

COMPANY REGISTRATION NUMBER: 00971663

British Mensa Limited
Company Limited by Guarantee
Financial Statements
31 December 2019



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 2019

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British Mensa Limited
Company Limited by Guarantee
Officers and Professional Advisers

The board of directors

C Cooper
R Crocker
H Eisenberg (Appointed 15 September 2019)
E Hopkinson
J Gill (Resigned 15 September 2019)
C Leek
K Leek (Resigned 15 September 2019)
A Rootkin
J Sidebottom
E Shovlar (Appointed 15 September 2019)
A Pajor (Resigned 10 January 2020)

Company secretary

J 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

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 2019

The directors present their report and the financial statements of the company for the year ended 31 December 2019.

Directors

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

C Cooper	
R Crocker	
E Hopkinson	
C Leek	
A Rootkin	
J Sidebottom	
A Pajor	
H Eisenberg	(Appointed 15 September 2019)
E Shovlar	(Appointed 15 September 2019)
J Gill	(Resigned 15 September 2019)
K Leek	(Resigned 15 September 2019)

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.

British Mensa Limited
Company Limited by Guarantee
Directors' Report *(continued)*
Year ended 31 December 2019

Auditor

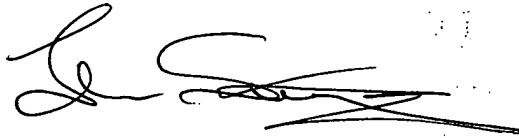
Each of the persons who is a director at the date of approval of this report confirms that:

- 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.

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 9 June 2020 and signed on behalf of the board by:



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 2019

Opinion

We have audited the financial statements of British Mensa Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

British Mensa Limited

Company Limited by Guarantee

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

Year ended 31 December 2019

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

British Mensa Limited

Company Limited by Guarantee

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

Year ended 31 December 2019

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

British Mensa Limited

Company Limited by Guarantee

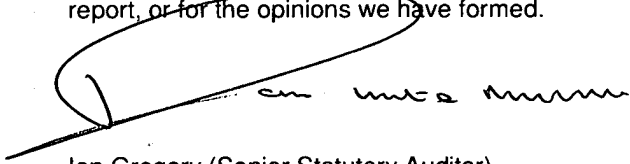
Independent Auditor's Report to the Members of British Mensa Limited *(continued)*

Year ended 31 December 2019

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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.



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

9 June 2020

British Mensa Limited
Company Limited by Guarantee
Statement of Income and Retained Earnings
Year ended 31 December 2019

	Note	2019 £	2018 £
Turnover		1,030,619	1,007,246
Gross profit		1,030,619	1,007,246
Distribution costs		523,486	499,389
Administrative expenses		425,267	412,877
Operating profit		81,866	94,980
Other interest receivable and similar income		908	230
Profit before taxation		82,774	95,210
Tax on profit		173	44
Profit for the financial year and total comprehensive income		82,601	95,166
Retained earnings at the start of the year		412,922	317,756
Retained earnings at the end of the year		495,523	412,922

All the activities of the company are from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

British Mensa Limited
Company Limited by Guarantee
Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	8	100	100
Current assets			
Stocks		885	779
Debtors	9	34,950	31,590
Investments	10	311,423	226,645
Cash at bank and in hand		270,621	278,194
		<u>617,879</u>	<u>537,208</u>
Creditors: amounts falling due within one year	11	<u>122,456</u>	<u>124,386</u>
Net current assets		<u>495,423</u>	<u>412,822</u>
Total assets less current liabilities		<u>495,523</u>	<u>412,922</u>
Capital and reserves			
Profit and loss account		<u>495,523</u>	<u>412,922</u>
Members funds		<u>495,523</u>	<u>412,922</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 9 June 2020, and are signed on behalf of the board by:

C. Cooper

C Cooper
Director

Company registration number: 00971663

The notes on pages 10 to 15 form part of these financial statements.

British Mensa Limited
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 December 2019

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is St John's House, St John's Square, Wolverhampton, West Midlands, WV2 4AH.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. 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.

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

Ordinary reserve

Minimum reserves are reviewed annually and set as appropriate, current minimum is £220,000.

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.

