
THE NORTHERN MILL ENGINE SOCIETY LIMITED

Financial Statements

For the year ended 31 December 2004

Charity number 532259 R

CLB
Chartered Accountants
BOLTON



Registered office 84 Watkin Road
Clayton-Le-Woods
Chorley
Lancashire
PR6 7PX

Advisors

Bankers Royal Bank of Scotland plc.
165 Towngate
Leyland
PR5 6TE

National Savings
Glasgow
G58 1SB

Auditors CLB
Laurel House
173 Chorley New Road
Bolton
BL1 4QZ

Council of Management

President	Vacant
Chairman	J Jones
Secretary	J Phillp
Treasurer	J Phillp
Membership Secretary	J Edwards
'Flywheel' Editor	P Pilling
Archivist	J Singer
Education Officer	D Lewis

Elected Members of Council :

A Bethell (resigned 1 May 2004), G Drake, R Gardiner, J Marsh, A Feasby, M Pybus, N Carney, R Fisher.

Legal Status

The company is a charitable company limited by guarantee and does not have any share capital. Registered charity number 532259 R. The Company is registered in England, number 1119455.

Report of the Council (directors)

The Council submit their Report to the Members, together with the audited accounts for the year ended 31 December 2004.

1. The Society had a surplus of income over expenditure during the year of £2,431.95 compared with an excess of expenditure over income of £2,276.89 for the previous year.
2. The principal activity of the Company is to promote and stimulate the interest in Industrial Archaeology by the collection and preservation of objects and technical data associated with Mill Steam Engines.
3. 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.
4. The auditors, CLB, have indicated their willingness to be reappointed.

Reserves policy

The Council regularly reviews the amount of reserves held by the Society (£55,526 at 31 December 2004). 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. In view of the above, the Council has determined that the current level of reserves is appropriate.

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.

By Order of the Council of Management

J PHILLP
Secretary
Date


22 March 2005

Statement of Council Members' (directors') Responsibilities

Charity and company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its financial activities for that period.

In preparing those financial statements, the trustees are required to :

- ☐ select suitable accounting policies and then apply them consistently
- ☐ make judgements and estimates that are reasonable and prudent
- ☐ state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations, and with applicable accounting standards,
- ☐ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business,

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985, applicable Accounting Standards, Statements of Recommended Practice and the regulations made under s44 of the Charities Act 1993. 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.

**To the members of The Northern Mill Engine Society Limited
A Company limited by Guarantee**

We have audited the financial statements on pages 5 to 7 which have been prepared under the historical cost convention and accounting policies set out on page 7.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 council members and auditors

As described on page 3 the Council members who also act as trustees for the charitable activities of Northern Mill Engine Society Limited are responsible for the preparation of financial statements.

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

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

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises of the Report of the Council. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the council members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its incoming resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

CLB

Bolton**CLB**Chartered Accountants
Registered AuditorsDate : 22 March '05

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- LIMITED BY GUARANTEE

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Statement of Financial Activities
For the year ended 31 December 2004

	2004 £	2003 £
Income - continuing operations		
Members subscriptions	2,279.00	2,289.00
Sales income less cost of sales	313.17	170.80
Legacies & Bequests	300.00	-
Non-accessioned asset disposal	80.00	157.00
Miscellaneous Income	353.00	105.00
Donations received	11,626.51	7,101.10
	14,951.68	9,822.90
Interest received		
National Savings Account	1,970.62	1,550.22
Royal Bank of Scotland	-	-
	1,970.62	1,550.22
Total income	16,922.30	11,373.12
Direct expenditure		
Materials purchased	8,291.63	10,165.70
Subscriptions	58.00	70.00
	8,349.63	10,235.70
Indirect expenditure		
Postage	272.32	267.48
Printing and stationery	822.75	739.87
Insurance	1,209.70	1,179.77
Miscellaneous	25.00	-
Consulting	2,350.00	-
Legal Fees	220.00	-
Audit and accountancy	4. 481.75	470.00
Company registration	15.00	15.00
Rent	359.82	382.82
Utilities	263.52	249.51
Software support	120.86	109.86
	6,140.72	3,414.31
Total expenditure	14,490.35	13,650.01
Net movement in funds	2,431.95	(2,276.89)
Fund balance brought forward at 1 January 2004	53,093.60	55,370.49
Fund balance carried forward at 31 December 2004	55,525.55	53,093.60

Statement of total recognised gains and losses

There are no other recognised gains or losses in the year other than the surplus (deficit) for the year.

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Balance Sheet
As at 31 December 2004

	2004 £	2003 £
Current Assets		
Stock of items for resale	-	14.00
Prepaid insurance	212.00	218.00
Prepaid rent	175.00	160.00
Prepaid subscriptions		
Accrued interest	40.00	10.00
Prepaid support fee	29.00	30.00
Balances at bank :		
Premium Deposit account	2,818.73	2,640.60
Current account	189.66	122.98
National Savings account	54,892.91	50,368.02
	58,357.30	53,563.60
Current Liabilities		
Sundry creditors	(2,831.75)	(470.00)
Net current assets	55,525.55	53,093.60
Accumulation unrestricted funds		
Balance at 1 January 2004	53,093.60	55,370.49
Net movement in funds	2,431.95	(2,276.89)
	55,525.55	53,093.60

J JONES

J Jones

J PHILLP

J. Phillip

) COUNCIL MEMBERS

Date:

22 March 2005

Notes to the accounts

1. Accounting Policies

Basis of Accounting

These accounts have been prepared using the historical cost basis of accounting, and in accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' published in October 2000 and applicable accounting standards.

