



**THE ECONOMIC SOCIETY
OF SOUTH AFRICA**
(EST. 1925)

Annual Report 2005

The Economic Society of South Africa

P.O. Box 73354
Lynnwood Ridge
0040
Pretoria

Tel: +27 12 420 3525
Fax: +27 12 362 5266

4-45 EBW Building
University of Pretoria
Pretoria 0002
South Africa

E-mail: saje@up.ac.za
Web: www.essa.org.za

Contents

	Page
1. Agenda for the Annual General Meeting, with Addendum	2
2. Minutes of the previous Annual General Meeting (for approval)	5
3. Membership 2004 and 2005	6
4. Council 2005/06	7
5. Branch secretaries	8
6. Entries for Economic Society prizes	9
• Founders' medal for Doctoral theses	
• Founders' medal for Master's dissertations in full fulfilment of the degree	
• Founders' medal for Master's dissertations in partial fulfilment of the degree	
• ABSA Bank prize for Honours dissertations	
7. Branch activities	11
8. Financial statements of the Society and the journals for 2004 and 2005	14

AGENDA

for the 80th Annual General Meeting of the Economic Society of South Africa

Date: Sunday 22 October 2006

Time: 17h30

Venue: "Conference A", South African Reserve Bank Conference Centre, Pretoria

- 1 Welcome and apologies
- 2 Adoption of the agenda
- 3 Confirmation of the minutes of the Annual General Meeting held on 8 September 2005
- 4 Adoption of the Annual Report of the Council and the financial statements of the Society and of the journals for 2005
- 5 Annual membership fees
- 6 Constitutional changes
- 6.1 The appointment of the immediate past president to Council and Exco, as approved at the Council meeting of 16 March 2006.

The proposed amendment under 7(a) of the constitution is as follows [where (vii) was previously (vi)]:

- (vi) the immediate past President; and
- (vii) a maximum of three additional members co-opted by the Council.

It is further proposed that the immediate past President be included in the Executive Committee in terms of section 7(g).

- 6.2 NPO / PBO / PAYE registration

To comply with SARB and SARS legislation, the auditors have advised that ESSA should be registered as a non-profit and public benefit organization, as well as for PAYE. Accordingly the Society's constitution must be amended in several respects, as follows.

- Income and property are not distributable to its members or office-bearers, except as reasonable compensation for services rendered;
- Members or office-bearers have no rights in the property or other assets of the Society solely by virtue of their being members or office-bearers;
- Provision must be made for the Society's financial transactions to be conducted by means of a banking account;
- Procedures are required by which the Society may be wound up or dissolved;

- Provision must be made that, when the Society is wound up or dissolved, any assets remaining after all its liabilities have been settled must be transferred to another NPO/PBO having similar objectives.

The specific wording of the changes will be provided by the Society's auditors, for approval.

Please see the 2006 AGM Agenda Addendum: Constitutional changes for registration as a public benefit organization.

- 7 Election of auditors
- 8 Prize winners
 - 8.1 Founders' medal for Doctoral theses
 - 8.2 Founders' medal for Master's dissertations
 - 8.3 ABSA Bank prize for Honours dissertations
- 9 Any other business

The presidential address will take place at 18h00

2006 AGM Agenda Addendum:

Constitutional changes for registration as a public benefit organization

To allow the Society to register as a public benefit organization, the Society's auditors have recommended the following additions to the constitution.

To be added under the existing heading FINANCE:

- Council shall cause one or more banking accounts to be opened in the name of the Society with an institution registered and regulated in terms of the Banks Act of 1990, and any amount accruing to the Society shall be deposited in such banking account or accounts as the Council may direct.
- All payments from the funds of the Society shall be effected by cheque or electronic fund transfer signed by the Secretary, Treasurer or person appointed by Council and countersigned by the Auditors or such person as Council may authorise thereto; provided that nothing herein contained shall prevent Council from maintaining and operating a petty cash fund, or paying in cash such ordinary and usual accounts as do not in total exceed a sum determined by Council, and provided further that the total sum for the payment of such accounts is drawn by cheque.
- All property of the Society shall be vested in Council.
- The income and property of the Society, from whatever source derived, including profits or gains, shall be applied solely to the promotion and furtherance of the objectives of the Society, and no part thereof shall be paid or transferred, directly or indirectly by way of dividend or bonus or otherwise, to any person: Provided that nothing herein contained shall prevent the payment in good faith of remuneration to any employee or other person/s for services rendered to the Society.

