrane Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
Awards, Fellowships & Prizes							
Chris Silagy Prize	-	-	-	-	-	-	2,242
Bill Silverman Prize	627	-	-	627	-	627	2,386
Kenneth Warren Prize	8,304	-	-	8,304	-	8,304	-
Aubrey Sheiham Scholarship	5,438	-	-	5,438	-	5,438	6,089
Thomas C Chalmers Award	630	-	-	630	-	630	614
Total Awards, Fellowships & Prizes	14,999	-	-	14,999	-	14,999	11,331
Consumables	-	-	-	-	-	-	11,498
EUNetHTA Grant	-	-	-	-	-	-	3,974
WHO Vitamin A Project	11,578	-	-	11,578	-	11,578	-
WHO Influenza Project	9,348	-	-	9,348	-	9,348	-
NHS Updating Project	111,708	-	-	111,708	-	111,708	-
Evidence Aid	24,891	-	-	24,891	-	24,891	-
Office running costs	-	-	46,671	46,671	-	46,671	44,795
Designated grants (note 16)	-	102,381	-	102,381	-	102,381	117,028
Grants	-	-	635,787	635,787	-	635,787	496,579
IMS Support team	-	-	86,176	86,176	-	86,176	97,847
Legal fees	-	-	1,418	1,418	-	1,418	778
Meeting expenses	-	-	22,394	22,394	-	22,394	23,030
Staff salaries	-	-	520,886	520,886	-	520,886	345,483
Website and Communications	-	-	127,934	127,934	-	127,934	133,226
	172,524	102,381	1,441,266	1,716,171	-	1,716,171	1,285,569

Items of negative expenditure, shown in parentheses, represent projects committed and provided in prior years where the actual costs were lower than originally provided. Overprovided amounts have been released to the Statement of Financial Activities in the year.

Grants were made to the following projects:

	2011 £	2010 £
IMS Project Grant	330,990	234,317
The Cochrane Library – Complimentary subscriptions	4,554	4,978
La Biblioteca Cochrane Plus translation	-	20,480
Diagnostic Test Reviews Support Unit	10,239	36,864
Diagnostic Test Accuracy Register	47,763	38,089
Cochrane Register of Studies	195,886	68,740
Sponsored Entity Registrations 2010	43,079	38,587
CENTRAL Interim Measures	27,042	20,322
Other amounts individually less than £25,000	31,127	34,202
Refund for costs of complimentary subscriptions in prior years	(54,893)	-
	635,787	496,579

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

9. GOVERNANCE COSTS

	Cochrane Collaboration TOTAL £	Collaboration Trading Co. TOTAL £	Group 2011 £	Group 2010 £
Advisory group costs	19,008	-	19,008	14,626
Audit and accountancy	5,000	12,531	17,531	12,268
Bank interest and charges	1,206	693	1,899	2,473
Insurance	4,278	-	4,278	2,479
Legal and professional	-	5,961	5,961	50
Meeting expenses	136,174	1,520	137,694	163,717
Printing, postage and stationery	-	4,537	4,537	4,173
Office running costs	-	10,597	10,597	12,107
Colloquium – support costs	-	-	-	5,275
Staff salaries	90,480	-	90,480	86,123
Telephone	-	736	736	12,270
	<u>256,146</u>	<u>36,575</u>	<u>292,721</u>	<u>315,561</u>

All governance expenditure is from unrestricted funds.

10. TOTAL STAFF COSTS

	Cochrane Collaboration 2011 £	Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
Wages and salaries	618,634	-	618,634	473,964
Social security costs	61,510	-	52,891	43,765
Pension costs	21,702	-	30,321	-
	<u>701,846</u>	<u>-</u>	<u>701,846</u>	<u>517,729</u>

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

	Cochrane Collaboration 2011 £	Collaboration Trading Co. 2011 £	Group 2011 £
Costs of generating funds	90,480	-	90,480
Costs in Furtherance of the Charity's objectives	520,886	-	520,886
Governance costs	90,480	-	90,480
	<u>701,846</u>	<u>-</u>	<u>701,846</u>

2 employees received emoluments in excess of £60,000 during the year (2009 - 2010: 2)

>£80,000<£85,000	1
>£140,000<£145,000	1

Employers pension contributions to defined contribution pensions schemes for employees with emoluments in excess of £60,000 during the year was £12,143 (2009 - 2010: £nil).

