



# Society of Business Economists

(A company limited by guarantee)

Directors' Report and Financial Statements

for the Year Ended 30 June 2013

Blue Spire South LLP  
Chartered Accountants and Statutory Auditors  
Cawley Priory  
South Pallant  
Chichester  
West Sussex  
PO19 1SY



# **Society of Business Economists**

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The following pages do not form part of the statutory financial statements

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# **Society of Business Economists**

## **Company Information**

<b>Directors</b>	Ms K M Barker (Chairman) Ms B Curtis (Vice Chairman) J A Hirst (Deputy Chairman) G E Buckley C P H Burton A C Chester Ms A Cottrell Ms S Curtis (Honorary Secretary) K J Daly I Harwood J H Lambert (Honorary Treasurer) A B Milligan
<b>Company secretary</b>	Ms S Curtis
<b>Registered office</b>	Cawley Priory South Pallant Chichester West Sussex PO19 1SY
<b>Auditors</b>	Blue Spire South LLP Chartered Accountants and Statutory Auditors Cawley Priory South Pallant Chichester West Sussex PO19 1SY

**Society of Business Economists**  
**Directors' Report for the Year Ended 30 June 2013**

The directors present their report and the financial statements for the year ended 30 June 2013

**Principal activity**

The principal activity of the company is the advancement, spreading and exchange among economists and others of knowledge relating to the use of economics and the maintenance and improvement of standards of competence among economists

**Directors of the company**

The directors who held office during the year were as follows

Ms K M Barker (Chairman) (appointed 27 November 2012)

Ms B Curtis (Vice Chairman)

J A Hirst (Deputy Chairman)

G E Buckley (appointed 27 November 2012)

C P H Burton

A C Chester

Ms A Cottrell

Ms S Curtis (Honorary Secretary) (appointed 27 November 2012)

K J Daly

Dr R Driver (Resigned 27 November 2012)

I Harwood

J H Lambert (Honorary Treasurer)

A B Milligan

D W E Owen (Resigned 27 November 2012)

**Financial instruments**

***Objectives and policies***

The Society of Business Economists principal financial instruments comprise fixed asset investments (mainly in the form of equities with some corporate bonds) and bank balances. The main purpose of these instruments is to finance operations and generate income from the balances held and invested.

The investments are held at cost rather than market value in these financial statements. During the year under review the market value of these investments increased.

**Directors' reappointment**

At the Society's AGM Charles Burton, Adam Chester, Rebecca Driver and David Owen retired by rotation. Charles Burton and Adam Chester offered themselves for re-election and were duly elected by the members.

**Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

**Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Blue Spire South LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

**Society of Business Economists**  
**Directors' Report for the Year Ended 30 June 2013**

..... *continued*

**Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board on 14/10/13 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'S Curtis', written over the printed name.

Ms S Curtis  
Company secretary

**Society of Business Economists**  
**Statement of Directors' Responsibilities**

**Statement of Directors' Responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Independent Auditor's Report to the Members of Society of Business Economists**

We have audited the financial statements of Society of Business Economists for the year ended 30 June 2013, set out on pages 7 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors 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.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

**Independent Auditor's Report to the Members of  
Society of Business Economists**

*..... 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 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime



Geoffrey Frost BSc(Hons) FCA (Senior Statutory Auditor)  
For and on behalf of Blue Spire South LLP, Statutory Auditor

Cawley Priory  
South Pallant  
Chichester  
West Sussex  
PO19 1SY

Date *25 October 2013*



**Society of Business Economists**  
**Profit and Loss Account for the Year Ended 30 June 2013**

	Note	2013 £	2012 £
Turnover		40,100	37,220
Other operating expenses		(30,803)	(45,348)
Administrative expenses		(62,659)	(61,179)
Other operating income	1	<u>35,936</u>	<u>50,979</u>
Operating loss	2	(17,426)	(18,328)
Irrecoverable VAT		(5,027)	(5,830)
Income from other fixed asset investments		5,068	5,609
Other interest receivable and similar income		<u>26</u>	<u>1,304</u>
Loss on ordinary activities before taxation		(17,359)	(17,245)
Tax on loss on ordinary activities	3	<u>(5)</u>	<u>(261)</u>
Loss for the financial year	9	<u><u>(17,364)</u></u>	<u><u>(17,506)</u></u>