To be added under the new heading DISSOLUTION OF THE SOCIETY:

- If, upon winding up or dissolution of the Society, there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be paid or distributed amongst the members of the Society, but shall be given or transferred to such other institution or institutions having objectives similar to those of the Society as may be determined by the majority decision of the general meeting of the Society and which is itself exempt from income tax in terms of section 30(8)(a) of the Ninth Schedule Part 1 of the Income Tax Act.

MINUTES

of the 79th Annual General Meeting held on 8 September 2005 at the Elangeni Hotel, Durban

1. The minutes of the 78th Annual General Meeting held on 18 September 2004 were approved as distributed.
2. The AGM approved the Annual General Report of the Central Council and the Financial Statements of the Society and of the Journal for 2004.
3. The AGM approved the proposed constitutional change to include the new Journal of Development Perspectives (JDP).
4. Matters arising:
 - a) Annual membership fees.
The AGM approved the increase of the following membership fees:
Student members from R100 to R120 p.a.
Normal members from R265 to R300 p.a.
 - b) The following members were elected to serve for another year on the ESSA Central Council by the AGM in terms of article 7(a)(iv) of the ESSA constitution:
 1. Wilma Viviers
 2. Christo Luüs
 3. Roger Baxter
 4. Elias Masilela
 5. Johannes Fedderke
 6. Stan du Plessis
5. The Central Council made the following awards:
 - Founders' Medal for doctoral theses
De Wet, W. *A Structural GARCH Model: An Application to Portfolio Management*
 - Founders' Medal for Master's dissertations
Vermaak, C. *Trends in Income Distribution, Inequality and Poverty in South Africa, and the Effects on Poor Whites: An Analysis of Household Survey Data, 1995-2001*
 - The ABSA Bank Prize for Honours Students
Breier, M. *Making water work for rural communities: a game-theoretic analysis*
6. Election of auditors.
The current auditors (C van der Merwe Inc) were again elected as ESSA's auditors for 2005.
7. Other business.
There was no other business.

MEMBERSHIP

as at 31 December

Branch:	Normal		Honorary		Lifetime		Pension		Student		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Cape Town	36	27	0	0	2	2	2	2	0	0	40	31
Eastern Cape	25	16	1	1	3	3	2	2	0	1	31	23
Free State	17	18	0	0	0	0	3	3	2	3	22	24
Johannesburg	126	102	0	0	3	3	3	3	9	7	141	115
KwaZulu-Natal	35	28	0	0	0	0	2	2	0	1	37	31
Limpopo	15	13	0	0	1	1	0	0	0	0	16	14
North West	10	9	0	0	0	0	1	1	28	29	39	39
Pretoria	219	234	2	3	3	3	0	0	7	10	231	250
Stellenbosch	30	36	1	1	0	0	2	2	19	12	52	51
Foreign	10	7	0	0	3	3	1	1	1	1	15	12
Total	523	490	4	5	15	15	16	16	66	64	624	590

COUNCIL MEMBERS

for the year 2005/06

President: RWK Parsons

Vice-Presidents: FS Barker
L Kritzinger-van Niekerk

Honorary Secretary: F Fouché

Honorary Treasurer: P Perkins

Elected in terms of the Constitution:

7 (a) (iv) W Viviers
C Luüs
R Baxter
E Masilela
J Fedderke
S du Plessis

7 (a) (v) PA Black
M Holden

7 (a) (vi) JH van Heerden
E Loots
M Mnyande

Elected by branches in terms of 7 (a) (iii) of the Constitution:

Cape Town	M Leibbrandt	J Gerson
Eastern Cape	H Nel	CVR Wait
Johannesburg	R Cassim	J Luiz
Free State	F Booysen	P Burger
KwaZulu-Natal	D Posel	R Diaz
Limpopo	KSM Matjekana	A Gyekye
North West	M Matthee	W Krugell
Pretoria	C Harmse	Z Botha
Stellenbosch	BW Smit	S du Plessis

BRANCH SECRETARIES

2005

Branch and Secretary	Address	Phone and Email
Cape Town J Wakeford	School of Economics University of Cape Town Private Bag, Rondebosch, 7701	(021) 650 2782 jwakefor@commerce.uct.ac.za
Eastern Cape J Snowball	Department of Economics Rhodes University Grahamstown, 6140	(046) 603 8303 j.snowball@ru.ac.za
Johannesburg D Blaauw	Department of Economics University of Johannesburg PO Box 542, Auckland Park, 2006	(011) 489 3799 pfb@eb.rau.ac.za
Free State A Pool	Department of Economics University of the Free State PO Box 339, Bloemfontein, 9300	(051) 401 3596 poolan.blms@mail.uovs.ac.za
KwaZulu-Natal R Dias	Department of Economics University of KwaZulu-Natal King George V Avenue, Durban, 4001	(031) 260 1040 diasr@ukzn.ac.za
Limpopo L Tala	School of Economics and Management University of the North P/Bag X1106, Sovenga, 0727	(015) 268 2434 itala@unorth.ac.za
North West M Matthee	School for Economics, Risk Management and International Trade, P/Bag X6001, North West University (Potchefstroom Campus), 2521	(018) 299 1362 eknmm@puk.ac.za
Pretoria K Siebrits	Department of Economics UNISA PO Box 392, Pretoria, 0003	(012) 429 4878 siebrfk@unisa.ac.za
Stellenbosch S du Plessis	Department of Economics University of Stellenbosch P/Bag X1, Matieland, 7602	(021) 808 2247 sophia@sun.ac.za

Membership enquiries:

Mrs Titia Antonites, PO Box 73354, Lynnwood Ridge, 0040

Phone: (012) 420 3525

Fax: (012) 362 5266

Email: saje@up.ac.za

ENTRIES FOR ECONOMIC SOCIETY PRIZES

See www.essa.org.za for further explanation and details relating to prizes.

Founders' medal for Doctoral theses

The following entries were received for 2006:

- Du Plessis, SWF *Institutions and Institutional Change as Explanation for Differences in Economic Development: A Study of the First Three Decades of the Post-Colonial Experience of Zambia and Botswana*
- Krugell, WF *The Geographical Economy of South Africa*
- Sichei, MM *South Africa – US Intra-industry Trade in Services*
- Snowball, JD *The Economic Valuation of Cultural Events in Developing Countries: Combining Market and Non-Market Valuation Techniques at the South African National Arts Festival*
- Thurlow, J *Trade Liberalisation and Poverty in South Africa: A Computable General Equilibrium and Micro-Simulation Analysis of Past and Potential Trade Policies*
- Van Walbeek, C *The Economics of Tobacco Control in South Africa*

Founders' medal for Master's dissertations in full fulfilment of the degree

The following entries were received for 2006:

- Coetzee, C *The Impact of Highly Active Antiretroviral Therapy (HAART) on Perceived Health and Labour Supply in Khayelitsha*
- Von Maltitz, M *The Relationship Between Social Capital, Welfare and Health in South Africa*
- Boshoff, W *The Properties of Cycles in South African Financial Variables and Their Relation to the Business Cycle*
- Koster, M *A Macroeconomic Model for South Africa: A Non-Linear Econometric Modelling Approach*

Founders' medal for Master's dissertations in partial fulfilment of the degree

The following entries were received for 2006:

- Le Roux, JC *Inflation Forecasting in the South African Economy: A VECM Approach*
- Schoer, V *Job Search Strategies and Social Networks: Evidence from the Khayelitsha/Mitchell's Plain Survey*
- Kotze, KL *Midas Models: The Use of Asset Prices to Forecast Inflation*
- Cloete, B *The Impact of the Digitalisation of Music on the Market for Popular Music: a Micro-theoretic Analysis*
- Mahomed, AC *Trade Openness and Labour Demand Elasticities: Is There Empirical Evidence from South Africa?*
- Dimopoulos, G *Applying the Contingent Valuation Method to Value Fresh Water Inflows into the Knysna, Great Brak and Little Brak Estuaries*
- Moolman, CE *Modelling the Marginal Revenue of Water in Selected Agricultural Commodities: A Panel Data Approach*

ABSA Bank prize for Honours dissertations

The following entries were received for 2006:

- Kerr, A *Internal Labour Migration in South Africa: An Analysis of Recent Trends and an Exploration of the Motivations for Remittances*
- Jimmy, C *Should South Africa Have a Fiscal Rule?*
- Axelson, C *The Effect of the Credit Spread Between the United States and SA on the Rand/Dollar Exchange Rate*
- Masia, A *Currency Value Effects on the South African Economy and the Estimation of its Underlying Equilibrium*
- Lessem, N *Interconnection and Strategic Competition in the South African Mobile Sector*
- Von Fintel, D *Interval-coding Obstacles in the Earnings Framework - How Sharp are the Tools in the Shed?*
- Hofmeyr, A *Income Inequality, Reciprocity and Public Good Provision: An Experimental Analysis*
- Mafereka, RO *The Impact of HIV/AIDS on Household Savings in Two Local Free State Communities*
- Maharajah, SP *Inter-market Inefficiency: The Gold Between the Equity and Commodity Markets*
- Ferreira, S *Estimating a Taylor Rule for SA Monetary policy*
- Nortrop, A *Optimal Harvesting Strategies for the Hake Stock of the West Coast of SA*
- Law, M *Contingent Valuation Study of the Local Willingness to Pay for the Improvements and Maintenance of the Makana Botanical Gardens, Grahamstown*
- Troskie, F *The African 'Hangover': Growth, the Debt Overhang Hypothesis and Debt Relief*

BRANCH ACTIVITIES

2005

Date (in 2005)	Speaker(s)	Topic
Eastern Cape		
21 April	Ken Willis	Assessing water company customer preferences and willingness to pay for service improvements: A stated choice analysis
7-8 October	Xolile Guma Various	Economic research needs in South Africa RU/ESSA postgraduate student conference
31 October	Rudolf Gouws	The economic history of the South African economy
Johannesburg		
1 March	Rashad Cassim	Trade Policy in South Africa
21 September	Deirdre McCloskey	The Rhetoric of Economics
20 October	Peter Perkins	Infrastructural investment in long-run economic growth: South Africa 1875-2001
	Rudolf Gouws	Fixed investment and the growth outlook
Free State		
4 November	Mesheck Aziakponu	Financial integration among the SACU countries: An exploration of the degree and its effect
11 November	Michael von Maltitz	Social ties: 'life line' or 'ball and chain'? Household welfare, health and social capital in KwaZulu-Natal
18 November	Arno van Niekerk	Deficiencies in contemporary global economic governance: A theoretical perspective
North West		
14 March	Andrea Saayman, Waldo Krugell	Oorsig oor die nasionale & NW provinsie se begrotings
05 April	Thomas Gries	Endogenous formation of regions & FDI in a developing country
19 May	Lullu Krugel	Iemand se brood, 'n ander se dood – die arbeidsmark in SA
25 May	Ludo Cuyvers	ASEAN FTA and other regional cooperation in South East & East Asia
31 May	Craig Fleischer	Spinning the globe, comparing the development of competitive intelligence in 14 countries
3 August	Ettienne le Roux	Die Suid Afrikaanse ekonomie: 'n terugblik & vooruitsig

