

COMPANY REGISTRATION NUMBER: 00971663

British Mensa Limited
company limited by guarantee
Financial Statements
31 December 2015



DAW WHITE MURRALL
Chartered accountant & statutory auditor
1 George Street
Snow Hill
Wolverhampton
WV2 4DG

British Mensa Limited
company limited by guarantee
Financial Statements
Year ended 31 December 2015

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British Mensa Limited
company limited by guarantee
Officers and Professional Advisers

The board of directors

C Leek
A Rootkin
R Crocker
C Cooper
J Sidebottom
J Davis
K Leek
J Gill
A Pajor

Company secretary

J Stevenage

Registered office

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

Auditor

Daw White Murrall
Chartered accountant & statutory auditor
1 George Street
Snow Hill
Wolverhampton
WV2 4DG

Bankers

Barclays Bank Plc
Wolverhampton Business Centre
PO Box 5
Queens Square
Wolverhampton
WV1 1DS

British Mensa Limited
company limited by guarantee

Directors Report

Year ended 31 December 2015

The directors present their report and the financial statements of the company for the year ended 31 December 2015.

Directors

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

C Leek	
A Rootkin	
C Cooper	
J Sidebottom	
J Davis	
K Leek	
J Gill	
A Pajor	
R Crocker	(Appointed 19 September 2015)
I Fergus	(Resigned 19 September 2015)

Directors responsibilities statement

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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

British Mensa Limited
company limited by guarantee

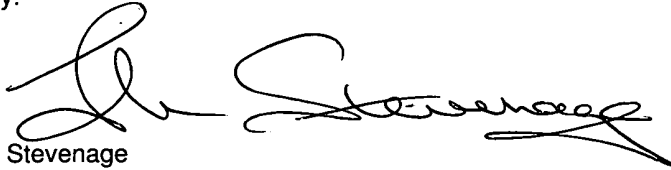
Directors Report *(continued)*

Year ended 31 December 2015

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 14 May 2016 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'J Stevenage', written over a horizontal line.

J Stevenage
Company Secretary

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

British Mensa Limited
company limited by guarantee

Independent Auditor's Report to the Members of British Mensa Limited
Year ended 31 December 2015

We have audited the financial statements of British Mensa Limited for the year ended 31 December 2015 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 to them 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, 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 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 directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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

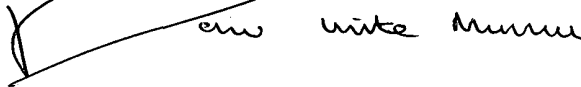
Independent Auditor's Report to the Members of British Mensa Limited *(continued)*

Year ended 31 December 2015

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; and
- 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 and take advantage of the small companies exemptions from the requirement to prepare a strategic report.



Ian Gregory (Senior Statutory Auditor)

For and on behalf of
Daw White Murrall
Chartered accountant & statutory auditor
1 George Street
Snow Hill
Wolverhampton
WV2 4DG

14 May 2016

British Mensa Limited
company limited by guarantee
Statement of Income and Retained Earnings
Year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	4	929,636	937,904
Gross profit		929,636	937,904
Distribution costs		479,274	480,626
Administrative expenses		434,912	439,489
Operating profit	5	15,450	17,789
Other interest receivable and similar income		976	1,162
Profit on ordinary activities before taxation		16,426	18,951
Tax on profit on ordinary activities	7	195	232
Profit for the financial year and total comprehensive income		16,231	18,719
Retained earnings at the start of the year (as previously reported)		114,990	96,271
Effects of changes in accounting policies		20,682	—
Retained earnings at the start of the year (restated)		135,672	96,271
Retained earnings at the end of the year		151,903	114,990

All the activities of the company are from continuing operations.

The notes on pages 9 to 16 form part of these financial statements.

British Mensa Limited
company limited by guarantee
Statement of Financial Position
31 December 2015

	Note	2015 £	£	2014 £
Fixed assets				
Tangible assets	8		–	803
Investments	9		<u>100</u>	<u>100</u>
			100	903
Current assets				
Stocks		305		273
Debtors	10	<u>72,928</u>		<u>45,459</u>
Investments	11	<u>125,070</u>		<u>112,651</u>
Cash at bank and in hand		<u>92,216</u>		<u>71,575</u>
		290,519		229,958
Creditors: amounts falling due within one year	12	<u>138,716</u>		<u>95,188</u>
Net current assets			151,803	134,770
Total assets less current liabilities			151,903	135,673
Capital and reserves				
Revaluation reserve	15		–	4,920
Other reserves	15		–	15,763
Profit and loss account	15		<u>151,903</u>	<u>114,990</u>
Members funds			151,903	135,673

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 14 May 2016, and are signed on behalf of the board by:

C. Cooper

C Cooper
Director

Company registration number: 00971663

The notes on pages 9 to 16 form part of these financial statements.

