

BRITISH MENSA LIMITED
FINANCIAL STATEMENTS
for the year ended 31st December 1996

GO Number : 971663 (ENGLAND & WALES)

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BRITISH MENSA LIMITED

(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

for the year ended 31st December 1996

Directors' Responsibilities

Company law requires us as directors to prepare financial statements for each financial year which 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 those financial statements, we are required to:

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

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

Directors

Sir C. M. Sinclair	
N. R. Goulder	
J. A. McNulty	(Resigned 23 March 1996)
D. Lally	
B. J. Ford	(Resigned 17 August 1996)
J. Basten	(Resigned 18 February 1996)
S. Sutton	
J. Baxter	
N. Burger	
D. H. Schulman	(Appointed 18 February 1996 Resigned 17 August 1996)
F. Quint	(Appointed 31 March 1996 Resigned 17 August 1996)
P. Boswell	(Appointed 17 August 1996)
C. Frost	(Appointed 17 August 1996)
M. Carley	(Appointed 17 August 1996)

Secretary

N. Tinsley A.C.I.S.

Registered Office

Mensa House,
St. John Square,
Wolverhampton WV2 4AH.

Principal Activities

The principal activities of the Company are to promote facilities for and support social contact among members; the free association of persons of intelligence; and to conduct, provide facilities for and support research into psychology, the social sciences and other matters of public interest and importance.

BRITISH MENSA LIMITED
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS
for the year ended 31st December 1996 – continued

Directors

The present directors are as shown above.

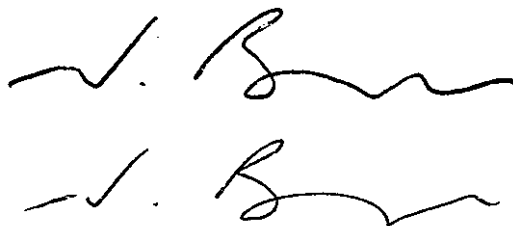
Auditors

The auditors, Vlieland – Boddy & Co, have indicated their willingness to accept re-appointment under Section 384(1) of the Companies Act 1985.

This report has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 of the Companies Act 1985, on the grounds that in the opinion of the directors the company is entitled to these exemptions as a small company.

By order of the Board

15th August 1997



AUDITORS' REPORT TO MEMBERS OF BRITISH MENSA LIMITED

We have audited the financial statements on pages 8 to 13 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

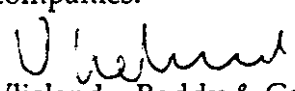
Basis of opinion

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 1996 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.


Vlieland - Boddy & Co.,
Registered Auditors,
Chartered Accountants,
Home End,
Fulborn,
Cambs CB1 5BS

15th August 1997

BRITISH MENSA LIMITED
(LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31st December 1996

	Note	1996 £	1995 £
TURNOVER	2	1,289,430	1,355,971
Cost of products		(7,876)	(14,040)
GROSS RESULTS		<u>1,281,554</u>	<u>1,341,931</u>
Net operating expenses		<u>1,288,518</u>	<u>1,370,773</u>
OPERATING RESULTS	3	(6,964)	(28,842)
Surplus on sale of fixed assets		<u>-</u>	<u>848</u>
Deficit on ordinary activities before interest		(6,964)	(27,994)
Interest payable and similar charges		<u>7,821</u>	<u>7,598</u>
RESULTS ON ORDINARY ACTIVITIES BEFORE TAX		<u>(14,785)</u>	<u>(35,592)</u>
RESULTS ON ORDINARY ACTIVITIES AFTER TAX		<u>(14,785)</u>	<u>(35,592)</u>
RESULTS FOR THE FINANCIAL YEAR		<u>(14,785)</u>	<u>(35,592)</u>
RETAINED RESULTS FOR THE FINANCIAL YEAR		(14,785)	(35,592)
Retained results brought forward		<u>90,188</u>	<u>125,780</u>
RETAINED RESULTS CARRIED FORWARD		<u>75,403</u>	<u>90,188</u>

The only recognised result for the year was the result for the financial year of £14,785 (1995 - £35,592).

BRITISH MENSA LIMITED
(LIMITED BY GUARANTEE)

BALANCE SHEET
31st December 1996

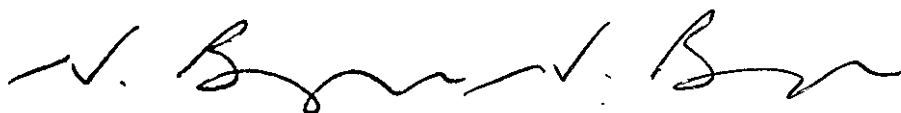
	Note	1996		1995	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		312,726		334,701
Investments	5		102		100
			<u>312,828</u>		<u>334,801</u>
CURRENT ASSETS					
Stocks	6	12,107		19,839	
Debtors	7	64,063		64,519	
Cash at bank and in hand		<u>33,173</u>		<u>45,010</u>	
		109,343		129,368	
CREDITORS					
Amounts falling due within one year	8	<u>231,782</u>		<u>250,566</u>	
NET CURRENT LIABILITIES			<u>(122,439)</u>		<u>(121,198)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			190,389		213,603
CREDITORS: Amounts falling due after more than one year	9		<u>51,233</u>		<u>59,662</u>
NET ASSETS			<u>139,156</u>		<u>153,941</u>
CAPITAL AND RESERVES					
Revaluation reserve	11		63,753		63,753
Accumulated Fund			<u>75,403</u>		<u>90,188</u>
			<u>139,156</u>		<u>153,941</u>

These accounts have been prepared taking advantage of the special exemptions applicable to small companies on the grounds that in the opinion of the Directors the Company is entitled to these exemptions as a small company.