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

10. TOTAL STAFF COSTS (continued)

	Cochrane Collaboration 2011 £	Collaboration Trading Co. 2011 £	Group 2011 £	Group 2010 £
The average number of employees analysed by function was:				
Management	7	-	-	4
Finance	2	-	-	2
Administration	2	-	-	2
	<u>11</u>	<u>-</u>	<u>-</u>	<u>8</u>

Trustees' remuneration and expenses

The trustees received no remuneration during the year, apart from reimbursement for attendance at trustees' meetings in furtherance of their duties of £43,321 (2009-2010: £147,332). One trustee's employer was also reimbursed for their work as a member of the IMS Support team (see note 8).

Professional indemnity insurance was purchased in the year for £3,318 (2009-2010: £1,860).

11. FIXED ASSETS

	Collaboration			Group		
	Computer Equipment £	Fixtures & Fittings £	Total £	Computer Equipment £	Fixtures & Fittings £	Total £
Cost						
As at 1 April 2010	6,823	6,416	13,239	23,263	18,138	41,401
Additions	5,586	2,800	8,386	6,418	3,112	9,530
Disposals	-	-	-	(396)	-	(396)
As at 31 March 2011	<u>12,409</u>	<u>9,216</u>	<u>21,625</u>	<u>29,285</u>	<u>21,250</u>	<u>50,535</u>
Depreciation						
As at 1 April 2010	1,605	935	2,540	15,640	10,671	26,311
Charge for the year	2,360	1,774	4,134	3,685	2,732	6,417
Disposals	-	-	-	-	-	-
As at 31 March 2011	<u>3,965</u>	<u>2,709</u>	<u>6,674</u>	<u>19,325</u>	<u>13,403</u>	<u>32,728</u>
Net book value						
As at 31 March 2011	<u>8,444</u>	<u>6,507</u>	<u>14,951</u>	<u>9,960</u>	<u>7,847</u>	<u>17,807</u>
As at 31 March 2010	<u>5,218</u>	<u>5,481</u>	<u>10,699</u>	<u>7,623</u>	<u>7,467</u>	<u>15,090</u>

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

12. FIXED ASSETS INVESTMENTS

	Cochrane Collaboration 2011 £	Group 2011 £	Cochrane Collaboration 2010 £	Group 2010 £
Investment in Collaboration Trading Company Limited	100	-	100	-
Other investments	1,000	1,000	1,000	1,000
	<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 £-422, following a loss for the year of £484.

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

13. DEBTORS

	Cochrane Collaboration 2011 £	Group 2011 £	Cochrane Collaboration 2010 £	Group 2010 £
Prepayments and accrued income	35,897	574,196	19,176	616,340
Amount due from subsidiary	819,374	-	1,210,950	-
Other debtors	56,420	64,912	63,587	64,597
Trade debtors	21,484	23,796	-	-
	<u>933,175</u>	<u>662,904</u>	<u>1,293,713</u>	<u>680,937</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Cochrane Collaboration 2011 £	Group 2011 £	Cochrane Collaboration 2010 £	Group 2010 £
Trade creditors	124,296	136,813	-	-
Social security and other taxation	21,469	21,469	-	14,159
VAT creditors	-	104,654	13,222	2,446
Accruals and deferred income	193,789	196,644	245,287	367,132
	<u>339,554</u>	<u>459,580</u>	<u>258,509</u>	<u>383,737</u>

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

15. RESTRICTED FUNDS

	Balance as at 1 April 2010 £	Incoming Resources £	Utilised/ Expenditure £	Transfer between funds £	Balance as at 31 March 2011 £
Kenneth Warren Prize	25,862	-	(8,304)	-	17,558
Bill Silverman Prize	2,046	-	(627)	-	1,419
Wellcome Trust	6,247	-	-	-	6,247
Thomas C Chalmers Award	4,414	-	(630)	-	3,784
Aubrey Sheiham Scholarship	61,868	699	(5,438)	-	57,129
WHO Vitamin A project	-	27,000	(11,578)	-	15,422
HTA Influenza project	-	11,807	(9,348)	-	2,459
NHS updating project	-	147,875	(111,708)	-	36,167
Evidence Aid	-	124,682	(24,891)	25,000	124,791
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Charity and Group	100,437	312,063	(172,524)	25,000	264,976
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

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

The Wellcome Trust funded a short-term project to assess the Collaboration's need to archive its written and electronic materials.