Date (in 2005)	Speaker(s)	Topic
North West (continued)		
13 September	Diana Hunt	Land rights & economic development: past debates & current issues
16 September	Diana Hunt	International dependence & the economic performance of Sub-Saharan Africa
22 September	Riaan le Roux	Werkseweringe in die Departement Handel & Nywerheid
20 October	Thomas Gries	Growth and convergence
Pretoria		
18 February	Ulrich Joubert, Cecil Morden, Abri Meiring	The 2005/06 Budget
20 September	Deirdre McCloskey	Bourgeois Virtues: How Ethics and Economics Meet in Capitalism
Stellenbosch		
24 February	Philippe Burger	Economic diversification, Resource abundance and skills shortages
10 March	Pierre de Villiers	The changing face of public funding for Higher Education
17 March	Stan du Plessis	The "democratic deficit" and inflation targeting
14 April	Jeff Lewis	Global Development Finance 2005
21 April	Rachel Jafta	Charters. Codes and Confusion: Black Economic Empowerment in South African context
12 May	Rulof Burger	Emergent black affluence and social mobility in post-apartheid South Africa
13 May	Nicola Theron	Market power – theory vs practice
28 July	Basil Moore	ISLM once again
4 August	Phillip Boshoff	Religion and economic growth: the empirical relationship
11 August	Sonja Keller-Canto	Why do International Investors buy emerging market corporate debt?
18 August	Pieter Laubscher	Improving medium-term growth prospects for the SA economy
22 August	Franco Malerba	Improving medium-term growth prospects for the SA economy
25 August	Lawrence Edwards	Exchange rate depreciation and the trade balance in South Africa
13 September	Jan L van Zanden	Girlpower. The European marriage pattern (EMP) and labour markets in the North Sea region in the late medieval and early modern period

Date (in 2005)	Speaker(s)	Topic
Stellenbosch (continued)		
14 September	Deirdre McCloskey	Bourgeois Virtues: How Ethics and Economics meet in Capitalism
22 September	Ronelle Burger	Investigating urban bias in education outcomes in Zambia
29 September	Frikkie le Roux Booyesen	The HEART in HAART: Quality of life of patients enrolled in the public sector anti-retroviral treatment programme in the Free State Province
6 October	Le Roux Burrows	Can we believe the CGE-based assessments of free trade agreements?
13 October	Stef Coetzee	Hulpverlening aan Afrika – 'n Noodsaaklike euwel?
20 October	Eduard Jordaan	The NEPAD peer review of Rwanda

ESSA – Investec Forum (Cape Town and Johannesburg)

17 February	Nariman Behraves, Cees Bruggemans	Real Interest Rates in the United States and South Africa
25 February	Philippe Burger, Adenaan Hardien	The SA welfare state – fiscal sustainability and sustainable development
7 April	Penny Hawkins	New banking regulations and their potential impact on competition and access
9 June	Anne O. Krueger	The Time is Always Ripe: Pushing Ahead with Economic Reform in Africa

THE ECONOMIC SOCIETY OF SOUTH AFRICA
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2005

C van der Merwe Incorporated
Chartered Accountants (SA)
Registered Auditors

The Economic Society of South Africa
Annual Financial Statements for the year ended 31 December 2005

index

The reports and statements set out below comprise the annual financial statements presented to the members:

index	page
Council's Responsibilities and Approval	F1
Report of the Independent Auditors	F2
Balance Sheet - ESSA	F3
Income Statement - ESSA	F4
Balance Sheet - Central Council Conference	F5
Income Statement - Central Council Conference	F5
Balance Sheet - JDP	F6
Income Statement - JDP	F6
Balance Sheet - South African Journal of Economics	F7
Income Statement - South African Journal of Economics	F8
Notes to the Annual Financial Statements	F9

council's responsibilities and approval

The Council is required by the Society's constitution to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Society as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Council acknowledges that they are ultimately responsible for the system of internal financial control established and places considerable importance on maintaining a strong control environment. To enable the Council to meet these responsibilities, they set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the period and all officers are required to maintain the highest ethical standards in ensuring the Society's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Society is on identifying, assessing, managing and monitoring all known forms of risk across the Society. While operating risk cannot be fully eliminated, the endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council is of the opinion, based on the information and explanations given by officers, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Council is satisfied that the Society has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although the Council is primarily responsible for the financial affairs of the Society, they are supported by the Society's external auditors.