British Mensa Limited
company limited by guarantee

Statement of Cash Flows
Year ended 31 December 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	16,231	18,719
<i>Adjustments for:</i>		
Depreciation of tangible assets	803	9,663
Other interest receivable and similar income	(976)	(1,162)
Tax on profit on ordinary activities	195	232
<i>Changes in:</i>		
Stocks	(32)	25
Trade and other debtors	(27,469)	25,379
Trade and other creditors	43,565	(12,467)
Cash generated from operations	32,317	40,389
Interest received	976	1,162
Tax paid	(233)	(437)
Net cash from operating activities	<u>33,060</u>	<u>41,114</u>
Cash flows from investing activities		
Purchases of other investments	(12,419)	–
Proceeds from sale of other investments	–	10,838
Net cash (used in)/from investing activities	<u>(12,419)</u>	<u>10,838</u>
Net increase in cash and cash equivalents	20,641	51,952
Cash and cash equivalents at beginning of year	71,575	19,623
Cash and cash equivalents at end of year	<u>92,216</u>	<u>71,575</u>

The notes on pages 9 to 16 form part of these financial statements.

British Mensa Limited
company limited by guarantee
Notes to the Financial Statements
Year ended 31 December 2015

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 19.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Revenue recognition

Turnover represents the total invoice value, excluding Value Added Tax, of sales made during the year from the provision of services within the company's ordinary activities.

Membership subscriptions are measured at the fair value of the consideration due and represents amounts received, stated net of membership discounts and of Value Added Tax. All subscriptions are recognised in the financial statements when the money is received.

Revenue from Testing is recognised when the test is booked and paid for.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

British Mensa Limited
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Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

2. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Fixtures and fittings	- 20% straight line
Computer equipment	- 33% straight line

British Mensa Limited
company limited by guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

2. Accounting policies *(continued)*

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

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.

Defined contribution plans

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.

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.

British Mensa Limited
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Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

2. Accounting policies *(continued)*

Special interest groups

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

Designated reserves

The Board has reviewed amounts previously designated as Training and Development Fund, Gifted Children Fund and Intellectual Activity Fund and concluded that these amounts be consolidated within the ordinary fund for reporting purposes.

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.

3. 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 2015 was 19,856 (2014- 20,855)

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

4. Turnover

Turnover arises from:

	2015	2014
	£	£
Rendering of services	<u>929,636</u>	<u>937,904</u>

5. Operating profit

Operating profit or loss is stated after charging:

	2015	2014
	£	£
Depreciation of tangible assets	803	9,663
Foreign exchange differences	2,322	391
Defined contribution plans expense	<u>13,549</u>	<u>14,768</u>

British Mensa Limited
company limited by guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

6. Auditor's remuneration

	2015 £	2014 £
Fees payable for the audit of the financial statements	<u>5,250</u>	<u>5,250</u>

7. Tax on profit on ordinary activities

Major components of tax expense

	2015 £	2014 £
Current tax:		
UK current tax expense	<u>195</u>	<u>232</u>
Tax on profit on ordinary activities	<u>195</u>	<u>232</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 20% (2014: 20%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>16,426</u>	<u>18,951</u>
Profit on ordinary activities by rate of tax	<u>3,285</u>	<u>3,790</u>
Effect of revenue exempt from tax	<u>(3,090)</u>	<u>(3,558)</u>
Tax on profit on ordinary activities	<u>195</u>	<u>232</u>

8. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 Jan 2015 and 31 Dec 2015	<u>21,989</u>	<u>207,881</u>	<u>229,870</u>
Depreciation			
At 1 January 2015	21,989	207,078	229,067
Charge for the year	—	803	803
At 31 December 2015	<u>21,989</u>	<u>207,881</u>	<u>229,870</u>
Carrying amount			
At 31 December 2015	—	—	—
At 31 December 2014	—	803	803

British Mensa Limited
company limited by guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2015