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

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

WHO Vitamin A project – A commission from the World Health Organization to update a number of Cochrane Reviews on Vitamin A Supplementation in specific population groups.

HTA Influenza project – A grant awarded by the NIHR as part of the HTA programme to support a review team evaluating the effects of neuraminidase inhibitors in influenza.

NHS updating project – A grant received as part of the NHS Engagement Award; its main focus was to develop and circulate recommendations aimed at improving Cochrane Review Group/Author performance in updating Cochrane Reviews.

Evidence Aid – An initiative to improve access to information for people and organisations facing health and healthcare challenges arising in natural disasters and other large-scale health emergencies and crises. A transfer of £25,000 was made from unrestricted funds in the year, to cover specific costs incurred in assessing whether the project was feasible.

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

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

16. DESIGNATED FUNDS

	Balance as at 1 April 2010 £	Transfers and new designations £	Utilised/ Expenditure £	Balance as at 31 March 2011 £
Discretionary Fund	15,000	5,657	(5,657)	15,000
Prioritisation Fund	13,184	-	-	13,184
Opportunities Fund	95,181	-	(80,075)	15,106
Colloquium Fund	17,626	10,831	(16,649)	11,808
	<u>140,991</u>	<u>16,488</u>	<u>(102,381)</u>	<u>55,098</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 is restricted to £5,000 (exclusive of any administration charges).

A transfer has been made from the unrestricted reserves to increase the balance back up to £15,000 at the year end following expenditure of £5,657 from the fund in the year.

Agreed payments for the projects funded by the fourth and final round of the Collaboration's Opportunities Fund began in the year 2010-11, with all invoices for older projects settled as final reports were received. The Steering Group had agreed at its meeting in Auckland, New Zealand, in March 2010, to discontinue the Opportunities Fund on completion of the fourth round, considering that it was not contributing sufficiently to achieving the Collaboration's strategic goals. Instead, core funds will be directed at programmes considered of key strategic importance, including *Cochrane Training* and *Cochrane Methods*. These initiatives will include budgets allocated by application to groups conducting research, development, training and advocacy projects in relevant subject areas.

The Colloquium Fund has been established for activities associated with the preparation, administration, oversight, management and reporting related to the organisation of Cochrane Colloquia.

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Charity

	Restricted £	Unrestricted £	Total £
Fixed assets	-	16,051	16,051
Current assets	264,976	3,576,116	3,841,092
Current liabilities	-	(339,554)	(339,554)
	<u>264,976</u>	<u>3,252,613</u>	<u>3,517,589</u>

Group

	Restricted £	Unrestricted £	Total £
Fixed assets	-	18,807	18,807
Current assets	264,976	3,692,863	3,957,839
Current liabilities	-	(459,580)	(459,580)
	<u>264,976</u>	<u>3,252,090</u>	<u>3,517,066</u>

THE COCHRANE COLLABORATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

18. FINANCIAL COMMITMENTS

Operating lease commitments

At 31 March 2011 the charitable company had annual commitments in respect of premises rental as follows:

	Cochrane Collaboration 2011 £	Group 2011 £	Cochrane Collaboration 2010 £	Group 2010 £
Expiry date of premises lease:				
Between two and five years	-	-	-	21,650
Over five years	-	21,650	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other leases:				
Between two and five years	1,485	1,485	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The premises are subject to a rent review in 2016.

Pension Commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £30,321 (2009 - 2010: £nil). Contributions totalling £5,050 (2009 - 2010: £nil) were payable to the fund at the balance sheet date and are included in creditors.

19. RELATED PARTY TRANSACTIONS

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