

COMPANY REGISTRATION NUMBER 00971663

BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 DECEMBER 2012



DAW WHITE MURRALL
Chartered Accountants & Statutory Auditor
1 George Street
Snow Hill
Wolverhampton
WV2 4DG

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012**

CONTENTS	PAGE
Company information	1
The directors' report	2
Independent auditor's report to the members	4
Income and expenditure account	6
Balance sheet	7
Notes to the financial statements	8

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

COMPANY INFORMATION

The board of directors

C J Leek
A Rootkin
CD Tyler
I Fergus
C A Cooper
J Sidebottom
Mr J Davis

Company secretary

J L Stevenage

Registered office

St John's House
St John's Square
Wolverhampton
West Midlands
WV2 4AH

Auditor

Daw White Murrall
Chartered Accountants
& Statutory Auditor
1 George Street
Snow Hill
Wolverhampton
WV2 4DG

BRITISH MENSA LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITIES

The principal activities of British Mensa Limited (The High IQ Society) as detailed in the Constitution of Mensa are,

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

DIRECTORS

The directors who served the company during the year were as follows.

C J Leek	
A Rootkin	
CD Tyler	
D Leitner	(Retired 21 January 2013)
I Fergus	
C A Cooper	
M S Rudkin	
J Sidebottom	
M D E Smith	(Retired 2 February 2012)

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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.

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2012

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

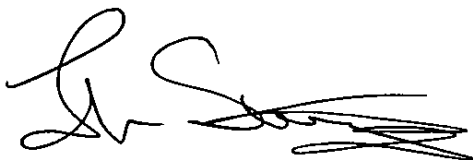
Daw White Murrall are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office
St John's House
St John's Square
Wolverhampton
West Midlands
WV2 4AH

Signed by order of the directors



J L STEVENAGE
Company Secretary

Approved by the directors on 16 June 2013

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH
MENSA LIMITED**

YEAR ENDED 31 DECEMBER 2012

We have audited the financial statements of British Mensa Limited for the year ended 31 December 2012. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its deficit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

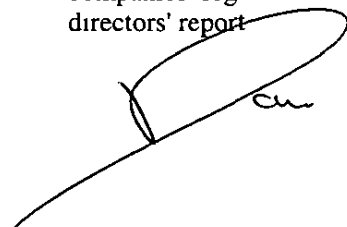
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH
MENSA LIMITED *(continued)***

YEAR ENDED 31 DECEMBER 2012

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



an like Murrall

IAN GREGORY (Senior Statutory
Auditor)

For and on behalf of
DAW WHITE MURRALL
Chartered Accountants
& Statutory Auditor

1 George Street
Snow Hill
Wolverhampton
WV2 4DG

16 June 2013

BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2012

		2012 £	2011 £
TURNOVER	Note 2	860,832	824,698
Operational costs		514,719	509,988
Administrative expenses		<u>390,258</u>	<u>314,287</u>
OPERATING (DEFICIT)/SURPLUS	3	(44,145)	423
Interest receivable		2,540	2,652
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(41,605)</u>	<u>3,075</u>
Tax on (deficit)/surplus on ordinary activities		996	537
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u>(42,601)</u>	<u>2,538</u>

The notes on pages 8 to 14 form part of these financial statements

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 DECEMBER 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	4	21,320	2,519
Investments	5	100	100
		<u>21,420</u>	<u>2,619</u>
CURRENT ASSETS			
Stocks		276	312
Debtors	6	73,817	98,870
Investments	7	121,305	140,765
Cash at bank and in hand		23,363	23,458
		<u>218,761</u>	<u>263,405</u>
CREDITORS: Amounts falling due within one year	8	<u>108,316</u>	<u>91,358</u>
NET CURRENT ASSETS		<u>110,445</u>	<u>172,047</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>131,865</u>	<u>174,666</u>
RESERVES	12		
Training & Development Fund	13	4,920	4,920
Other reserves	13	15,863	16,063
Income and expenditure account	13	111,082	153,683
MEMBERS' FUNDS		<u>131,865</u>	<u>174,666</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 16 June 2013, and are signed on their behalf by

C. A. Cooper

C A Cooper
Director

Company Registration Number 00971663

The notes on pages 8 to 14 form part of these financial statements.

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities. 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.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and 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, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the income and expenditure account on a straight line basis.

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES *(continued)*

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

Pension costs

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012**

1. ACCOUNTING POLICIES *(continued)*

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating surplus.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Website development costs

Where websites are expected to generate future revenues in excess of the costs of developing those websites, expenditure on the functionality of the website is capitalised and depreciated over its expected useful life. Expenditure incurred on maintaining websites and expenditure incurred on developing websites are written off as incurred.

