



# **The Cochrane Collaboration**

(A company limited by guarantee)

## **Report and Financial Statements**

**For the nine month period ended  
31 December 2014**

Company Number 3044323

Charity Number 1045921

31 December 2014

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**THE COCHRANE COLLABORATION**  
**TRUSTEES' REPORT FOR THE NINE MONTH PERIOD ENDED 31 DECEMBER 2014**

The Trustees of The Cochrane Collaboration, who are also directors for the purpose of company law, present their report and financial statements for the period ended 31 December 2014.

**Reference and Administration**

Charity name: The Cochrane Collaboration

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

Auditors: Mazars LLP  
Chartered Accountants and Statutory 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

## Trustees

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

Dr L Bero (Co-Chair)  
Prof C Farquhar (Co-Chair, appointed 25 September 2014)  
Prof J Grimshaw (Co-Chair, resigned 25 September 2014)  
Prof A Atallah (appointed 25 September 2014)  
Mrs S Bell-Syer (resigned 25 September 2014)  
Prof M Burton (Treasurer, appointed 25 September 2014)  
Dr R Churchill (resigned 25 September 2014)  
Dr M Davoli (resigned 25 September 2014)  
Ms K Dearness (appointed 25 September 2014)  
Prof C Eccleston (appointed 25 September 2014)  
Ms M Fiander (resigned 25 September 2014)  
Ms A Lyddiatt  
Mr S McDonald (resigned 25 September 2014)  
Dr J Meerpohl (appointed 25 September 2014)  
Ms M Nasser  
Ms ME Schaafsma (Treasurer, resigned 25 September 2014)  
Dr H Schünemann  
Ms E Stovold (appointed 25 September 2014)  
Ms D Thomson  
Ms M Zhang

## Senior Staff

The senior staff of the Charity during the year comprised:

Mr M Wilson, Chief Executive Officer  
Dr D Tovey, Editor in Chief, *The Cochrane Library*  
Mr H Sutherland, Company Secretary, Head of Finance & Core Services  
Mr C Mavergames, Head of Informatics and Knowledge Management  
Ms J Wood, Head of Communications and External Affairs.

## Narrative Report

In March 2014 the Steering Group also decided to align the Charity's financial year to the calendar year format of its annual plans and targets. This Trustees' Report therefore covers the nine-month period 1 April 2014 – 31 December 2014 with all subsequent Trustees' Reports covering the relevant calendar year (2015, 2016 and so on).

### 1. Structure, Governance and Management

#### Nature of Governing Document

The governing documents of The Cochrane Collaboration are the Articles of Association.

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### **Trustee Appointment**

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

### **Organisational Structure**

An elected Steering Group comprising 13 elected Trustees governs The Cochrane Collaboration on behalf of its Members.

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

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

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

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

- 52 subject-based Cochrane Systematic Review Groups facilitate the preparation, by volunteer contributors, of Cochrane Systematic Reviews;
- 16 Methods Groups provide support in methods for research evidence synthesis;
- 14 Cochrane Centres (with responsibility for 26 Branches) in Europe, the Americas, Africa, Asia and Australasia provide a regional focus for the Collaboration's activities; and
- 12 thematic Fields and Networks represent cross-cutting health issues and carry out knowledge translation and advocacy activity.

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

### **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, the steps taken to mitigate risk, and further action that could be taken. The key risk in 2014 was considered to be whether the organization's response to the demands of making the *Cochrane Library* 'Open Access' could substantially reduce Charity revenues; and whether attempts to diversify alternate sources of income

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through investment in a new commercial trading company, Cochrane Innovations, fail to replace these revenues adequately. Contingency plans have been developed to manage all of the identified risks.

## **2. Objectives and Activities**

### **Legal Objects**

The legal objects of the Charity, as defined in its Articles of Association, are: 'the protection and preservation of public health through the preparation, maintenance and promotion of the accessibility of systematic reviews of the effects of health care, for the public benefit.'

### **Vision and Mission of the Charity**

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

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

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

The Charity makes extensive use of volunteers. Amongst their many contributions, volunteers in 2014 were involved in the following activities:

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

### **Strategy to 2020**

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

#### **GOAL 1: PRODUCING EVIDENCE**

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

##### *Objectives to 2020*

##### **HIGH-QUALITY:**

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

##### **RELEVANT:**

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

##### **UP-TO-DATE:**

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

**WIDE COVERAGE:**

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

**PIONEERING METHODS:**

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

**EFFICIENT PRODUCTION:**

- 1.6 We will improve our technology and revise our processes to create more timely, consistent and efficient editorial and production systems.
- 1.7 We will expand our training and capacity-building programmes, promote innovation, and improve the experience of Cochrane Systematic Review production teams to retain and develop our contributor-base.