British Mensa Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2019

3. Accounting policies *(continued)*

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.

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.

British Mensa Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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

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.

British Mensa Limited
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 December 2019

3. Accounting policies (continued)

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.

4. 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 2019 was 18,940 (2018: 19,349)

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

5. Auditor's remuneration

	2019 £	2018 £
Fees payable for the audit of the financial statements	<u>6,125</u>	<u>5,750</u>

6. Employee numbers

The average number of persons employed by the company during the year amounted to 12 (2018: 12).

7. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2019 and 31 December 2019	<u>21,989</u>	<u>207,881</u>	<u>229,870</u>
Depreciation			
At 1 January 2019 and 31 December 2019	<u>21,989</u>	<u>207,881</u>	<u>229,870</u>
Carrying amount			
At 31 December 2019	<u>—</u>	<u>—</u>	<u>—</u>
At 31 December 2018	<u>—</u>	<u>—</u>	<u>—</u>

British Mensa Limited
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 December 2019

8. Investments

	Shares in group undertakings £
Cost	
At 1 January 2019 and 31 December 2019	100
Impairment	
At 1 January 2019 and 31 December 2019	—
Carrying amount	
At 31 December 2019	100
At 31 December 2018	100

9. Debtors

	2019 £	2018 £
Trade debtors	390	1,200
Amounts owed by group undertakings	2,511	884
Other debtors	32,049	29,506
	<u>34,950</u>	<u>31,590</u>

10. Investments

	2019 £	2018 £
Other investments	311,423	226,645

Current asset investments are cash balances held on deposit.

11. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	18,889	29,858
Corporation tax	172	44
Social security and other taxes	6,353	6,242
Other creditors	97,042	88,242
	<u>122,456</u>	<u>124,386</u>

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

Year ended 31 December 2019

12. Operating leases

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

	2019	2018
	£	£
Later than 1 year and not later than 5 years	<u>22,852</u>	<u>22,852</u>

13. Contingencies

There are no material contingent liabilities.

14. Related party transactions

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

	Transaction value		Balance owed by/(owed to)	
	2019	2018	2019	2018
	£	£	£	£
Mensa Publications Limited	<u>44,484</u>	<u>44,172</u>	<u>2,511</u>	<u>884</u>

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

British Mensa Limited
Company Limited by Guarantee
Management Information
Year ended 31 December 2019

The following page does not form part of the financial statements.

British Mensa Limited
Detailed Income Statement
Year ended 31 December 2019

	2019 £	2018 £
Turnover		
Subscriptions	830,237	826,314
Testing Income	106,993	99,080
Mensa Events	91,966	76,292
Advertising	529	417
Sundries	894	5,143
	<u>1,030,619</u>	<u>1,007,246</u>
Overheads		
Distribution costs		
Mensa Directors' operational overheads	11,770	10,062
AGM	9,430	10,866
Magazine	240,693	231,942
Regional Newsletter	21,228	21,228
Membership	25,408	18,611
Recruitment	68,625	62,405
Special Interest Group	28,124	27,137
Procedures Body	385	454
Events costs	93,181	92,094
Professional charges	688	4,184
Regional development	23,954	20,406
	<u>523,486</u>	<u>499,389</u>
Administrative expenses		
Wages and salaries	278,752	273,810
Employers national insurance contributions	21,187	20,708
Staff pension contributions	8,237	8,046
Staff costs	7,779	7,440
Management recharge to Mensa Publications Limited	(44,484)	(44,172)
Travel and subsistence	5,749	3,586
Premises	59,925	58,004
Insurance	5,020	5,330
Leasing of plant and machinery	7,063	6,819
Maintenance and development of equipment	43,270	50,222
Printing, postage, telephone and stationery	11,463	9,954
General expenses	6,343	2,511
Bank charges	9,961	6,037
Exchange rate variances	(1,123)	(1,168)
Auditors remuneration	6,125	5,750
	<u>425,267</u>	<u>412,877</u>
	<u>948,753</u>	<u>912,266</u>
Operating profit	<u>81,866</u>	<u>94,980</u>
Other interest receivable and similar income	908	230
Profit before taxation	<u>82,774</u>	<u>95,210</u>