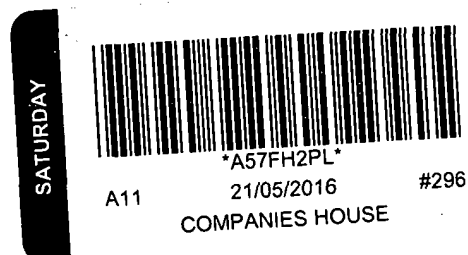


Charity Registration No. 532259

Company Registration No. 01119455 (England and Wales)

THE NORTHERN MILL ENGINE SOCIETY LIMITED
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015



THE NORTHERN MILL ENGINE SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Chairman	N Carney
Treasurer and Secretary	J Phillp
Membership Secretary	J Edwards
'Flywheel' Editor	R Fisher
Publicity Officer	D Lewis

Elected Members of Council

G Drake, J Marsh, A Feasby, M Pybus, J Shaw, B Shaw,
D Raffe

Secretary

J Phillp

Charity number

532259

Company number

01119455

Registered office

84 Watkin Road
Clayton-Le-Woods
Chorley
Lancs
PR6 7PX

Accountants

Tracey Connor Bsc FCA
Chadwick & Company (Manchester) Limited
Chartered Accountants
Statutory Auditors
Capital House
272 Manchester Road
Droylsden
M43 6PW
Manchester

Bankers

The Royal Bank of Scotland plc
165 Towngate
Leyland
PR5 6TE

National Savings & Investments
Glasgow
G58 1SB

THE NORTHERN MILL ENGINE SOCIETY LIMITED

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THE NORTHERN MILL ENGINE SOCIETY LIMITED

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The trustees, who are also directors of the company present their report together with the unaudited financial statements of the charity for the year ended 31 December 2015.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

Structure, governance and management

The registered name of the charity is The Northern Mill Engine Society Limited.

The charity is also known as Bolton Steam Museum.

The Northern Mill Engine Society Limited is a company limited by guarantee and does not have any share capital (registered in England, number 01119455). The Northern Mill Engine Society Limited is also registered as a charity, number 532259.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

J Phillp

N Carney

J Edwards

R Fisher

D Lewis

Management of The Northern Mill Engine Society Limited is vested in a Council of Management, who are also the directors and trustees of the Charity. All trustees give their time voluntarily and receive no remuneration or other benefits.

The company was incorporated on 22 June 1973, and is governed by its Memorandum and Articles of Association as amended by special resolutions dated 27 February 1974, 17 December 1980 and 20 November 2007.

In accordance with the Articles of Association of the Company all the Office Bearers and one-third of the elected members of the Council of Management retire from office at the Annual General Meeting and are eligible for re-election.

Directors/Trustees are recruited from the body of general members of the Society and recommended for appointment by the Council. They are then elected at the Annual General Meeting. Induction and training is undertaken by existing members of the Council, using both their experience and resources available from the Charity Commission where necessary.

Risk management

The major risks to which the Society is exposed, as identified by the Council, have been reviewed and a system has been established to mitigate those risks.

Objectives and activities

The Object of the Charity is to advance the education of the public in the field of Industrial Archaeology.

The main activity has been the continued development and operation of the Society's museum - known as the 'Bolton Steam Museum' where work has continued on the restoration and display of the collection of stationary steam engines that originally provided power to the mills of the North West textile industry. The museum has received Accredited status with the Arts Council England which recognises that although there are no employees and it is run entirely by volunteers, it is operated to professional museum standards as regards collections management, visitors' services, procedures and ethics.

THE NORTHERN MILL ENGINE SOCIETY LIMITED

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Public Benefit

The directors and trustees of The Northern Mill Engine Society Limited have considered the implications of the Charities Act 2011 with regard to public benefit, and have paid due regard to the guidance on public benefit issued by the Charity Commission when exercising any powers or duties to which the guidance would be relevant.

They are satisfied that the charitable company's activities are in line with its charitable objects (above) and are being delivered for the benefit of the general public.

Achievements and performance

The museum was open to the public on approximately 100 days during the year, including 5 weekends when the engines could be viewed working in steam. During the year, approximately 4,300 visitors attended. To ensure the widest possible access by the public there is no admission charge, although children under 16 must be accompanied by a responsible adult for safety reasons.

Interpretation of the collection is provided by photographic displays, museum guides, information panels and verbally by museum volunteers. In addition, a programme of lectures to external bodies on local industrial archaeology subjects is undertaken and a website is maintained where photographs and full technical details of the entire engine collection are available, together with descriptive material to set the engines in their historical context.