**GOAL 2: MAKING OUR EVIDENCE ACCESSIBLE**

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

*Objectives to 2020*

**USER-CENTRED DESIGN AND DELIVERY:**

- 2.1 We will put the needs of our users at the heart of our content design and delivery.
- 2.2 We will consult with our users to develop creative and flexible formats and delivery solutions for our content that make it more discoverable, accessible, useful and usable in diverse contexts and settings worldwide.
- 2.3 We will engage with our users to bring the concepts and methodologies of evidence synthesis into mainstream use beyond the research and medical communities, so that people know why and how evidence should be used to inform their health decision-making.

**OPEN ACCESS:**

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

**ACCESSIBLE LANGUAGE:**

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

**MULTI-LINGUAL:**

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

**GOAL 3: ADVOCATING FOR EVIDENCE**

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

*Objectives to 2020*

**GLOBAL PROFILE:**

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

**THE 'HOME OF EVIDENCE':**

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

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

**GLOBAL ADVOCATE:**

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

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

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

**GLOBAL PARTNER:**

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

**GLOBAL IMPACT:**

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

**GOAL 4: BUILDING AN EFFECTIVE & SUSTAINABLE ORGANISATION**

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

*Objectives to 2020*

**INCLUSIVE AND OPEN:**

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

**GLOBAL AND DIVERSE:**

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

**FINANCIALLY STRONG:**

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

**EFFICIENTLY RUN:**

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

**INVESTING IN PEOPLE:**

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

**TRANSPARENTLY GOVERNED:**

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

**ENVIRONMENTALLY RESPONSIBLE:**

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

Following adoption of the *Strategy to 2020* the Central Executive, working with the rest of the organisation, developed the first annual set of targets linked to the Goals and Objectives. These 20 targets were approved by the Steering Group in January 2014 and prioritise Cochrane's work throughout the 2014 calendar year. The monitoring and achievement of these targets will be the principal means through which the Charity measures and reports its progress towards *Strategy to 2020* Goals and Objectives in the coming years. These targets will be reviewed annually with new targets developed as existing ones are completed.



### 3. Achievements and Performance

The *Strategy to 2020* targets established for 2014-15 set out a large and ambitious programme of work for Cochrane, and by the end of 2014 it had completed delivery of half (10) of them with the other half scheduled for completion in 2015. Highlights of Cochrane's achievements in 2014, grouped under the strategic goals include:

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

- Publishing 407 new Cochrane Systematic Reviews, 462 updated Reviews (new citation versions) and 514 new protocols for forthcoming Reviews in the *Cochrane Library*, published by John Wiley & Sons, Ltd. At the end of December 2014 the *Cochrane Library* contained over 6,231 Cochrane Reviews, 2,349 protocols and over 690,000 records in its Central Register of Controlled Trials (CENTRAL).
- These Cochrane Reviews made some particularly important contributions to the health evidence base. The long-awaited Review on the efficacy of the Tamiflu drug generated huge interest but was also the first Cochrane review of clinical study reports. Other noteworthy Reviews studied the impact of asthma medication on growth in children, the relative benefits of two treatments for macular degeneration, and strategies for helping people follow medical prescriptions.
- The Cochrane Database of Systematic Reviews increased its impact factor (as calculated by the Journal Citation Report) to 5.939, ranking it as one of the top 10 medical journals in the world. Its five-year impact factor increased to 6.706. The CDSR also saw an increase in the number of citations (39,856 in 2013) making it the sixth most cited journal in its category.
- After extensive consultation with external stakeholders and its 52 specialist production groups, Cochrane published its first priority Systematic Reviews list, setting out 290 questions and subjects it is prioritizing in the coming years. This priority list will focus Cochrane resources and increase the relevance and topicality of its Reviews. The list will be monitored and updated in the future.
- Cochrane's Editorial Unit (CEU) continued a screening programme that evaluates all ready-for-publication Cochrane Systematic Reviews against the *Methodological standards for the conduct of new Cochrane Intervention Reviews* (the MECIR programme) to ensure they all met the highest quality standards. This informed the development of a prioritised subset of the MECIR standards that were published in late 2014.
- A new methods framework to guide the future Cochrane production of new and existing types of non-standard intervention Systematic Reviews was developed and published.
- The specification and commissioning of a set of new Cochrane Author Support Tools was completed in 2014. Three integrated applications will allow Cochrane to meet the varied needs of its authors: a Cochrane-customised 'Covidence' tool, EPPI-Reviewer, and CRS-D (a central data repository for what is captured in the review process). By the end of 2015, when these tools are in place, the Cochrane author experience will be greatly improved and the time taken to produce a review will be dramatically reduced and our production process made much more efficient.
- The CEU continued to deliver other improvements as part of the *Cochrane Content Publication and Delivery Programme*, a multi-year initiative to enhance the *Cochrane Library* user experience; content creation and quality; dissemination and impact (covering *Strategy to 2020* Goals 1-2).

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

- In 2014 over 5.9 million pdf downloads of Cochrane Systematic Reviews were made from the *Cochrane Library*, with more than 10.1 million abstract page views of Reviews made on Wiley's Online Library and another 4 million page views via Cochrane's *Summaries* site (a portal aimed at consumers and patients providing plain language summaries and abstracts of Reviews that is now integrated within its Cochrane.org home website).

