

Registration number: 667616

Society of Professional Economists

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 June 2018

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

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Society of Professional Economists

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Society of Professional Economists

Company Information

Directors	K J Daly (Chairman) Dame K M Barker G E Buckley (Vice Chairman) J H Lambert (Honorary Treasurer) S Cūrtis (Honorary Secretary) C V Connolly S Krishnan A Majumdar S Meredith I Mulheirn R Newton-Smith A Rowlatt
Company secretary	S Curtis
Registered office	Cawley Priory South Pallant Chichester West Sussex PO19 1SY
Auditors	Blue Spire Limited Chartered Accountants and Statutory Auditors Cawley Priory South Pallant Chichester West Sussex PO19 1SY

Society of Professional Economists

Directors' Report for the Year Ended 30 June 2018

The directors present their report and the financial statements for the year ended 30 June 2018.

Directors of the company

The directors who held office during the year were as follows:

K J Daly (Chairman)

Dame K M Barker

G E Buckley (Vice Chairman)

J H Lambert (Honorary Treasurer)

S Curtis (Honorary Secretary)

C V Connolly (appointed 23 April 2018)

I Harwood (resigned 4 December 2017)

S Krishnan

A Majumdar

S Meredith

A B Milligan (resigned 4 December 2017)

I Mulheim

R Newton-Smith (appointed 4 December 2017)

A Rowlatt

Directors' reappointment

At the Society's AGM on 4 December 2017 Sandra Curtis, Ian Harwood, James Lambert and Andrew Milligan retired by rotation. Sandra Curtis and James Lambert were eligible and offered themselves for re-election. Additionally Rain Newton-Smith offered herself for election. The election of all candidates passed unanimously.

At the Society's forthcoming AGM on 22 November 2018 Dame Kate Barker, George Buckley, Sunil Krishnan and Amanda Rowlatt will retire by rotation. Dame Kate Barker, George Buckley, Sunil Krishnan and Amanda Rowlatt are eligible and have offered themselves for re-election. In addition Catherine Connolly was co-opted to the Council during the year and her appointment will be ratified at the AGM.

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 of which they know the auditors are unaware.

Reappointment of auditors

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

Society of Professional Economists

Directors' Report for the Year Ended 30 June 2018

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 12 November 2018 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'S Curtis', written over a dotted line.

S Curtis
Company secretary

Society of Professional Economists

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 surplus or deficit 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;
- 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.

Society of Professional Economists

Independent Auditor's Report to the Members of Society of Professional Economists

Opinion

We have audited the financial statements of Society of Professional Economists (the 'company') for the year ended 30 June 2018, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its loss 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.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Society of Professional Economists

Independent Auditor's Report to the Members of Society of Professional Economists

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Society of Professional Economists

Independent Auditor's Report to the Members of Society of Professional Economists

Use of our report

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.



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

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Date: *14 November 2018*

Society of Professional Economists

Profit and Loss Account for the Year Ended 30 June 2018

	Note	2018 £	2017 £
Turnover		47,428	48,041
Administrative expenses		(119,875)	(79,139)
Other operating income		<u>61,826</u>	<u>22,040</u>
Operating deficit		<u>(10,621)</u>	<u>(9,058)</u>
Other interest receivable and similar income		<u>6,712</u>	<u>4,857</u>
		<u>6,712</u>	<u>4,857</u>
Deficit before tax		(3,909)	(4,201)
Taxation		<u>(2)</u>	<u>(2)</u>
Deficit for the financial year		<u><u>(3,911)</u></u>	<u><u>(4,203)</u></u>

The above results were derived from continuing operations.

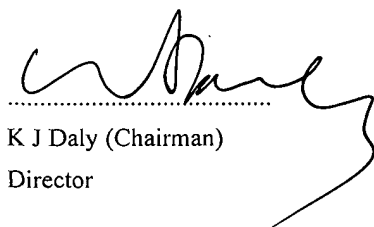
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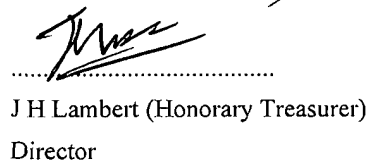
(Registration number: 667616)
Balance Sheet as at 30 June 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	149	287
Other financial assets	5	<u>213,397</u>	<u>207,987</u>
		<u>213,546</u>	<u>208,274</u>
Current assets			
Debtors	6	12,700	-
Cash at bank and in hand		<u>47,020</u>	<u>44,093</u>
		59,720	44,093
Creditors: Amounts falling due within one year	7	<u>(43,223)</u>	<u>(23,823)</u>
Net current assets		<u>16,497</u>	<u>20,270</u>
Net assets		<u>230,043</u>	<u>228,544</u>
Capital and reserves			
Revaluation reserve		111,285	105,875
Profit and loss account		<u>118,758</u>	<u>122,669</u>
Total equity		<u>230,043</u>	<u>228,544</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 12 November 2018 and signed on its behalf by:


K J Daly (Chairman)
Director


J H Lambert (Honorary Treasurer)
Director

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Statement of Changes in Equity for the Year Ended 30 June 2018