Membership of the Society is open to anyone on payment on a modest subscription and a magazine - 'The Flywheel' containing articles on steam engineering and industrial history, is issued to members periodically.

Financial review

Reserves policy

The Council regularly reviews the amount of reserves held by the Society. The Society has no secure regular source of income, apart from membership subscriptions, which are insufficient to cover operational costs. The majority of income is from donations, which vary substantially from year to year. In addition, as part of the future museum development plans, the Society will be expected to fund at least part of the costs from its own resources. The trustees consider it prudent to hold reserves to cover a years running costs of £25,000 together with a reserve to enable future development of its museum and the possible purchase of heritage assets as they may arise. The target level of reserves is £75,000.

Results

The Society had a surplus of income over expenditure during the year of £4,616 compared with a deficit of £9,301 for the previous year (unrestricted transactions).

THE NORTHERN MILL ENGINE SOCIETY LIMITED

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of Trustees responsibilities

The Trustees, who are also the directors of The Northern Mill Engine Society Limited for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of Trustees



J Phillip

Trustee

Dated: 16 March 2016

THE NORTHERN MILL ENGINE SOCIETY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE NORTHERN MILL ENGINE SOCIETY LIMITED

I report on the accounts of the Charity for the year ended 31 December 2015, which are set out on pages 5 to 11.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this independent accountants' report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my reporting work, for this report, or for the opinions I have formed.

Respective responsibilities of Trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of financial statements. The trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the '2011 Act') and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.


Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities- the Financial Reporting Standard for Smaller Entities (effective January 2015);
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Tracey Connor BSc FCA
Chadwick & Company (Manchester) Limited
Chartered Accountants
Statutory Auditors
Capital House
272 Manchester Road
Droylsden
M43 6PW

Dated: 17/3/16

THE NORTHERN MILL ENGINE SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
<u>Incoming resources from generated funds</u>			
Voluntary income	2	14,752	14,317
Activities for generating funds	3	5,399	4,983
Investment income	4	461	440
		<u>20,612</u>	<u>19,740</u>
Incoming resources from charitable activities	5	2,408	2,572
Other incoming resources	6	-	210
		<u>-</u>	<u>-</u>
Total incoming resources		23,020	22,522
<u>Resources expended</u>			
Costs of generating funds			
Costs of generating voluntary income	7	8,594	8,902
Cost of generating funds	3	1,034	995
		<u>9,628</u>	<u>9,897</u>
Net incoming resources available		13,392	12,625
Charitable activities			
Charitable activities	8	7,974	30,704
		<u>7,974</u>	<u>30,704</u>
Governance costs	9	802	922
		<u>802</u>	<u>922</u>
Total resources expended		18,404	41,523
Net income/(expenditure) for the year/ Net movement in funds		4,616	(19,001)
Fund balances at 1 January 2015		69,655	88,656
		<u>69,655</u>	<u>88,656</u>
Fund balances at 31 December 2015		74,271	69,655
		<u><u>74,271</u></u>	<u><u>69,655</u></u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There are no restricted funds this year.

THE NORTHERN MILL ENGINE SOCIETY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

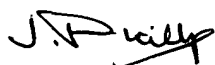
	Notes	2015 £	£	2014 £	£
Current assets					
Stocks		1,445		965	
Debtors	12	3,554		3,645	
Cash at bank and in hand		70,600		66,389	
		<u>75,599</u>		<u>70,999</u>	
Creditors: amounts falling due within one year	13	<u>(1,328)</u>		<u>(1,344)</u>	
Total assets less current liabilities			<u>74,271</u>		<u>69,655</u>
Income funds					
Unrestricted funds					
General funds			<u>74,271</u>		<u>69,655</u>
			<u>74,271</u>		<u>69,655</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2015. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 16 March 2016



J Phillip
Trustee

Company Registration No. 01119455

THE NORTHERN MILL ENGINE SOCIETY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: statement of Recommended practice applicable to charities preparing accounts in accordance with the Financial reporting for Smaller Entities published on 16/07/14, the Financial reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Tangible fixed assets

The costs of acquisition and erection of exhibits and the proceeds from the sale of assets, have been written off to the Statement of Financial activities.

Heritage assets

The charity owns and maintains various heritage assets, dating from the mid 1800's, as part of the museum. In the opinion of the trustees, it is not appropriate to include these at either cost or valuation in the financial statements as cost information is not readily available, valuations would be subjective and the benefits of obtaining valuations for these items would not justify the cost.