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- Huge steps forward were taken in 2014 to deliver Cochrane's commitment to translate its key content into at least the five other official languages of the World Health Organization (Spanish, French, Russian, Chinese and Arabic); and make it accessible in the same way as English-language content. A new Translation Management System was established to facilitate volunteer 'crowd sourcing' translations and by the beginning of 2015 ten language teams were using it to translate and publish Cochrane Review abstracts and Plain Language Summaries, with another seven teams in initial or testing stages.
- Cochrane is committed to making its Systematic Reviews accessible to all through open access, but in a way that the organisation can sustain and does not undermine its ability to develop and grow in the future. Over 3.6 billion people in 148 countries have free at the point of use access to the *Cochrane Library*, and in 2014 more than 900 Cochrane Reviews became open access for everyone, everywhere. Cochrane made a detailed exploration of potential business models as part of its development of a new 'Open Access Strategy' that will be completed in 2015 after consultations with the organization's key funders and other stakeholders.

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

- After nine months of planning in 2014 Cochrane's new brand identity and Cochrane.org and *Cochrane Library* websites were successfully launched in January 2015.
- The depth and quality of Cochrane's media coverage of its published outputs were transformed in 2014, with highlights being the extensive global coverage of the Cochrane Reviews on Tamiflu in March and on electronic cigarettes facilitating smoking cessation in December. Cochrane's network of international media contacts and relationships expanded enormously, and it also passed a milestone in social media activities when the number of Twitter followers exceeded the 50,000 mark, an increase of more than 15,000 from a year ago.
- Cochrane's existing partnerships with the World Health Organization (with whom Cochrane has an official relationship) and Wikipedia were deepened; and new partnerships made with the Guidelines International Network and The Campbell Collaboration.
- We continued to support the AllTrials initiative campaigning for all past and present clinical trials to be registered and their results reported.

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

- Cochrane's Steering Group continued its bi-annual face-to-face meetings and regular teleconferences in order to provide the oversight and strategic leadership for which it is responsible; and launched the first stage of a 'Governance Review' to recommend improvements in the way the charity is governed in the coming years.
- Cochrane held its annual conference - the 'Colloquium' - in Hyderabad, India, in September 2014. The Colloquium's theme was '*Evidence-Informed Public Health: Opportunities and Challenges*'.
- Cochrane approved a new Training and Professional Development Strategy committing the organization to a three-year £2 million investment in 2015-17 to support a new generation of Cochrane authors through our innovative pathways for engagement, and equip all of our contributors to continue to produce the high quality work we need to succeed in the future.
- Cochrane's financial and human resource processes and systems were radically improved in 2014; and further steps made in improving our monitoring and reporting processes.
- The Charity continued to support and to oversee the work of its wholly-owned trading company, *Cochrane Innovations*, and Cochrane-related products and services for commercial sale. Two new products, Cochrane Clinical Answers and Dr. Cochrane, were launched and a new Cochrane Innovations Strategy is being prepared for May 2015.

### **Fundraising Performance**

The Cochrane Collaboration's core income is derived mostly from publication royalties from its main output, the *Cochrane Library*, published on its behalf by John Wiley & Sons, Ltd. In 2014 the income from this source increased by 5.1% compared to 2013.

## **4. Financial Review**

### **Reserves Policy**

The aim of the Charity's Reserves Policy is to accumulate sufficient funds to enable us to achieve our long-term strategic aims; and then to allocate these funds to projects of Collaboration-wide impact over single- or multi-year projects as required. The Trustees in September 2013 decided to retain at least £2.5 million for its strategic reserves, releasing at least £2.5 million to use in the Charity's activities that support its *Strategy to 2020* needs; and potentially a further investment of £1 million in Cochrane Innovations subject to a satisfactory business plan by the Cochrane Innovations Board.

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

It is also the policy of the Trustees to have a contingency plan for maintaining 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.

### **Discretionary Fund**

Cochrane's Discretionary Fund provides £20,000 per year to facilitate small projects of general benefit to a majority of the Collaboration's Groups (with no project receiving more than £5,000). No payments were made during the period - one project was approved for funding totalling £4,900 in the nine months April – December 2014 but payment was made in February 2015: Funding to the Iberoamerican Cochrane Centre to support the development of the BADERI Database.

### **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 is developing in 2015 a new Investment Policy as its previous practice has been to put all surplus income into interest bearing savings accounts.

### **Principal Funding Sources**

#### *Funding model*

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

Funding to support Cochrane Systematic Review preparation and related activities comes principally from national and trans-national government sources (typically from health, research and related ministries); and

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national and international charitable bodies. Some Cochrane Groups also raise funds through training activities.

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

*Policy on commercial sponsorship*

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

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

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

The Collaboration's policy surrounding commercial sponsorship of Cochrane Colloquia prohibits any sponsorship from commercial sources (as defined above).