	Revaluation reserve £	Profit and loss account £	Total £
At 1 July 2017	105,875	122,669	228,544
Deficit for the year	-	(3,911)	(3,911)
Other comprehensive income	5,410	-	5,410
Total comprehensive income	5,410	(3,911)	1,499
At 30 June 2018	111,285	118,758	230,043
	Revaluation reserve £	Profit and loss account £	Total £
At 1 July 2016	64,812	126,872	191,684
Deficit for the year	-	(4,203)	(4,203)
Other comprehensive income	41,063	-	41,063
Total comprehensive income	41,063	(4,203)	36,860
At 30 June 2017	105,875	122,669	228,544

The notes on pages 11 to 14 form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 30 June 2018

1 General information

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

These financial statements were authorised for issue by the Board on 12 November 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

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Notes to the Financial Statements for the Year Ended 30 June 2018

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office Equipment	4 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

3 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	1,900	1,900
Other fees to auditors		
All other non-audit services	3,213	3,213

Society of Professional Economists

Notes to the Financial Statements for the Year Ended 30 June 2018

4 Tangible assets

	Office equipment £	Total £
Cost or valuation		
Additions	414	414
At 30 June 2018	414	414
Depreciation		
At 1 July 2017	127	127
Charge for the year	138	138
At 30 June 2018	265	265
Carrying amount		
At 30 June 2018	149	149
At 30 June 2017	287	287

5 Other financial assets (current and non-current)

	Listed investments at fair value through profit and loss £	Unlisted investments at fair value through profit and loss £	Total £
Non-current financial assets			
Valuation			
At 1 July 2017	83,610	124,377	207,987
Fair value adjustments	(3,150)	-	(3,150)
Fair value adjustments	-	8,560	8,560
At 30 June 2018	80,460	132,937	213,397
Impairment			
Carrying amount			
At 30 June 2018	80,460	132,937	213,397

The market value of the listed investments at 30 June 2018 was £80,460 (2017 - £83,610).

The market value of the unlisted investments at 30 June 2018 was £132,937 (2017 - £124,377).

The historic cost of the listed investments is £2,567 and the unlisted investments is £99,545.

Society of Professional Economists

Notes to the Financial Statements for the Year Ended 30 June 2018

6 Debtors

	2018	2017
	£	£
Other debtors	12,700	-
	<u>12,700</u>	<u>-</u>

7 Creditors

Creditors: amounts falling due within one year

	2018	2017
	£	£
Due within one year		
Trade creditors	353	1,313
Taxation and social security	264	50
Accruals and deferred income	14,633	3,918
Other creditors	27,973	18,542
	<u>43,223</u>	<u>23,823</u>

Society of Professional Economists

Detailed Profit and Loss Account for the Year Ended 30 June 2018

	2018 £	2017 £
Turnover (analysed below)	<u>47,428</u>	<u>48,041</u>
Gross surplus (%)	100%	100%
Administrative expenses		
Establishment costs (analysed below)	(420)	(413)
General administrative expenses (analysed below)	(62,655)	(59,469)
Finance charges (analysed below)	(2,471)	(1,951)
Depreciation costs (analysed below)	(138)	(127)
Other expenses (analysed below)	<u>(54,191)</u>	<u>(17,179)</u>
	(119,875)	(79,139)
Other operating income (analysed below)	<u>61,826</u>	<u>22,040</u>
Operating deficit	(10,621)	(9,058)
Other interest receivable and similar income (analysed below)	<u>6,712</u>	<u>4,857</u>
Deficit before tax	<u><u>(3,909)</u></u>	<u><u>(4,201)</u></u>

Society of Professional Economists

Detailed Profit and Loss Account for the Year Ended 30 June 2018

	2018 £	2017 £
Turnover		
Membership subscriptions	<u>47,428</u>	<u>48,041</u>
Establishment costs		
Insurance	<u>420</u>	<u>413</u>
General administrative expenses		
Secretarial service fees	42,894	40,899
Printing, postage and stationery	296	252
Website costs	2,214	2,798
Travel and subsistence	-	74
Auditors remuneration - current year	1,900	1,900
Auditors' remuneration - non audit work	3,213	3,213
Consultancy fees	12,000	10,333
Legal and professional fees	<u>138</u>	<u>-</u>
	<u>62,655</u>	<u>59,469</u>
Finance charges		
Bank charges and credit card charges	<u>2,471</u>	<u>1,951</u>
Depreciation costs		
Depreciation of office equipment (owned)	<u>138</u>	<u>127</u>
Other expenses		
Conferences and dinners	35,514	9,231
Yearbook	1,465	1,446
Rybczynski prize expenses	6,000	-
Irrecoverable VAT	<u>11,212</u>	<u>6,502</u>
	<u>54,191</u>	<u>17,179</u>
Other operating income		
Conferences and dinners	58,071	20,783
Journal income	55	57
Advertising (SBE)	<u>3,700</u>	<u>1,200</u>
	<u>61,826</u>	<u>22,040</u>
Other interest receivable and similar income		
Bank interest receivable	11	9
Dividend income	<u>6,701</u>	<u>4,848</u>
	<u>6,712</u>	<u>4,857</u>

This page does not form part of the statutory financial statements.