Maintenance costs of the heritage assets is reported in the SOFA in the year it is incurred.

1.2 Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy with the exception of legacies which are recorded on a cash received basis.

Voluntary income includes donations and legacies.

Income from activities for generating funds includes income from sale of goods and other sundry income.

Incoming resources from charitable expenditure comprises membership subscriptions and grants received.

Investment income comprises interest, and is accounted for on a received basis.

1.3 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. The charity is not registered for VAT, and consequently all relevant expenditure includes VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise of the costs relating to activities where the primary aim is to raise funds.

Charitable activities comprise of those costs incurred by the charity where the primary aim is the delivery of activities and services within the objects of the charity. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the reporting accountants' fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

THE NORTHERN MILL ENGINE SOCIETY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

1.4 Stock

Stock is valued at the lower of cost and net realisable value after making allowances for slow moving and obsolete stock.

1.5 Accumulated funds

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

2 Voluntary income

	2015 £	2014 £
Donations and gifts	14,252	14,317
Legacies receivable	500	-
	<u>14,752</u>	<u>14,317</u>

3 Activities for generating funds

	2015 £	2014 £
Activities for generating funds	5,399	4,983
Cost of generating funds	(1,034)	(995)
Net Activities for generating funds	<u>4,365</u>	<u>3,988</u>

4 Investment income

	2015 £	2014 £
National savings	461	428
Bank interest	-	12
	<u>461</u>	<u>440</u>

THE NORTHERN MILL ENGINE SOCIETY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

5 Incoming resources from charitable activities

	2015 £	2014 £
Members subscriptions	2,408	2,572
	<u>2,408</u>	<u>2,572</u>

6 Other incoming resources

	Total 2015 £	Total 2014 £
Other income	-	210
	<u>-</u>	<u>210</u>

7 Costs of generating voluntary income

	2015 £	2014 £
Rent	527	450
Other premises expenses	6,061	5,982
Other costs	2,006	2,470
	<u>8,594</u>	<u>8,902</u>

8 Charitable activities

	2015 £	2014 £
Materials and services purchased (Unrestricted funds)	7,887	21,479
Subscriptions	87	82
Materials and services purchased (Restricted funds)	-	9,143
	<u>7,974</u>	<u>30,704</u>

THE NORTHERN MILL ENGINE SOCIETY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

9 Governance costs

	2015 £	2014 £
Software support	157	155
Company annual return	13	13
Independent examination	632	618
Travelling expenses		136
	<u>802</u>	<u>922</u>

10 Employees

There were no employees during the year.

No remuneration or expenses were paid to the trustees in either year.

11 Heritage assets

The Charity maintains a collection of heritage assets in accordance with its published statement of purpose: "To collect and conserve examples of the stationary steam engine, particularly as used in the textile and engineering industries of the North and North-West England, and to interpret the history, technical development and application of this important prime mover. To share collections and knowledge with visitors, steam enthusiasts nationwide and with the local community".

30 restored engines are on display at the museum, ranging in date from 1840 to 1960, and there is an associated collection of technical and archival material. The whole collection is documented and managed in accordance with Accredited Museum policies.

Acquisitions and disposals are made in accordance with a formal written policy - a copy of which is published on the Society's website (www.nmes.org) or is available on request from the registered office.

Occasional acquisitions to the collection are made by purchase or donation. During the year ending 31 December 2015, approximately 5 items were donated to the museum. All these were in the form of archive documents, photographs, books etc, which in the view of the trustees is not material. There have been no purchases or disposals in the last 5 years.

12 Debtors

	2015 £	2014 £
Gift aid recoverable	3,013	3,112
Prepayments and accrued income	541	533
	<u>3,554</u>	<u>3,645</u>

THE NORTHERN MILL ENGINE SOCIETY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

13	Creditors: amounts falling due within one year	2015	2014
		£	£
	Accruals	1,328	1,344
		<u><u></u></u>	<u><u></u></u>
14	Analysis of net assets between funds		Total
			£
	Fund balances at 31 December 2015 are represented by:		
	Current assets		75,599
	Creditors: amounts falling due within one year		(1,328)
			<u><u></u></u>
			74,271
			<u><u></u></u>
15	Commitments		
	The company is controlled by the members in accordance with the Memorandum and Articles of Association.		
	The liability of the members is limited to £1 each.		