



BDO Stoy Hayward
Chartered Accountants

COMPANIES HOUSE

British Mensa Limited

Report and Financial Statements

Year Ended

31 December 1999



British Mensa Limited

Annual report and financial statements for the year ended 31 December 1999

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Directors

PW Boswell
N Burger
DE Coates
PJ Hewitt
CJ Leek
PF Ford
MF Metcalf
PJ Baimbridge
S Herbert

Secretary and registered office

JL Stevenage, St. John's House, St. John's Square, Wolverhampton WV2 4AH

Company number

971663

Auditors

BDO Stoy Hayward, Mander House, Wolverhampton, West Midlands, WV1 3NF

British Mensa Limited

Report of the directors for the year ended 31 December 1999

The directors present their report together with the audited financial statements for the year ended 31 December 1999.

Results

The income and expenditure account is set out on page 5 and shows the surplus for the year.

Principal activities

MENSA - THE HIGH IQ SOCIETY

- To identify & foster human intelligence.
- To encourage research into intelligence.
- To provide a stimulating intellectual and social environment for its members.

Charitable and political contributions

During the year the company made charitable contributions of £273 (1998 - £NIL). There were no political contributions.

Directors

The directors of the company during the year were:

PW Boswell	
N Burger	
DE Coates	
PJ Hewitt	
CJ Leek	
PF Ford	(appointed 9 October 1999)
MF Metcalf	(appointed 9 October 1999)
PJ Baimbridge	(appointed 9 October 1999)
S Herbert	(appointed 9 October 1999)
C Docker	(resigned 9 October 1999)
MH Davies	(resigned 9 October 1999)
PJ Napier	(resigned 9 October 1999)
S Sutton	(resigned 15 March 1999)

No director had any beneficial interest in the share capital of the company nor in the shares of any other group companies.

The directors who retire by rotation are DE Coates, PJ Baimbridge and S Herbert, who are eligible to offer themselves for re-election.

British Mensa Limited

Report of the directors for the year ended 31 December 1999 (Continued)

Directors' responsibilities

Company law requires the 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, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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.

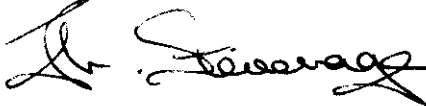
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



JL Stevenage

Secretary

 2000

British Mensa Limited

Report of the auditors

To the shareholders of British Mensa Limited

We have audited the financial statements on pages 5 to 17 which have been prepared under the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the 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 judgments 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 as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
Wolverhampton

12 July 2000

British Mensa Limited**Income and expenditure account for the year ended 31 December 1999**

	Note	1999 £	1998 £
Turnover	2	1,133,174	1,045,177
Administrative expenses		995,237	958,253
Operating surplus	3	137,937	86,924
Other interest receivable and similar income	5	3,330	988
Interest payable and similar charges	6	(3,471)	(4,929)
Surplus on ordinary activities before taxation		137,796	82,983
Taxation on surplus on ordinary activities		1,000	-
Surplus on ordinary activities after taxation retained for the year		136,796	82,983

All amounts relate to continuing activities.

The notes on pages 9 to 17 form part of these financial statements.

British Mensa Limited**Statement of total recognised gains and losses for the year ended 31 December 1999**

	Note	1999 £	1998 £
Surplus for the financial year		136,796	82,983
Unrealised deficit on revaluation of properties		-	(34,168)
Total gains and losses for the year before currency adjustments		136,796	48,815
Total recognised gains and losses for the financial year		136,796	48,815
Total gains and losses recognised since last financial statements		136,796	48,815

The notes on pages 9 to 17 form part of these financial statements.

British Mensa Limited**Note of historical cost profits and losses for the year ended 31 December 1999**

	Note	1999 £	1998 £
Reported surplus on ordinary activities before taxation		137,796	82,983
Difference between actual and historical cost depreciation charge		(551)	1,594
		<u> </u>	<u> </u>
Historical cost surplus on ordinary activities before taxation		137,245	84,577
		<u> </u>	<u> </u>
Retained historical cost surplus for the year after taxation and dividends		136,245	84,577
		<u> </u>	<u> </u>

The notes on pages 9 to 17 form part of these financial statements.

