

British Mensa Limited

(Limited by Guarantee)

Report and Financial Statements

Year Ended

31 December 2001



BDO

BDO Stoy Hayward
Chartered Accountants

British Mensa Limited

Annual report and financial statements for the year ended 31 December 2001

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Directors

P W Boswell
D E Coates
P J Hewitt
C J Leek
P F Ford
P J Baimbridge
S Herbert
C O'Beara
G Hopkins

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 2001

The directors present their report together with the audited financial statements for the year ended 31 December 2001.

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 £NIL (2000 - £300). There were no political contributions.

Directors

The directors of the company during the year were:

P W Boswell	
N Burger	(resigned 21 July 2001)
D E Coates	
P J Hewitt	
C J Leek	
P F Ford	
M F Metcalf	(resigned 31 January 2001)
P J Baimbridge	
S Herbert	
C O'Beara	(appointed 21 July 2001)
G Hopkins	(appointed 21 July 2001)

No director had any beneficial interest in the share capital of the company nor in the shares of its subsidiary undertaking.

The directors who retire by rotation are PJ Hewitt, CJ Leek and PF Ford who are eligible for re-election.

British Mensa Limited

Report of the directors for the year ended 31 December 2001 (*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 surplus or deficit of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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.

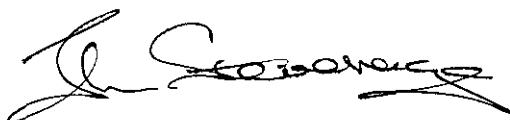
Auditors

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

17 March 2002

British Mensa Limited

Report of the independent auditors

To the members of British Mensa Limited

We have audited the financial statements of British Mensa Limited for the year ended 31 December 2001 on pages 5 to 15 which have been prepared under the accounting policies set out on pages 8 to 9.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

British Mensa Limited

Report of the independent auditors (*Continued*)

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 2001 and of its surplus 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

24 March 2002

British Mensa Limited

Income and expenditure account for the year ended 31 December 2001

	Note	2001 £	2000 £
Turnover	2	951,859	991,876
Administrative expenses		924,038	967,997
Operating surplus	3	27,821	23,879
Other interest receivable and similar income	5	19,130	15,919
Interest payable and similar charges	6	-	(379)
Surplus on ordinary activities before taxation		46,951	39,419
Taxation on surplus on ordinary activities		3,513	3,082
Surplus on ordinary activities after taxation for the year		43,438	36,337

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the income and expenditure account.

There are no movements in members' funds in the current and prior year apart from the surplus for the year.

The notes on pages 8 to 15 form part of these financial statements.

British Mensa Limited

Note of historical cost surplus' and deficits for the year ended 31 December 2001

	2001	2000
	£	£
Reported surplus on ordinary activities before taxation	46,951	39,419
Realisation of property revaluation gains of previous years	-	30,136
Historical cost surplus on ordinary activities before taxation	46,951	69,555
Retained historical cost surplus for the year after taxation	43,438	66,473

The notes on pages 8 to 15 form part of these financial statements.

British Mensa Limited

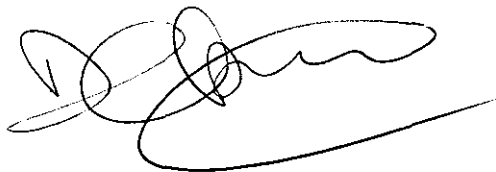
Balance sheet at 31 December 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	7		17,530		31,818
Fixed asset investment	8		100		100
			17,630		31,918
Current assets					
Stocks	9	2,192		3,401	
Debtors	10	55,508		84,749	
Investments	11	205,857		200,000	
Cash at bank and in hand		209,334		173,294	
		472,891		461,444	
Creditors: amounts falling due within one year	12	115,872		162,151	
Net current assets			357,019		299,293
Total assets less current liabilities			374,649		331,211
Capital and reserves					
Training and development fund	14		18,000		-
Gifted children fund	14		14,000		-
Intellectual activity fund	14		10,000		-
Accumulated fund	14		332,649		331,211
Members' funds			374,649		331,211

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 17 March 2002.

DE Coates
Director



The notes on pages 8 to 15 form part of these financial statements.

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 2001

1 Accounting policies

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

Consolidated financial statements

The company is exempt from the requirement to prepare consolidated financial statements 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. It excludes 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, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

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.

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the income and expenditure account.

1 Accounting policies (*continued*)

Designated reserves

Training and development fund	To establish and develop training programmes for officers of Mensa to assist them to carry out their duties professionally and efficiently.
Gifted children fund	To be used for establishing, developing or supporting programmes for gifted children.
Intellectual activity fund	To develop a programme of lectures and seminars for members.

Pensions

Contributions to the company's defined contribution pension scheme are charged to the income and expenditure account in the year in which they become payable.

Operating leases

Annual rentals are charged to the income and expenditure account on a straight line basis over the term of the lease.