## **5. Future Plans**

The Charity's Goals and Objectives for 2015 are set out above (see *Strategy to 2020*, page 4). Annual targets for 2015 have been established for each of the four strategic Goals and these can be found, along with full details of implementation plans, at <http://community.cochrane.org/community/organisation-administration/cochrane-strategy-2020/2015-targets>.

### **Public Benefit Statement**

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

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

The primary public benefit provided by The Cochrane Collaboration, therefore, relates to the advancement of health by assimilating, on behalf of the world's population, the results of primary research relating to

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individual treatments, and then presenting these results in a single scientific paper (a 'Cochrane Systematic Review'), formulated to be accessible to both healthcare consumers and practitioners.

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

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

**Statement of Trustees' responsibilities**

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

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

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

**Statement of disclosure to auditors**

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

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

**Auditors**

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

**Prof M Burton**, Trustee and Treasurer

**3<sup>rd</sup> July 2015**

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

We have audited the financial statements of The Cochrane Collaboration for the nine month period ended 31 December 2014 which comprise the Statement of Financial Activities, the Consolidated Statement of Financial Activities, the Group (and Parent Charitable Company) Balance Sheets 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 auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

**Scope of the audit of the financial statements**

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

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**Opinion on the other matter prescribed by the Companies Act 2006**

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

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**- CONTINUED**

**Matters on which we are required to report by exception**

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

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

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

14<sup>th</sup> September 2015

**THE COCHRANE COLLABORATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
For the nine month period ended 31 December 2014  
Charity only (see over for group accounts)

	Note	Restricted	Designated	Unrestricted	31 December 2014	As restated 31 March 2014
		£	£	£	£	£
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds</b>						
Voluntary Income	3	6,934	-	74,042	80,976	159,545
Investment Income	4	189	-	4,194,460	4,194,649	4,092,106
<b>Incoming resources from charitable activities</b>	6	17,595	-	107,251	124,846	-
<b>Total Incoming Resources</b>		<b>24,718</b>	<b>-</b>	<b>4,375,753</b>	<b>4,400,471</b>	<b>4,251,651</b>
<b>RESOURCES EXPENDED</b>						
Costs of Generating Funds	7	-	-	727,393	727,393	600,417
Charitable Activities	8	67,101	-	1,688,691	1,755,792	2,372,407
Governance Costs	9	-	-	302,197	302,197	242,622
<b>Total Resources Expended</b>		<b>67,101</b>	<b>-</b>	<b>2,718,281</b>	<b>2,785,382</b>	<b>3,215,446</b>
<b>Net (Outgoing)/Incoming Resources</b>						
<b>Before Transfers</b>		(42,383)	-	1,657,472	1,615,089	1,036,205
<b>Fund Transfers</b>	16,17	1,000	(13,184)	12,184	-	-
<b>Net (Outgoing)/Incoming Resources</b>		<b>(41,383)</b>	<b>(13,184)</b>	<b>1,669,656</b>	<b>1,615,089</b>	<b>1,036,205</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 April		128,197	2,542,992	22,485	2,693,674	1,657,469
<b>TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER</b>	16,17	<b>86,814</b>	<b>2,529,808</b>	<b>1,692,141</b>	<b>4,308,763</b>	<b>2,693,674</b>

The statement of financial activities includes all gains and losses recognised in the year.  
The charity's incoming resources and expended resources all relate to continuing operations.

The funds carried forward at 31 December 2014 of £4,308,763 differ from the consolidated funds of £7,563,697 on page 15 due to the net reserves retained in the trading subsidiaries, Collaboration Trading Company Limited and Cochrane Innovations Limited.

The notes on pages 17 to 28 form part of these accounts.



**THE COCHRANE COLLABORATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
For the nine month period ended 31 December 2014

	Note	Restricted	Designated	Unrestricted	Group 31 December 2014	Group 31 March 2014
		£	£	£	£	£
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds</b>						
Voluntary Income	3	6,934	-	74,042	80,976	159,545
Investment Income	4	189	-	56,021	56,210	202,142
<b>Incoming resources from charitable activities</b>						
	6	17,595	-	3,553,069	3,570,664	4,197,128
<b>Total Incoming Resources</b>		<b>24,718</b>	<b>-</b>	<b>3,683,132</b>	<b>3,707,850</b>	<b>4,558,815</b>
<b>RESOURCES EXPENDED</b>						
Costs of Generating Funds	7	-	-	736,868	736,868	600,417
Charitable Activities	8	67,101	-	1,688,691	1,755,792	2,372,407
Governance Costs	9	-	-	360,629	360,629	399,893
<b>Total Resources Expended</b>		<b>67,101</b>	<b>-</b>	<b>2,786,188</b>	<b>2,853,289</b>	<b>3,372,717</b>
<b>Net Incoming/(Outgoing) Resources before transfers</b>		<b>(42,383)</b>	<b>-</b>	<b>896,944</b>	<b>854,561</b>	<b>1,186,098</b>
<b>Fund Transfers</b>	16, 17	<b>1,000</b>	<b>(13,184)</b>	<b>12,184</b>	<b>-</b>	<b>-</b>
<b>Net Incoming/(Outgoing) Resources</b>		<b>(41,383)</b>	<b>(13,184)</b>	<b>909,128</b>	<b>854,561</b>	<b>1,186,098</b>
Fund balances brought forward at 1 April		128,197	2,542,992	4,037,947	6,709,136	5,523,038
<b>FUND BALANCES CARRIED FORWARD AT 31 DECEMBER</b>	16, 17	<b>86,814</b>	<b>2,529,808</b>	<b>4,947,075</b>	<b>7,563,697</b>	<b>6,709,136</b>