9. Investments

	Shares in group undertakings £
Cost	
At 1 Jan 2015 and 31 Dec 2015	<u>100</u>
Impairment	
At 1 Jan 2015 and 31 Dec 2015	<u>—</u>
Carrying amount	
At 31 December 2015	<u>100</u>

Subsidiaries, associates and other investments

	Class of share	Percentage of shares held
Subsidiary undertakings		
Mensa Publications Limited	Ordinary	100

The results and capital and reserves for the year are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2015 £	2014 £	2015 £	2014 £
Subsidiary undertakings				
Mensa Publications Limited	<u>(13,264)</u>	<u>(1,900)</u>	<u>(11,364)</u>	<u>(32,265)</u>

10. Debtors

	2015 £	2014 £
Trade debtors	—	50
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>44,269</u>	18,710
Other debtors	<u>28,659</u>	26,699
	<u>72,928</u>	<u>45,459</u>

11. Investments

	2015 £	2014 £
Other investments	<u>125,070</u>	<u>112,651</u>

Current asset investments are cash balances held on deposit.

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

British Mensa Limited
company limited by guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

12. Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	44,048	37,048
Corporation tax	195	232
Social security and other taxes	5,804	7,564
Other creditors	88,669	50,344
	<u>138,716</u>	<u>95,188</u>

13. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £13,549 (2014: £14,768).

14. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2015	2014
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>290,619</u>	<u>230,861</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(138,716)</u>	<u>(95,188)</u>

15. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

16. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2015	2014
	£	£
Not later than 1 year	15,580	7,195
Later than 1 year and not later than 5 years	29,549	38,432
	<u>45,129</u>	<u>45,627</u>

British Mensa Limited
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2015

17. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by	
	2015 £	2014 £	2015 £	2014 £
Mensa Publications Limited	<u>41,654</u>	<u>24,876</u>	<u>44,269</u>	<u>18,710</u>

Transactions noted above are recharges of general administrative services made to Mensa Publications Limited during the year.

18. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2014.

No transitional adjustments were required in equity or profit or loss for the year.

British Mensa Limited
company limited by guarantee
Management Information
Year ended 31 December 2015

The following pages do not form part of the financial statements

British Mensa Limited
Detailed Income Statement
Year ended 31 December 2015

	2015 £	2014 £
Turnover		
Subscriptions	792,211	782,457
Testing Income	71,255	71,494
Mensa Events	61,791	79,676
Advertising	1,188	1,779
Sundries	3,191	2,498
	<u>929,636</u>	<u>937,904</u>
 Gross profit	 <u>929,636</u>	 <u>937,904</u>
 Overheads		
Distribution costs	479,274	480,626
Administrative expenses	434,912	439,489
	<u>914,186</u>	<u>920,115</u>
 Operating profit	 <u>15,450</u>	 <u>17,789</u>
Other interest receivable and similar income	976	1,162
 Profit on ordinary activities before taxation	 <u>16,426</u>	 <u>18,951</u>

British Mensa Limited
Notes to the Detailed Income Statement
Year ended 31 December 2015

	2015 £	2014 £
Distribution costs		
Mensa Directors' operational overheads	9,653	7,657
AGM costs	5,562	18,062
Magazine costs	229,726	222,802
Regional Newsletter costs	21,228	21,334
Membership costs	28,238	21,069
Recruitment costs	54,400	48,368
Special Interest Group costs	31,503	32,287
Procedures Body costs	719	—
Other costs	66,033	81,624
Professional charges	6,736	4,648
Regional development	25,476	22,775
	<u>479,274</u>	<u>480,626</u>
Administrative expenses		
Wages and salaries	252,142	241,929
Employers national insurance contributions	19,597	20,271
Staff pension contributions	13,549	14,768
Management recharge to Mensa Publications Limited	(41,654)	(24,876)
Travel and subsistence	2,725	5,443
Premises Costs	92,953	71,232
Insurance	6,324	6,464
Leasing of plant and machinery	21,190	22,824
Maintenance and development of equipment	40,734	48,151
Printing, postage, telephone and stationery	11,198	11,284
General expenses (allowable)	1,640	1,409
Auditors remuneration	5,750	5,250
Depreciation of tangible assets	803	9,663
Bank charges	5,639	5,286
Exchange rate variances	2,322	391
	<u>434,912</u>	<u>439,489</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>976</u>	<u>1,162</u>