British Mensa Limited

Balance sheet at 31 December 1999

	Note	1999 £	1999 £	1998 £	1998 £
Fixed assets					
Tangible assets	7		271,815		286,840
Investments	8		100		102
			271,915		286,942
Current assets					
Stocks	9	1,887		8,290	
Debtors	10	15,461		69,742	
Cash at bank and in hand		261,681		68,887	
		279,029		146,919	
Creditors: amounts falling due within one year	11	256,070		242,195	
Net current assets/(liabilities)			22,959		(95,276)
Total assets less current liabilities			294,874		191,666
Creditors: amounts falling due after more than one year	12		-		33,588
Net assets			294,874		158,078
Capital and reserves					
Revaluation reserve	14		30,136		29,585
Accumulated fund	14		264,738		128,493
Equity shareholders' funds			294,874		158,078

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 2 July 2000

DE Coates

Director

The notes on pages 9 to 17 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Group accounts

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a small group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

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 Mensa International Limited at the rate prevailing at the time.

Subscriptions are recognised in the income and expenditure account in full when the money is received.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Freehold property	- 2.5% of cost or valuation
Fixtures & fittings	- 20% per annum on cost
Computer equipment	- 33% per annum on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 1999 *(Continued)*

2 Turnover

Turnover is wholly attributable to the principal activity of the company.

The percentage of turnover that is attributable to markets outside the United Kingdom is 1% (1998 : 5%)

	1999 £	1998 £
Analysis by market:		
Subscriptions:		
Standard rate	1,005,778	980,911
Reduced rate	46,801	16,539
Joint members	48,904	28,756
	1,101,483	1,026,206
VAT	(72,386)	(67,135)
International component	(45,517)	(60,655)
	983,580	898,416
Testing income	50,028	57,239
Mensa events	45,271	66,477
Advertising and puzzle sales	41,626	16,844
Sundries	12,669	6,201
	1,133,174	1,045,177

3 Operating surplus

This is arrived at after charging:

	1999 £	1998 £
Depreciation of tangible fixed assets	32,543	26,104
Auditors remuneration	7,650	5,500
Operating lease rentals	18,061	18,859
Office reorganisation costs	23,360	-

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 1999 *(Continued)*

4 Directors' remuneration

No director received any emoluments during the current year (1998 - £nil).

5 Other interest receivable and similar income

	1999	1998
	£	£
Bank deposits	3,330	988
	=====	=====

6 Interest payable and similar charges

	1999	1998
	£	£
Other interest	3,471	4,929
	=====	=====

7 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
<i>Cost or valuation</i>			
At 1 January 1999	281,617	192,959	474,576
Additions	-	20,082	20,082
Disposals	-	(5,171)	(5,171)
At 31 December 1999	281,617	207,870	489,487
<i>Depreciation</i>			
At 1 January 1999	51,617	136,119	187,736
Provided for the year	5,750	26,793	32,543
Disposals	-	(2,607)	(2,607)
At 31 December 1999	57,367	160,305	217,672
<i>Net book value</i>			
At 31 December 1999	224,250	47,565	271,815
At 31 December 1998	230,000	56,840	286,840
The historical cost of land and buildings is:			
		1999 £	1998 £
Cost		252,032	252,032
Accumulated depreciation based on historical cost		45,167	38,866
Historical cost net book value		206,865	213,166

The company's freehold land and buildings were revalued on 6 November 1998 by G C Skitt & Co, a firm of independent surveyors, valuers and estate agents, at open market value assuming full vacant possession.