These accounts were approved by the Board of Directors on 15th August 1997.

On behalf of the board,

N. R. Burger, Director



The notes on pages 10 to 13 form part of these accounts.

BRITISH MENSA LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS for the year ended 31st December 1996

1. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and have also been consistently applied within the same accounts.

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets).

The effect of events relating to the year ended 31st December 1996 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at and of the results for the year ended on that date.

(b) Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Freehold land and buildings	– 2.5% of cost or valuation
Fixtures and fittings	– 20% per annum of cost

(c) Stocks

Stocks have been valued at the lower of first in, first out cost and net realisable value on an item by item basis.

2. Turnover

Turnover represents the total amount receivable by the Company in the ordinary course of business, for goods supplied and services provided, less returns and excluding value added tax and components collected with members' subscriptions and accounted for to International Mensa Limited at the rate prevailing at the time.

3. Operating Results

This is stated after charging:

	1996	1995
	£	£
Auditors' remuneration and expenses	4,000	3,500
Depreciation and amortisation of owned assets	23,025	27,015
Surplus on sale of tangible fixed assets	–	(848)
	<u> </u>	<u> </u>

4. Tangible Fixed Assets

	Freehold Land and Buildings £	Fixtures and Fittings £	Total £
Cost:			
At 1st January 1996	315,785	135,378	451,163
Additions	—	1,050	1,050
At 31st December 1996	<u>315,785</u>	<u>136,428</u>	<u>452,213</u>
Depreciation:			
At 1st January 1996	(27,934)	(88,528)	(116,462)
Charge for the year	(7,895)	(15,130)	(23,025)
At 31st December 1996	<u>(35,829)</u>	<u>(103,658)</u>	<u>(139,487)</u>
Net book value:			
At 31st December 1996	<u>279,956</u>	<u>32,770</u>	<u>312,726</u>
At 31st December 1995	<u>287,851</u>	<u>46,850</u>	<u>334,701</u>

The freehold property was revalued by the directors as at 31st December, 1990 at £180,000.

The historical cost was £116,247 with no accumulated depreciation.

5. Subsidiary Companies

	Unlisted £	Listed £	Total £
Cost or valuation at 1st January 1996	100	—	100
Additions	2	—	2
Disposals	—	—	—
Cost or valuation at 31st December 1996	<u>102</u>	<u>—</u>	<u>102</u>

These financial statements present information about the Company as an individual and not about its group. Group accounts are not required as the group qualifies as a small group.

The wholly owned subsidiaries of the Company at 31st December 1996 were as follows:

Mensa Limited (formerly Mensa Publications Limited)

Mensa Office Services Limited

Mensa Limited is registered in the United Kingdom.

The Share Capital is 100 Ordinary shares of £1 each.

The proportion held is 100%.

The aggregate of Capital and Reserves at 31st December 1996 is £7,514.

The result for the year was £1,709.

Investment at cost £100.

Post-acquisition share of retained profit and reserves £6,987.

Mensa Office Services Limited is registered in the United Kingdom.

The Share Capital issued is 2 Ordinary shares of £1 each.

The proportion held is 100%.

The aggregate of Capital and Reserves at 31st December 1996 is £2.

The result for the year was nil.

Investment at cost £2.

Post-acquisition share of retained surplus and reserves £2.

6. Stocks	1996	1995
	£	£
Tests and Stationery	3,465	9,886
Products for Resale	8,642	9,953
	<u>12,107</u>	<u>19,839</u>
7. Debtors – All Receivable Within One Year	1996	1995
	£	£
Trade debtors	11,997	11,135
Due from group companies	11,609	15,573
Prepayments	40,457	37,811
	<u>64,063</u>	<u>64,519</u>
8. Creditors – Amounts Falling Due Within One Year	1996	1995
	£	£
Bank loans	6,000	4,000
Loan from International Mensa	17,500	50,000
Bank overdraft	60,693	7,373
Trade creditors	91,002	139,456
Due to group companies	815	–
VAT payable	10,231	2,962
Accruals	45,541	46,775
	<u>231,782</u>	<u>250,566</u>
The bank overdraft and loan are secured on the freehold property.		
9. Creditors – Amounts Falling Due After More Than One Year	1996	1995
	£	£
Bank loan 1–5 years	30,000	30,000
Bank loans 5–10 years	21,233	29,662
	<u>51,233</u>	<u>59,662</u>
10. Liability of Members		
Each member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding £1. The number of members at 31st December 1996 was 37,294 (1995–37,583).		
11. Revaluation Reserve	1996	1995
	£	£
At 1st January 1996	<u>63,753</u>	<u>63,753</u>
At 31st December 1996	<u>63,753</u>	<u>63,753</u>

12. Reconciliation of Movement in Members' Funds

	1996 £	1995 £
Results for the financial year	14,785	35,592
Opening members' funds	<u>153,941</u>	<u>189,533</u>
Closing members' funds	<u>139,156</u>	<u>153,941</u>

13. Leasing Commitments

At 31st December 1996 the company had annual commitments under non-cancellable operating leases as detailed below:

	1996		1995	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating expenses which expire:				
Within one year	NIL	3,742	NIL	NIL
Within two to five years	NIL	7,160	NIL	14,644
After more than five years	<u>2,600</u>	<u>NIL</u>	<u>1,200</u>	<u>NIL</u>
	<u>2,600</u>	<u>10,902</u>	<u>1,200</u>	<u>14,644</u>