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 17 to 28 form part of these accounts.

THE COCHRANE COLLABORATION  
 CHARITY AND CONSOLIDATED BALANCE SHEET  
 For the nine month period ended 31 December 2014

		Cochrane Collaboration 31 December 2014 £	Group 31 December 2014 £	Cochrane Collaboration As restated 31 March 2014 £	Group 31 March 2014 £
	Note				
<b>FIXED ASSETS</b>					
Fixtures, Fittings & Equipment	11	7,653	7,653	7,532	14,518
Investments	12	306,463	1,000	301,200	1,000
		<u>314,116</u>	<u>8,653</u>	<u>308,732</u>	<u>15,518</u>
<b>CURRENT ASSETS</b>					
Debtors	13	259,988	1,861,148	76,863	1,868,788
Cash at bank and in hand		5,816,479	7,003,035	5,625,766	6,672,908
		6,076,467	8,864,183	5,702,629	8,541,696
<b>CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	14	(2,081,820)	(709,139)	(3,317,687)	(1,098,078)
<b>NET CURRENT ASSETS</b>		3,994,647	8,155,044	2,384,942	7,443,618
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,308,763</u>	<u>8,163,697</u>	<u>2,693,674</u>	<u>7,459,136</u>
<b>CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	15	-	(600,000)	-	(750,000)
<b>NET ASSETS</b>		<u>4,308,763</u>	<u>7,563,697</u>	<u>2,693,674</u>	<u>6,709,136</u>
<b>INCOME FUNDS</b>					
Restricted funds	16	86,815	86,815	128,197	128,197
Unrestricted funds:					
Designated	17	2,529,808	2,529,808	2,542,992	2,542,992
Other unrestricted		1,692,139	4,947,074	22,485	4,037,947
	18	<u>4,308,763</u>	<u>7,563,697</u>	<u>2,693,674</u>	<u>6,709,136</u>

The notes on pages 17 to 28 form part of these accounts.

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

Approved and authorised for issue by the trustees on 3<sup>rd</sup> July 2015 and signed on their behalf by

**Prof M Burton**  
 Trustee and Treasurer

**THE COCHRANE COLLABORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the nine month period ended 31 December 2014

**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).

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

A sign on fee in relation to a new agreement signed in 2012 has been included in deferred income. The income will be recognised on a straight line basis over the life of the agreement.

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

**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 non-editorial 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 £1,000 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 and Cochrane Innovations 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 Companies columns 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.

**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.

**o) Prior year adjustment**

Following the ICAEW Technical Release 16/14BL on 31 October 2014, the charity has changed its accounting policy for donations received from its subsidiary undertakings. Previously such donations receivable were recognised as income in the year in which they were generated by the subsidiary undertaking. Such receipts are now recognised at the earlier of when the distribution is received or when the distribution is approved by the subsidiary company's Board of Directors.

As a result of this change in accounting policy the prior year balances for amounts owed by group undertakings and the balance of the unrestricted reserves have been restated and show a reduction of £4,143,850 from the results previously presented.

There is no impact on the consolidated balance sheet or income and expenditure account as a result of this change.

THE COCHRANE COLLABORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the nine month period ended 31 December 2014

2. SURPLUS FOR THE FINANCIAL YEAR

	Cochrane Collaboration December 2014 £	Collaboration Trading Co. December 2014 £	Cochrane Innovations December 2014 £	Group December 2014 £	Group March 2014 £
The surplus is after charging:					
Auditors' remuneration - audit services	3,750	1,500	1,500	6,750	6,500
- non – audit	-	750	750	1,500	1,500

3. VOLUNTARY INCOME

	Restricted £	Designated £	Unrestricted £	Group December 2014 £	Group March 2014 £
Donations	6,934	-	74,042	80,976	159,545
	6,934	-	74,042	80,976	159,545

All voluntary income arose in The Cochrane Collaboration and none in Collaboration Trading Co. nor in Cochrane Innovations.