The external auditors are responsible for independently reviewing and reporting on the Society's annual financial statements. The annual financial statements have been examined by the Society's external auditors and their report is presented on page 2.

The annual financial statements set out on pages 3 to 9, which have been prepared on the going concern basis, were approved by the Council on 22 October 2006 and were signed on its behalf by:

Secretary

Johannesburg

Treasurer

The Economic Society of South Africa
Annual Financial Statements for the year ended 31 December 2005

auditors report

We have audited the annual financial statements of The Economic Society of South Africa set out on pages 3 to 9 for the year ended 31 December 2005. These annual financial statements are the responsibility of the Society's Council. Our responsibility is to express an opinion on these annual financial statements based on our audit.

We were engaged to audit the annual financial statements of The Economic Society of South Africa set out on pages 3 to 9 for the year ended 31 December 2005. These annual financial statements are the responsibility of the Society's Council.

Scope

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the annual financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Society at 31 December 2005 and the results of its operations for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the constitution.

Accounting and secretarial duties

Without qualifying our opinion, we draw your attention to the fact that with the written consent of council, we have performed certain accounting and secretarial duties.



C van der Merwe Incorporated
Chartered Accountants (SA)
Registered Auditors

Pretoria
22 October 2006

The Economic Society of South Africa
Annual Financial Statements for the year ended 31 December 2005

balance sheet

Figures in Rand	Note(s)	2005	2004
assets			
current assets			
ESSA			
Investment accounts	2	488,441	447,500
Money market accounts		85,243	79,910
Cash and cash equivalents		140,919	32,688
Trade and other receivables		10,445	-
Members' dues		-	1,077
		725,048	561,175
EHD Arndt fund			
Equities held			
		198	675
Investment accounts	2	163,892	150,199
Money market accounts		114,748	107,308
Cash and cash equivalents		-	1,252
Broker account		-	1,667
		278,838	261,101
Owen Horwood Fund			
Investment account			
	2	68,470	62,748
Money market accounts		56,115	52,282
		124,585	115,030
Total Assets		1,128,471	937,306
funds and liabilities			
funds			
ESSA			
		510,922	452,003
EHD Arndt fund			
		201,545	261,101
Owen Horwood fund			
		124,585	115,030
		837,052	828,134
liabilities			
current			
ESSA			
Trade and other payables		12,613	4,132
Cash and cash equivalents		77,293	-
Capital endowment fund		18,677	17,627
non-current			
ESSA			
South African Journal of Economics		182,836	87,413
EHD Arndt Fund			
		291,419	109,172
Total Funds and Liabilities		1,128,471	937,306

The Economic Society of South Africa
Annual Financial Statements for the year ended 31 December 2005

income statement

Figures in Rand	Note(s)	2005	2004
income			
Members' dues received		144,789	109,267
Prize entry fees		1,200	-
Investment income		47,154	53,237
		<u>193,143</u>	<u>162,504</u>
expenses			
Bank charges		735	671
Prizes awarded		-	295
Stationery, printing and postage		180	409
Entertainment and refreshments		4,890	10,377
Auditors remuneration		5,221	-
Travel		-	1,993
South African Journal of Economics		115,831	87,413
Branch grants		2,500	2,500
Capital endowment fund	3	1,050	1,050
Members' dues written off		1,077	-
Prize adjudications		2,212	-
Gifts		528	-
		<u>134,224</u>	<u>104,708</u>
Surplus / (deficit)		58,919	57,796
Owen Horwood Fund			
Investment income		9,555	11,184
Surplus		9,555	11,184
EHD Arndt Fund			
income			
Investment income		21,133	32,450
Profit on sale of shares		333	-
		<u>21,466</u>	<u>32,450</u>
expenses			
Editor's fee		-	9,000
Logo development		-	12,439
Learning online		81,022	-
		<u>81,022</u>	<u>21,439</u>
Surplus / (deficit)		(59,556)	11,011

