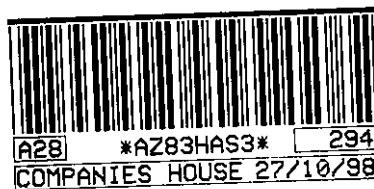


SOCIETY OF BUSINESS ECONOMISTS
(A COMPANY LIMITED BY GUARANTEE)
COMPANY NO. 667616
ACCOUNTS
30 JUNE 1998



SOCIETY OF BUSINESS ECONOMISTS
(A COMPANY LIMITED BY GUARANTEE)
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30 JUNE 1998

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(A COMPANY LIMITED BY GUARANTEE)

COUNCILS REPORT

30 JUNE 1998

The Council submit the accounts of the Society for the year ended 30 June 1998.

STATEMENT OF COUNCILS RESPONSIBILITIES

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

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

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

RESULTS AND DIVIDENDS

The Council are satisfied with the results for the year and do not envisage any significant changes in the forthcoming year. The Council is not permitted to recommend the payment of a dividend.

ACTIVITIES

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.

INCORPORATION

The Society, which is limited by guarantee, is incorporated under the Companies Act 1985, registration number 667616. Members liability is limited to £1.

YEAR 2000 COMPLIANCE

As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the Year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is failure by other parties to remedy their own Year 2000 issues.

The company is well advanced in the phase of assessing the risks to our business resulting from the date change to the Year 2000. Once this phase is completed we can assess the likely impact on our activities and develop prioritised action plans to deal with the key risks.

(A COMPANY LIMITED BY GUARANTEE)

COUNCILS REPORT (CONT'D)

30 JUNE 1998

MEMBERS OF THE COUNCIL

G.P. Lyons

Mrs. R.M. Connell

J.A. Hirst

J.P. Calverley (appointed 8.4.98)

Ms J. Leyland

A. Sentance (Chairman)

J.C. Dorrington

J. Walsh (appointed 8.7.97)

S. Briscoe

A.B. Milligan

C. Burton (Treasurer appointed 4.11.97)

R. Freeman resigned on 8 July 1997

M.D. Kingston resigned on 11 November 1997

R. O'Brien resigned on 11 November 1997

HON. SECRETARY:

James Walsh

REGISTERED OFFICE: Nile House, Nile Street, Brighton, BN1 1JB

AUDITORS

The auditors, Moores Rowland, offer themselves for re-appointment and a resolution to this effect will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

J. Walsh

Hon. Secretary



Date:

17 Oct 98

(A COMPANY LIMITED BY GUARANTEE)

AUDITORS REPORT TO THE MEMBERS OF

SOCIETY OF BUSINESS ECONOMISTS

We have audited the annual accounts on pages 4 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's Council members are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

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

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

OPINION

In our opinion, the accounts give a true and fair view of the state of the company's affairs at 30 June 1998 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

MOORES ROWLAND
Chartered Accountants
Registered Auditors
Brighton

Date: 26 October 1998

MOORES
ROWLAND
BRIGHTON

SOCIETY OF BUSINESS ECONOMISTS
(A COMPANY LIMITED BY GUARANTEE)
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 1998

Page 4

	Note	1998 £	1997 £
TURNOVER		31,225	31,935
OTHER OPERATING INCOME		37,641	36,451
		<u>68,866</u>	<u>68,386</u>
Administrative expenses		(45,391)	(43,191)
Other operating expenses		<u>(29,362)</u>	<u>(23,591)</u>
OPERATING (LOSS)/PROFIT	2	(5,887)	1,604
Other income		-	2,033
Income from investments		4,282	4,079
Interest receivable and similar income		<u>3,790</u>	<u>2,279</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,185	9,995
Tax on profit on ordinary activities	3	<u>(1,666)</u>	<u>(1,300)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>519</u>	<u>8,695</u>

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than the profit for the year.

SOCIETY OF BUSINESS ECONOMISTS
(A COMPANY LIMITED BY GUARANTEE)

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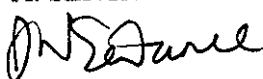
BALANCE SHEET

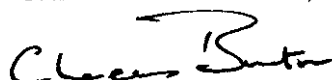
30 JUNE 1998

	Note	£	1998 £	£	1997 £
FIXED ASSETS					
Tangible fixed assets	4		4,115		3,706
Investments	5		50,190		84,569
CURRENT ASSETS					
Debtors and Prepayments	6	4,094		2,288	
Cash at bank and in hand		66,977		22,428	
		<u>71,071</u>		<u>24,716</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	7	(24,699)		(12,833)	
NET CURRENT ASSETS			<u>46,372</u>		<u>11,883</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>100,677</u>		<u>100,158</u>
ACCUMULATED SURPLUS	8,9		<u>100,677</u>		<u>100,158</u>

Approved by the Council on

17/6/98

A. SENTANCE)
) Members of the
) Council
C. BURTON)



(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

30 JUNE 1998

1. ACCOUNTING POLICIES

The policies followed for dealing with items which are judged to be material to the accounts are set out below:

ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

TURNOVER

Turnover represents members subscriptions receivable for the year.

TANGIBLE FIXED ASSETS

Tangible fixed assets are written off in equal annual instalments over their expected useful economic lives as follows:

Office equipment - 4 years

2. OPERATING PROFIT

	1998	1997
	£	£
Operating profit is stated after charging:		
	700	700
Auditors remuneration	1,954	1,866
Depreciation	<u> </u>	<u> </u>

3. TAXATION

The Society is not liable for corporation tax on its trading income as the Inland Revenue have accepted that this is mutual trading. Corporation tax arises on the Society's investment income and other non-trading income.

	1998	1997
	£	£
The taxation charge represents:		
Tax attributable to franked investment income	810	575
Corporation tax charge on unfranked investment income and bank interest received at 21% (1997: 23%)	856	734
Over provided in previous year	-	(9)
	<u>1,666</u>	<u>1,300</u>

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

30 JUNE 1998

4. TANGIBLE FIXED ASSETS

Office
Equipment
£

Cost	
1 July 1997	15,452
Additions	2,363
Disposals	(572)
	<hr/>
30 June 1998	17,243
	<hr/>

Depreciation	
1 July 1997	11,746
Provision	1,954
Disposals	(572)
	<hr/>
30 June 1998	13,128
	<hr/>

Net book value

30 June 1998	4,115
	<hr/>

30 June 1997

3,706

5. INVESTMENTS

Listed
Investments
£Other
Investments
£Total
£

Cost			
1 July 1997	11,135	73,434	84,569
Disposals	-	(34,379)	(34,379)

30 June 1998

11,135

39,055

50,190

Market Value
30 June 1998

98,420

100,359

198,779

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

30 JUNE 1998

6. DEBTORS	1998 £	1997 £
Trade debtors	3,756	1,944
Prepayments	338	344
	<u>4,094</u>	<u>2,288</u>
7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1998 £	1997 £
Bank overdraft	1,873	183
Subscriptions	14,300	4,235
Corporation tax	810	575
Other creditors	5,480	5,869
Accruals and deferred income	2,236	1,971
	<u>24,699</u>	<u>12,833</u>
8. ACCUMULATED SURPLUS	1998 £	1997 £
At the date of incorporation	511	511
From incorporation to 30 June 1997	99,647	90,952
Surplus for the year	519	8,695
	<u>100,677</u>	<u>100,158</u>
9. RECONCILIATION OF MOVEMENTS IN MEMBERS FUNDS	1998 £	1997 £
Profit on ordinary activities after taxation	519	8,695
Opening members funds	100,158	91,463
Closing members funds	<u>100,677</u>	<u>100,158</u>