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 1999 (*Continued*)

8 Fixed asset investments

	Shares in group undertakings
<i>Cost or valuation and net book value</i>	
At 1 January 1999	102
Disposals	(2)
	—
At 31 December 1999	100
	—
<i>Net book value</i>	
At 31 December 1999	100
	—
At 31 December 1998	102
	—

The following were wholly owned subsidiary undertakings at the end of the year :

Mensa Publications Limited which is the external trading arm of Mensa. During its last financial year Mensa Publications Limited made a profit after tax of £23,058 (1998 : loss of £11,189) and at the end of that year the aggregate of its capital and reserves was £25,975 (1998 : £2,917).

Mensa Office Services Limited which ceased to trade on 30 June 1999.

Mensa Administration Limited which has been dormant throughout the year.

It is intended that Mensa Office Services Limited and Mensa Administration Limited will be struck off.

Mensa Wolverhampton Limited was a dormant subsidiary until its dissolution on 28 March 2000.

9 Stocks

	1999 £	1998 £
Stocks	1,887	8,290
	—	—

British Mensa Limited**Notes forming part of the financial statements for the year ended 31 December 1999 (Continued)****10 Debtors**

	1999 £	1998 £
Trade debtors	8,407	7,590
Amounts owed by group undertakings and undertakings in which the company has a participating interest	3,512	50,164
Other debtors	3,542	11,988
	<u>15,461</u>	<u>69,742</u>

All amounts fall due for payment within one year.

11 Creditors: amounts falling due within one year

	1999 £	1998 £
Bank loans and overdrafts (secured)	34,490	9,597
Trade creditors	75,066	99,808
Taxation and social security	65,167	67,526
Other creditors	81,347	65,264
	<u>256,070</u>	<u>242,195</u>

Bank loans and overdrafts are secured on the freehold property.

12 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Bank loans	-	33,588
	<u>-</u>	<u>33,588</u>

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 1999 *(Continued)*

12 Creditors: amounts falling due after more than one year *(Continued)*

Maturity of debt:

	Other debt	
	1999	1998
	£	£
In more than one year but not more than two years	-	9,597
In more than two years but not more than five years	-	23,991
	-	33,588

13 Liability of members

Each member of the company undertakes to contribute to the assets of the company on a winding up such amount as may be required not exceeding £1.

The number of members at 31 December 1999 was 30,916 (1998 : 33,354).

The company may not distribute its reserves to its members and, as a result, there are no equity interests in the company.

14 Reserves

	Revaluation reserve £	Accumulated fund £
At 1 January 1999	29,585	128,493
Profit for the year	-	136,796
Transfers	551	(551)
At 31 December 1999	30,136	264,738

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 1999 *(Continued)*

15 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Surplus for the year	136,796	82,983
Other net recognised gains and losses relating to the year	-	(34,168)
Net additions to shareholders' funds	136,796	48,815
Opening shareholders' funds	158,078	109,263
Closing shareholders' funds	294,874	158,078

16 Related party disclosures

During the year, the company traded with two of its wholly owned subsidiaries, namely Mensa Publications Limited and Mensa Office Services Limited.

Product stock with a value of £3,817 was transferred by British Mensa Limited to Mensa Publications Limited. Recharges for general administrative services of £32,549 were made to Mensa Publications Limited during the year.

Mensa Office Services Limited employed British Mensa Limited staff for the three months from January to March and paid salaries and related costs totalling £60,531. These costs were recharged in full to British Mensa Limited.

17 Capital commitments

As at 31 December 1999, the company had no capital commitments (1998 : £nil).

British Mensa Limited**Notes forming part of the financial statements for the year ended 31 December 1999 (Continued)****18 Commitments under operating leases**

As at 31 December 1999, the company had annual commitments under non-cancellable operating leases as set out below:

	1999		1998	
	Land and	Other	Land and	Other
	buildings		buildings	
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	-	693
In two to five years	-	12,689	-	12,689
After five years	2,600	2,772	2,600	-
	<u>2,600</u>	<u>15,461</u>	<u>2,600</u>	<u>13,382</u>

19 Salaries and fees

	1999	1998
	£	£
Senior management	45,280	19,899
Magazine editor	22,575	33,600
	<u>67,855</u>	<u>53,499</u>