4. INVESTMENT INCOME

	Restricted 2014 £	Desig- nated 2014 £	Un- restricted 2014 £	Cochrane Collaboration December 2014 £	Collaboration Trading Co. December 2014 £	Cochrane Innovations December 2014 £	Group December 2014 £	Group March 2014 £
Bank interest	189	-	50,608	50,797	5,168	245	56,210	202,142
	189	-	50,608	50,797	5,168	245	56,210	202,142

Investment income in The Cochrane Collaboration SOFA in the nine month period of £4,194,649 ( year to March 2014: £4,092,649) includes £4,143,850 (March 2014 £3,830,032) receivable from Collaboration Trading Company Limited as a distribution.

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 and Cochrane Innovations are not charities and are therefore subject to corporation tax on their activities. However, the distributions of net profit chargeable to corporation tax on their trading activities are considered as donations on an annual basis. On this basis, no provision has been made for corporation tax.

THE COCHRANE COLLABORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the nine month period ended 31 December 2014

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Cochrane Collaboration December 2014 £	Collaboration Trading Co. December 2014 £	Cochrane Innovations December 2014 £	Group December 2014 £	Group March 2014 £
<b>Unrestricted Funds</b>					
Royalties from subscriptions to and sales of The Cochrane Library and other income	-	3,164,062	-	3,164,062	4,051,867
Other income	22,127	317,947	49,933	389,007	145,261
<b>Restricted Funds</b>					
Other income	17,595	-	-	17,595	-
	<u>38,722</u>	<u>3,482,009</u>	<u>49,933</u>	<u>3,570,664</u>	<u>4,197,128</u>

Unrestricted income of in The Cochrane Collaboration SOFA £107,251 (March 2014 £Nil) includes charges to group companies of £86,124 (March 2014 £Nil).

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

7. COSTS OF GENERATING FUNDS

	Restricted £	Designated £	Un- restricted £	Cochrane Collaboration December 2014 £	Collaboration Trading Co. December 2014 £	Cochrane Innovations December 2014 £	Group December 2014 £	Group March 2014 £
Meeting expenses	-	-	40,007	40,007	-	-	40,007	132,909
Staff salaries (see note 10)	-	-	236,724	236,724	-	-	236,724	171,330
Editorial costs	-	-	450,662	450,662	-	9,475	460,137	296,178
	-	-	<u>727,393</u>	<u>727,393</u>	-	<u>9,475</u>	<u>736,868</u>	<u>600,417</u>

THE COCHRANE COLLABORATION  
NOTES TO THE FINANCIAL STATEMENTS  
For the nine month period ended 31 December 2014

8. COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITABLE OBJECTIVES

	Restricted £	Designated £	Unrestricted £	Group December 2014 £	Group March 2014 £
<b>Awards, Scholarships &amp; Prizes</b>					
Anne Anderson Award	3,601	-	-	3,601	-
Thomas C Chalmers Award	629	-	-	629	623
Aubrey Sheiham Scholarship	1,373	-	-	1,373	11,651
Chris Silagy Prize	-	-	-	-	-
Bill Silverman Prize	624	-	-	624	624
Kenneth Warren Prize	-	-	-	-	3,820
<b>Total Awards, Scholarship &amp; Prizes</b>	<b>6,227</b>	<b>-</b>	<b>-</b>	<b>6,227</b>	<b>16,718</b>
Evidence Aid	60,874	-	-	60,874	76,864
Direct/Running costs	-	-	199,524	199,524	208,379
Designated grants	-	-	-	-	15,790
Grants	-	-	415,566	415,566	515,647
IKMD – Copenhagen	-	-	221,506	221,506	342,971
Legal Fees	-	-	41,348	41,348	58,307
Meeting expenses	-	-	105,953	105,953	44,476
Staff salaries (see note 10)	-	-	704,794	704,794	823,085
IKMD - website development	-	-	-	-	270,170
	<b>67,101</b>	<b>-</b>	<b>1,688,691</b>	<b>1,755,792</b>	<b>2,372,407</b>

All Costs of Activities in Furtherance of Charitable Activities arose in The Cochrane Collaboration and none in Collaboration Trading Co. nor in Cochrane Innovations.

**THE COCHRANE COLLABORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the nine month period ended 31 December 2014

**9. GOVERNANCE COSTS**

	Cochrane Collaboration December 2014 £	Collaboration Trading Co. December 2014 £	Cochrane Innovations December 2014 £	Group December 2014 £	Group March 2014 £
Audit and accountancy	3,250	2,250	2,250	7,750	11,158
Bank interest and charges	3,494	127	87	3,708	2,967
Insurance	9,057	-	-	9,057	9,812
Legal and professional	18,822	-	-	18,822	17,967
Meeting expenses	30,850	-	10,340	41,190	53,882
Printing, postage and stationery	-	-	-	-	2,684
Running costs	-	8,826	2,675	11,501	85,202
Staff salaries (see note 10)	236,724	-	31,877	268,601	215,533
Telephone	-	-	-	-	688
	<u>302,197</u>	<u>11,203</u>	<u>47,229</u>	<u>360,629</u>	<u>399,893</u>

All governance expenditure is from unrestricted funds.