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (*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% (2000 : 1.4%)

	2001 £	2000 £
Analysis by market:		
Subscriptions:		
Standard rate	796,117	878,205
Reduced rate	43,567	41,003
Joint members	36,375	41,261
	876,059	960,469
VAT	(57,461)	(63,394)
International component	(35,596)	(50,492)
	783,002	846,583
Testing income	79,220	56,436
Mensa events	68,710	63,505
Advertising	12,482	21,619
Sundries	8,445	3,733
	951,859	991,876

3 Operating surplus

	2001 £	2000 £
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	23,733	23,026
Hire of other assets - operating leases	45,077	31,046
Auditors remuneration	7,250	7,025
Profit/(loss) on disposal of fixed assets	-	10,750
Office reorganisation costs	-	(9,402)

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

4 Directors' remuneration

No director received any emoluments during the current year (2000 - £nil).

5 Other interest receivable and similar income

	2001 £	2000 £
Bank and similar deposits	19,128	15,919
Interest on corporation tax	2	-
	<u>19,130</u>	<u>15,919</u>

6 Interest payable and similar charges

	2001 £	2000 £
Other interest	-	379
	<u>-</u>	<u>379</u>

7 Tangible fixed assets

	Plant and machinery etc £
<i>Cost or valuation</i>	
At 1 January 2001	215,149
Additions	9,445
	<u>224,594</u>
At 31 December 2001	<u>224,594</u>
<i>Depreciation</i>	
At 1 January 2001	183,331
Provided for the year	23,733
	<u>207,064</u>
At 31 December 2001	<u>207,064</u>
<i>Net book value</i>	
At 31 December 2001	<u>17,530</u>
At 31 December 2000	<u>31,818</u>

8 Fixed asset investments

	Shares in group undertakings £
<i>Cost or valuation</i>	
At 1 January 2001 and 31 December 2001	100
<i>Net book value</i>	—
At 31 December 2000 and 31 December 2001	100
	==

Subsidiary undertaking

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	Class of share capital held	Proportion of share capital held
<i>Subsidiary undertakings</i>		
Mensa Publications Limited	Ordinary	100%

Unless otherwise stated, the following figures have been extracted from audited financial statements for the year ended 31 December 2001:

	Aggregate share capital and reserves		Profit for the year	
	2001 £	2000 £	2001 £	2000 £
<i>Subsidiary undertakings</i>				
Mensa Publications Limited	33,394	31,603	1,791	5,628
	=====	=====	=====	=====

9 Stocks

	2001 £	2000 £
Stocks	2,192	3,401
	=====	=====

British Mensa Limited**Notes forming part of the financial statements for the year ended 31 December 2001 (Continued)****10 Debtors**

	2001 £	2000 £
Trade debtors	4,097	1,862
Amounts owed by group undertakings and undertakings in which the company has a participating interest	17,368	45,395
Other debtors	34,043	37,492
	<u>55,508</u>	<u>84,749</u>

All amounts shown under debtors fall due for payment within one year.

11 Current asset investments

	2001 £	2000 £
Other investments	205,857	200,000
	<u>205,857</u>	<u>200,000</u>

The above relates to monies held on deposit on 30 day call.

12 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	38,705	43,481
Taxation and social security	21,747	7,453
Other creditors	55,420	111,217
	<u>115,872</u>	<u>162,151</u>

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 2001 was 26,493 (2000 : 28,232).

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

14 Reserves

	Training and development fund £	Gifted children fund £	Intellectual activity fund £	Accumulated fund £
At 1 January 2001	-	-	-	331,211
Surplus for the year	-	-	-	43,438
Allocations made in the year	18,000	14,000	10,000	(42,000)
	<u>18,000</u>	<u>14,000</u>	<u>10,000</u>	<u>332,649</u>
At 31 December 2001	<u>18,000</u>	<u>14,000</u>	<u>10,000</u>	<u>332,649</u>

15 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £967 (2000 : £nil). Contributions amounting to £899 (2000 : £NIL) were payable to the fund and are included in creditors.

16 Related party disclosures*Related party transactions and balances*

Recharges for general administrative services of £54,803 (2000 : £47,715) were made to Mensa Publications Limited during the year. At 31 December 2001, the company was owed £17,368 (2000 : £45,395) by Mensa Publications Limited.

17 Capital commitments

As at 31 December 2001, the company had no capital commitments (2000 : £nil).

18 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	2001 Land and buildings £	2001 Other £	2000 Land and buildings £	2000 Other £
Operating leases which expire:				
In two to five years	-	15,484	-	11,280
After five years	29,500	-	29,500	-
	<u>29,500</u>	<u>15,484</u>	<u>29,500</u>	<u>11,280</u>

British Mensa Limited

Notes forming part of the financial statements for the year ended 31 December 2001 *(Continued)*

19 Salaries and fees

	£	£
Salaries of senior management	97,952	85,220
Fees paid for magazine contract	24,675	23,100
	122,627	108,320

Senior management is defined as the General Manager, Account Manager, Communications Manager and Membership Secretary.