The Economic Society of South Africa
Central Council Conference
Annual Financial Statements for the year ended 31 December 2005

Figures in Rand	2005	2004
-----------------	------	------

balance sheet

assets

current		
Investment accounts	343,752	315,030
Cash and cash equivalents	121,186	17,265
Money market accounts	39,469	36,910
Total Assets	504,407	369,205

funds and liabilities

funds	504,407	369,205
Total Funds and Liabilities	504,407	369,205

income statement

income

Investment income	31,281	36,549
Conference surplus	111,721	-
Branch allocations (ESSA)	2,500	2,500
	145,502	39,049

expenses

Branch activities		
Eastern Cape	4,500	-
North West	800	1,950
Stellenbosch	5,000	-
	10,300	1,950
Surplus / (deficit)	135,202	37,099

The Economic Society of South Africa
Journal of Development Perspectives
Annual Financial Statements for the year ended 31 December 2005

Figures in Rand	2005	2004
-----------------	------	------

balance sheet

assets

current		
Cash and cash equivalents	80,000	-
Total Assets	80,000	-

funds and liabilities

funds	75,555	-
-------	--------	---

liabilities

current		
Trade and other payables	4,445	-
Total Funds and Liabilities	80,000	-

income statement

income

Sponsorships	121,306	-
	121,306	-

expenses

Editors fee	6,000	-
Publication costs	39,751	-
	45,751	-
Surplus / (deficit)	75,555	-

The Economic Society of South Africa - SAJE
Annual Financial Statements for the year ended 31 December 2005

balance sheet

Figures in Rand	Note(s)	2005	2004
assets			
non-current assets			
Office equipment	1	10,946	12,206
Economic Society of South Africa		182,837	87,413
		193,783	99,619
current assets			
Cash and cash equivalents		41,369	201,134
Trade and other receivables		-	5,837
		41,369	206,971
Total Assets		235,152	306,590
funds and liabilities			
funds		161,949	243,522
Trade and other payables		73,203	63,068
Total Funds and Liabilities		235,152	306,590

The Economic Society of South Africa - SAJE
Annual Financial Statements for the year ended 31 December 2005

income statement

Figures in Rand	2005	2004
income		
Income	239,832	276,319
Investment income	151	341
	239,983	276,660
expenses		
Auditors remuneration	251	-
Bank charges	2,848	2,661
Consulting fees	-	3,591
Utility charges	295	383
Communication costs	6,744	7,128
Lease rentals	451	1,153
Publication costs	137,186	161,960
Stationery, printing and postage	4,421	3,215
Repairs & maintenance	2,275	7,700
Employee costs	136,787	86,552
Travel	30,298	45,097
	321,556	319,440
Surplus / (deficit)	(81,573)	(42,780)

The Economic Society of South Africa
Annual Financial Statements for the year ended 31 December 2005

notes to the financial statements

Basis of preparation

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice

1.) Fixed assets

All fixed assets are initially recorded at cost. Depreciation is calculated on the straight line method to write off costs of each asset, or revalued amounts, to their residual values over the estimated useful lives.

The depreciation rates applicable to each class of fixed assets are as follows:

Office equipment 10%

	2005			2004		
	Cost	Accumulated Depreciation	Book value	Cost	Accumulated Depreciation	Book value
Office equipment	12,600	(1,260)	13,860	12,600	-	12,600

2.) Investments

Investment accounts are shown on the face of the balance sheet at fair value as at the balance sheet date. This practice differs from the previous years and the effect was recognised in the opening balance of funds. Previously the fair (market) value of the investment accounts was reflected in a note and therefore no further disclosure was prepared on this change in accounting policy as changes will be apparent upon comparison.

	2005	2004
3.) Capital endowment fund		
Balance as at 1 January	17,627	16,577
Unattached member's dues	1,050	1,050
Balance as at 31 December	18,677	17,627