**10. TOTAL STAFF COSTS**

	Cochrane Collaboration December 2014 £	Collaboration Trading Co. December 2014 £	Cochrane Innovations December 2014 £	Group December 2014 £	Group March 2014 £
Wages and salaries	1,018,920	-	28,333	1,047,253	1,138,009
Social security costs	105,740	-	3,544	109,284	97,498
Pension costs	53,583	-	-	53,583	50,239
	<u>1,178,243</u>	<u>-</u>	<u>31,877</u>	<u>1,210,120</u>	<u>1,285,746</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 December 2014 £	Collaboration Trading Co. December 2014 £	Cochrane Innovations December 2014 £	Group December 2014 £
Costs of Generating Funds	236,724	-	-	236,724
Costs in Furtherance of the Charity's Objects	704,795	-	-	704,795
Governance Costs	236,724	-	31,877	268,601
	<u>1,178,243</u>	<u>-</u>	<u>31,877</u>	<u>1,210,120</u>



**THE COCHRANE COLLABORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the nine month period ended 31 December 2014

**10. TOTAL STAFF COSTS - continued**

	Cochrane Collaboration December 2014	Collaboration Trading Co. December 2014	Cochrane Innovations December 2014	Group December 2014	Group March 2014
The average number of employees analysed by function was:					
Management	3	-	1	4	5
Finance	2	-	-	2	1
Administration	24	-	-	24	16
	<u>29</u>	<u>-</u>	<u>1</u>	<u>30</u>	<u>22</u>

2 employees received annual emoluments in excess of £60,000 during the period (Year to March 2014: 1).  
1 employee received annual emoluments in excess of £120,000 during the period (Year to March 2014: 1).  
1 employee received annual emoluments in excess of £150,000 during the period (Year to March 2014: 1).

**Trustees' remuneration and expenses**

The Trustees received no remuneration during the year, apart from reimbursement of direct expenses for attendance at Trustees' meetings in furtherance of their duties of £ 30,850 (Year to March 2014: £41,949). Funding provided to the academic institutions who employ the Co-Chairs of the organisation in the period was £11,185 (Year to March 2014: £Nil).

Professional indemnity insurance for the nine month period cost £ 693 (Year to March 2014: £2,771).

**THE COCHRANE COLLABORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the nine month period ended 31 December 2014

**11. FIXED ASSETS**

	Collaboration			Group		
	Fixtures & Fittings	Computer Equipment	Total	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£	£
<b>Cost</b>						
As at 1 April 2014	10,193	19,640	29,833	15,645	41,638	57,283
Additions	1,850	-	1,850	1,850	-	1,850
Disposals	-	-	-	(5,452)	(21,998)	(27,450)
As at 31 December 2014	<u>12,043</u>	<u>19,640</u>	<u>31,683</u>	<u>12,043</u>	<u>19,640</u>	<u>31,683</u>
<b>Depreciation</b>						
As at 1 April 2014	9,017	13,284	22,301	14,168	28,597	42,765
Charge for the period	799	930	1,729	959	2,857	3,816
Disposals	-	-	-	(5,311)	(17,240)	(22,551)
As at 31 December 2014	<u>9,816</u>	<u>14,214</u>	<u>24,030</u>	<u>9,816</u>	<u>14,214</u>	<u>24,030</u>
<b>Net Book Value</b>						
As at 31 December 2014	<u>2,227</u>	<u>5,426</u>	<u>7,653</u>	<u>2,227</u>	<u>5,426</u>	<u>7,653</u>
As at 31 March 2014	<u>1,176</u>	<u>6,356</u>	<u>7,532</u>	<u>1,477</u>	<u>13,041</u>	<u>14,518</u>

**12. FIXED ASSETS INVESTMENTS**

	Cochrane	Group	Cochrane	Group
	Collaboration	December	Collaboration	March
	December	2014	March	2014
	£	£	£	£
Investment in Collaboration Trading Company Limited	100	-	100	-
Investment in Cochrane Innovations Limited	300,100	-	300,100	-
Investment in Cochrane IKMD Denmark ApS	5,263	-	-	-
Other investments	1,000	1,000	1,000	1,000
	<u>306,463</u>	<u>1,000</u>	<u>301,200</u>	<u>1,000</u>

The investments represent a 100% shareholding in Collaboration Trading Company Limited, a 100% shareholding in Cochrane Innovations Limited (incorporated in England and Wales) and a 100% shareholding in Cochrane Informatics and Knowledge Management Department Denmark ApS (incorporated in Denmark). All figures have been included in the consolidation, except for Cochrane Informatics and Knowledge Management Department Denmark ApS, which did not trade during the period.