**Society of Business Economists****(Registration number: 667616)****Balance Sheet at 30 June 2013**

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Investments	5	<u>89,690</u>	<u>89,690</u>
<b>Current assets</b>			
Debtors	6	6,011	5,555
Cash at bank and in hand		<u>60,486</u>	<u>67,704</u>
		66,497	73,259
Creditors Amounts falling due within one year	7	<u>(40,842)</u>	<u>(30,240)</u>
Net current assets		<u>25,655</u>	<u>43,019</u>
Net assets		<u>115,345</u>	<u>132,709</u>
<b>Capital and reserves</b>			
Profit and loss account	9	<u>115,345</u>	<u>132,709</u>
Shareholders' funds		<u>115,345</u>	<u>132,709</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008)

Approved by the Board on 14/10/13 and signed on its behalf by



Ms K M Barker (Chairman)  
Director



J H Lambert (Honorary Treasurer)  
Director

**Society of Business Economists**  
**Notes to the Financial Statements for the Year Ended 30 June 2013**

**Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Going concern**

The financial statements have been prepared on a going concern basis

**Turnover**

Turnover represents the amount of membership subscriptions received during the year

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

**Asset class**

Office equipment

**Depreciation method and rate**

4 years straight line

**Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# Society of Business Economists

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... *continued*

### 1 Other operating income

	2013 £	2012 £
Sponsorship of Rybczynski prize	3,000	4,000
Conferences and dinners	21,335	36,760
Meetings	587	1,102
Other income	-	1,650
Journal income	6,339	5,992
Advertising (SBE)	4,675	1,475
	<u>35,936</u>	<u>50,979</u>

### 2 Operating loss

Operating loss is stated after charging

	2013 £	2012 £
Auditors remuneration - current year	1,900	1,976
Auditors remuneration - prior year	-	(309)
	<u>-</u>	<u>(309)</u>

### 3 Taxation

Tax on loss on ordinary activities

	2013 £	2012 £
<b>Current tax</b>		
Corporation tax charge	<u>5</u>	<u>261</u>

**Society of Business Economists**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

..... *continued*

**4 Tangible fixed assets**

	<b>Office equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 July 2012	5,671	5,671
Disposals	<u>(5,671)</u>	<u>(5,671)</u>
At 30 June 2013	<u>-</u>	<u>-</u>
<b>Depreciation</b>		
At 1 July 2012	5,671	5,671
Eliminated on disposals	<u>(5,671)</u>	<u>(5,671)</u>
At 30 June 2013	<u>-</u>	<u>-</u>
<b>Net book value</b>		
At 30 June 2013	<u>-</u>	<u>-</u>
At 30 June 2012	<u>-</u>	<u>-</u>

**5 Investments held as fixed assets**

	<b>Listed investments £</b>	<b>Unlisted investments £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 July 2012	<u>2,567</u>	<u>98,411</u>	<u>100,978</u>
At 30 June 2013	<u>2,567</u>	<u>98,411</u>	<u>100,978</u>
<b>Provision for impairment</b>			
At 1 July 2012 and 30 June 2013	<u>-</u>	<u>11,288</u>	<u>11,288</u>
<b>Net book value</b>			
At 30 June 2013	<u>2,567</u>	<u>87,123</u>	<u>89,690</u>
At 30 June 2012	<u>2,567</u>	<u>87,123</u>	<u>89,690</u>

The market value of the listed investments at 30 June 2013 was £54,000 (2012 - £43,650)

The market value of the unlisted investments at 30 June 2013 was £108,824 (2012 - £92,934)

# Society of Business Economists

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 6 Debtors

	2013 £	2012 £
Trade debtors	1,400	528
Other debtors	4,611	5,027
	<u>6,011</u>	<u>5,555</u>

### 7 Creditors: Amounts falling due within one year

	2013 £	2012 £
Corporation tax	5	261
Other creditors	40,837	29,979
	<u>40,842</u>	<u>30,240</u>

### 8 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £nil towards the assets of the company in the event of liquidation.