Special interest groups

Money received for Special Interest Groups to the extent to which it has not been expended is treated as refundable and included in creditors.

BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012

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

Ordinary reserve

The directors aim to maintain an ordinary reserve of a minimum of two months' average expenditure, not including any designated or allocated reserves

2. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

Analysis by market

	2012	2011
	£	£
Standard Rate	684,164	699,339
Reduced Rate	76,154	82,275
Joint Members	28,873	31,335
	789,191	812,949
VAT Element	(61,626)	(60,328)
International Component	(32,715)	(37,328)
	694,850	715,293
Testing Income	76,820	44,016
Mensa Events	84,815	60,252
Advertising	2,739	2,322
Sundries	1,608	2,815
	860,832	824,698

BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012

3. OPERATING (DEFICIT)/SURPLUS

Operating (deficit)/surplus is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation of owned fixed assets	10,099	6,192
Auditor's fees	5,250	5,585
Net loss/(profit) on foreign currency translation	503	(178)

4. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computer Equipment £	Total £
COST OR VALUATION			
At 1 January 2012	21,989	178,981	200,970
Additions	–	28,900	28,900
At 31 December 2012	21,989	207,881	229,870
DEPRECIATION			
At 1 January 2012	19,470	178,981	198,451
Charge for the year	1,269	8,830	10,099
At 31 December 2012	20,739	187,811	208,550
NET BOOK VALUE			
At 31 December 2012	1,250	20,070	21,320
At 31 December 2011	2,519	–	2,519

5. INVESTMENTS

COST	£
At 1 January 2012 and 31 December 2012	100
NET BOOK VALUE	
At 31 December 2012 and 31 December 2011	100

The company owns 100% of the issued share capital of the company listed below

	2012	2011
	£	£
Aggregate capital and reserves		
Mensa Publications Limited	(38,849)	(37,512)
Profit and (loss) for the year		
Mensa Publications Limited	(1,337)	(51,690)

BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012

6. DEBTORS

	2012	2011
	£	£
Trade debtors	–	67
Amounts owed by group undertakings	40,788	57,443
Other debtors	33,029	41,360
	<u>73,817</u>	<u>98,870</u>

7. INVESTMENTS

	2012	2011
	£	£
Other investments	<u>121,305</u>	<u>140,765</u>

The monies held on investment are the proceeds of the sale of the original Mensa House plus interest. These monies are held in separate accounts and are earmarked for use at the discretion of the Board.

8. CREDITORS: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	60,315	42,688
Corporation tax	508	1,148
Other taxation and social security	6,939	7,503
Other creditors	40,554	40,019
	<u>108,316</u>	<u>91,358</u>

9. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2012 the company had aggregate annual commitments under non-cancellable operating leases as set out below:

	2012	2011
	£	£
Operating leases which expire		
Within 1 year	38,176	17,725
Within 2 to 5 years	25,232	2,160
After more than 5 years	–	25,232
	<u>63,408</u>	<u>45,117</u>

**BRITISH MENSA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

10. CONTINGENCIES

British Mensa Limited has agreed to ensure that it provides financial support to its subsidiary undertaking, Mensa Publications Limited via an intercompany loan that ensures sufficient working capital is available for it to operate its business. At 31 December 2012 Mensa Publications Limited had a net deficiency on shareholders funds of £38,849 and owed British Mensa Limited £40,788, as disclosed in note 11. Although there is a plan in place to return Mensa Publications Limited to a positive net asset position in the longer term it must be noted that any shortfall on assets if that company ceased to operate would be met by British Mensa Limited. This would be implemented through the waiving of amounts owed by that company.

11. RELATED PARTY TRANSACTIONS

Recharges of general administrative services of £70,436 (2011- £150,372) were made to Mensa Publications Limited during the year.

At 31 December 2012, the company was owed £40,788 (2011- £57,443) from Mensa Publications Limited.

12. COMPANY LIMITED BY GUARANTEE

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

The number of members at 31 December 2012 was 21,176 (2011- 21,929).

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

13. RECONCILIATION OF MEMBERS' FUNDS AND MOVEMENT ON RESERVES

	Revaluation reserve £	Gifted Children Fund £	Intellectual Activity Fund £	Income and expenditure account £	Total members' funds £
Balance brought forward	4,920	10,703	5,360	153,683	174,666
Deficit for the year	-	-	-	(42,601)	(42,601)
Other movements					
Grants paid in year	-	-	(200)	-	(200)
Balance carried forward	<u>4,920</u>	<u>10,703</u>	<u>5,160</u>	<u>111,082</u>	<u>131,865</u>