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

**THE COCHRANE COLLABORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the nine month period ended 31 December 2014

**13. DEBTORS**

	Cochrane Collaboration December 2014 £	Group December 2014 £	Cochrane Collaboration March 2014 £	Group March 2014 £
<b>DEBTORS DUE WITHIN ONE YEAR</b>				
Prepayments and accrued income	85,721	1,132,447	71,449	1,146,193
Amounts due from subsidiaries	166,837	-	4,090	-
Other debtors	-	-	1,324	1,324
Trade debtors	7,430	7,430	-	-
	<u>259,988</u>	<u>1,139,877</u>	<u>76,863</u>	<u>1,147,517</u>
<b>DEBTORS DUE AFTER MORE THAN ONE YEAR</b>				
Trade debtors	-	400,000	-	400,000
Prepayments and accrued income	-	321,271	-	321,271
	<u>259,988</u>	<u>1,861,148</u>	<u>76,863</u>	<u>1,868,788</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Cochrane Collaboration December 2014 £	Group December 2014 £	Cochrane Collaboration March 2014 £	Group March 2014 £
Trade creditors	164,565	164,565	195,608	197,731
Amounts due to subsidiaries	1,810,283	-	2,726,582	-
Social security and other taxation	39,671	40,140	39,792	39,792
VAT creditors	-	225,878	-	159,089
Accruals and deferred income	67,301	278,555	355,705	701,466
	<u>2,081,820</u>	<u>709,138</u>	<u>3,317,687</u>	<u>1,098,078</u>

THE COCHRANE COLLABORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the nine month period ended 31 December 2014

15. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Cochrane Collaboration December 2014 £	Group December 2014 £	Cochrane Collaboration March 2014 £	Group March 2014 £
Accruals and deferred Income	-	600,000	-	750,000
	-	600,000	-	750,000

16. RESTRICTED FUNDS

	Balance as at 1 April 2014 £	Incoming resources £	Expenditure £	Transfer between funds £	Balance as at 31 December 2014 £
Kenneth Warren Prize	7,544	-	-	-	7,544
Bill Silverman Prize	1,255	-	(624)	-	631
Thomas C Chalmers Award	1,893	-	(629)	-	1,264
Aubrey Sheiham Scholarship	34,696	186	(1,373)	-	33,509
Evidence Aid	73,191	17,598	(60,874)	-	29,915
Anne Anderson Award	9,618	6,934	(3,601)	1,000	13,951
Charity and Group	128,197	24,718	(67,101)	1,000	86,814

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

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

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

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

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

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

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

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17. DESIGNATED FUNDS

	Balance as at 1 April 2014 £	Transfers and new designations £	Incoming Resources £	Expenditure £	Balance as at 31 December 2014 £
Discretionary Fund	20,000	-	-	-	20,000
Prioritisation Fund	13,184	(13,184)	-	-	-
Colloquium Fund	9,808	-	-	-	9,808
Strategic Investment Fund	2,500,000	-	-	-	2,500,000
	<u>2,542,992</u>	<u>(13,184)</u>	-	-	<u>2,529,808</u>

The charity designates to the Discretionary Fund a maximum of £20,000 (March 2014: £20,000) 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).

The prioritisation fund was established for activities associated with setting a policy for the prioritisation of Systematic Reviews. Those activities are now included within the normal activities of the organisation and accordingly the fund has been transferred back to unrestricted reserves.

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

A Strategic Investment Fund has been established for activities which arise from the 'Cochrane Game Changers Initiative' which was launched in January 2014, inviting submissions for proposals for substantial projects designed to alter the operations of the organisation in a radically favourable way.

18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Charity	Restricted £	Unrestricted £	Total £
Fixed assets		-	314,116	314,116
Current assets		98,355	5,978,112	6,076,467
Current liabilities		-	(2,081,820)	(2,081,820)
		<u>98,355</u>	<u>4,210,408</u>	<u>4,308,763</u>
	Group	Restricted £	Unrestricted £	Total £
Fixed assets		-	7,653	7,653
Current assets		98,355	8,765,828	8,864,183
Current liabilities		-	(709,139)	(709,139)
Non current liabilities		-	(600,000)	(600,000)
		<u>98,355</u>	<u>7,465,342</u>	<u>7,563,697</u>

## 19. FINANCIAL COMMITMENTS

### Operating lease commitments

At 31 December 2014 the charitable company had annual commitments in respect of rental agreements as follows:

Agreements expiring:	Charity and Group		Charity and Group	
	December 2014	December 2014	March 2014	March 2014
	Land and buildings	Other	Land and Buildings	Other
	£	£	£	£
In one year or less	5,650	742	34,040	-
Over two and less than five	162,212	-	-	1,485
Over five years	-	-	21,650	-
	<u>167,862</u>	<u>742</u>	<u>55,690</u>	<u>1,485</u>

### 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 £53,583 (Year to March 2014: £50,239). Contributions totalling £29,784 (Year to March 2014: £1,191) were payable to the fund at the balance sheet date and are included in creditors.

## 20. 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.

## 21. POST BALANCE SHEET EVENT

The Danish subsidiary Cochrane Informatics and Knowledge Management Department Denmark ApS commenced trading in April 2015.