### 9 Reserves

	Profit and loss account £	Total £
At 1 July 2012	132,709	132,709
Loss for the year	(17,364)	(17,364)
At 30 June 2013	<u>115,345</u>	<u>115,345</u>

**Society of Business Economists**  
**Detailed Profit and Loss Account for the Year Ended 30 June 2013**

	2013	2012
	£	£
Turnover (analysed below)	40,100	37,220
Other operating expenses (analysed below)	(30,803)	(45,348)
<b>Administrative expenses</b>		
Establishment costs (analysed below)	779	823
General administrative expenses (analysed below)	60,277	58,949
Finance charges (analysed below)	<u>1,603</u>	<u>1,407</u>
	(62,659)	(61,179)
Other operating income (analysed below)	<u>35,936</u>	<u>50,979</u>
Operating loss	(17,426)	(18,328)
<b>Non-operating exceptional items</b>		
Other exceptional items (analysed below)	(5,027)	(5,830)
Income from other fixed asset investments (analysed below)	5,068	5,609
Other interest receivable and similar income (analysed below)	<u>26</u>	<u>1,304</u>
Loss on ordinary activities before taxation	<u>(17,359)</u>	<u>(17,245)</u>

**Society of Business Economists**  
**Detailed Profit and Loss Account for the Year Ended 30 June 2013**

	2013 £	2012 £
<b>Turnover</b>		
Membership subscriptions	40,100	37,220
	<u>40,100</u>	<u>37,220</u>
<b>Other operating expenses</b>		
Journal expenses	7,602	11,918
Conferences and dinners	14,416	23,420
Advertising commission	325	386
Meetings	3,995	5,074
Yearbook	1,465	1,550
Rybczynski prize expenses	3,000	3,000
	<u>30,803</u>	<u>45,348</u>



**Society of Business Economists**  
**Detailed Profit and Loss Account for the Year Ended 30 June 2013**

..... *continued*

	2013 £	2012 £
<b>Establishment costs</b>		
Insurance	409	397
Maintenance of office equipment	370	426
	<u>779</u>	<u>823</u>
<b>General administrative expenses</b>		
Telephone and fax	516	486
Secretarial service fees	48,410	49,590
Computer expenses	312	120
Printing, postage and stationery	5,539	4,060
Website costs	3,310	2,208
Sundry expenses	-	57
Auditors remuneration - current year	1,900	1,976
Auditors remuneration - prior year	-	(309)
Travel and subsistence	290	257
Bad debts written off	-	504
	<u>60,277</u>	<u>58,949</u>
<b>Finance charges</b>		
Bank charges	<u>1,603</u>	<u>1,407</u>
<b>Other operating income</b>		
Sponsorship of Rybczynski prize	3,000	4,000
Conferences and dinners	21,335	36,760
Meetings	587	1,102
Other income	-	1,650
Journal income	6,339	5,992
Advertising (SBE)	4,675	1,475
	<u>35,936</u>	<u>50,979</u>
<b>Other exceptional items</b>		
Irrecoverable VAT	<u>5,027</u>	<u>5,830</u>
<b>Income from other fixed asset investments</b>		
Unlisted investment interest receivable	<u>5,068</u>	<u>5,609</u>
<b>Other interest receivable and similar income</b>		
Bank interest receivable	<u>26</u>	<u>1,304</u>
	<u>26</u>	<u>1,304</u>