Income

Income is recorded when receivable whenever the amount is known, otherwise it is accounted on an accruals basis. Legacies are recorded on a cash received basis.

Value added tax

The society is not registered for VAT, and consequently all relevant expenditure includes this tax.

Stock

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

Expenditure

Directly attributable expenditure and other costs are charged to direct charitable expenditure. Indirect expenditure is allocated to the headings of that activity.

The costs of acquisition and erection of exhibits and the proceeds from the sale of assets, have been written off to the Income and Expenditure account.

2. A list of the assets and equipment owned by the Society is attached.
 3. The liability of the Members is limited to £1 each.
 4. Audit fees for the year amounted to £400 plus value added tax.
 5. No remuneration or expenses were paid to the trustees in the year.
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NORTHERN MILL ENGINE SOCIETY Ltd

LIST OF ASSETS

for the year ended 31 December 2004

1. ENGINES

- 1.1 Vertical Compound 'non-dead-centre' engine by John Musgrave 1893 150hp 10" and 18"x 18"
- 1.2 Horizontal tandem compound engine by J & W McNaught 1902 180hp approx 13" and 26" x 36"
- 1.3 Twin beam engine maker unknown circa 1840 60hp approx 12" and 20" x 42"
- 1.4 McNaughted compound beam engine rebuilt by Woodhouse & Mitchell 1909 Power unknown 20" x 36" and 36" x 72"
- 1.5 'A-frame' vertical engine by J Barraclough circa 1860 Power unknown 12" x 24"
- 1.6 Inverted vertical compound engine by Scott & Hodgson 1913 250hp 14" and 30" x 30"
- 1.7 Single-cylinder 'Uniflow' engine by Robey of Lincoln 1926 13.5" x 16"
- 1.8 High-Speed enclosed engine by Browett Lindley 7" and 11" x 6" with J H Holmes dynamo
- 1.9 Double diagonal engine by Langbridge 9" x 12"
- 1.10 High-speed vertical open-type engine by Sissons 4" and 7" x 7"
- 1.11 High-speed vertical open-type engine by Sissons (similar to above)
- 1.12 Horizontal single-cylinder by Tangye 5" x 10"
- 1.13 Horizontal single-cylinder "Colonial" engine by Tangye 9" x 14"
- 1.14 Horizontal single-cylinder by SS Stott 4" x 6"
- 1.15 Three-cylinder stenter engine 4" x 6" by Mather & Platt
- 1.16 Steam fire pump by Walkers 17" x 30"
- 1.17 Barring engine by Hick Hargreaves
- 1.18 Barring engine by George Saxon
- 1.19 Barring engine by John Musgrave
- 1.20 Steam turbine by Holden & Brook approx 2hp
- 1.21 Oil engine by National 8" x 16"
- 1.22 Gas engine by National 4" x 10"
- 1.23 A-frame steam engine by James Chadwick 6" x 12"
- 1.24 Weir steam pumps (2 off)
- 1.25 Vertical boiler feed pump by Cameron Ironworks
- 1.26 Horizontal duplex boiler feed pump by Worthington-Simpson (2 off)

2. OTHER ITEMS IN COLLECTION

- 2.1 Front of 8ft diam Lancashire boiler by Hick Hargreaves
- 2.2 3-ram high-pressure pump
- 2.3 Royce dynamo
- 2.4 Hick-Hargreaves supplementary governor
- 2.5 J Lumb supplementary governor
- 2.6 Pickering governor
- 2.7 Musgrave governor
- 2.9 Display unit of various governor types
- 2.10 Mercury arc rectifier unit
- 2.11 Model vertical boilers
- 2.12 Model steam engines (various makers)
- 2.13 Collection of engine indicators
- 2.14 Collection of engine builders plates and christening plates
- 2.15 Collection of pressure gauges and engine gauge boards
- 2.16 Collection of books, leaflets, drawings, catalogues, photographs (approx 4000 items)
- 2.17 Oil painting of Dee and Ensor Mill engines by Alan Andrew

NORTHERN MILL ENGINE SOCIETY Ltd

LIST OF ASSETS

for the year ended 31 December 2004

2. OTHER ITEMS IN COLLECTION (cont)

- 2.18 Oil painting of NMES museum by Edna Lumb
- 2.19 19th century time-clocking machine
- 2.20 Factory steam hooter (2 off)
- 2.21 Factory steam hooter (trumpet type)
- 2.22 Moscrop time/engine recorder
- 2.23 Lumb engine speed recorders (3 off)
- 2.24 DC dynamo by GEC 60v 60amp 1929
- 2.25 Water flow meter by Lea
- 2.26 Steam meter by Curnon
- 2.27 3 panels of white marble switchgear from Seedhill Finishing Ltd, Paisley
- 2.28 Boiler inspectors kit c/w suitcase
- 2.29 1000amp dc switchgear on 4 slate panels from Hick Hargreaves Ltd
- 2.30 Model Newcomen pumping engine

3. MUSEUM EQUIPMENT

- 3.1 High-bay 400watt HP Sodium light fittings (8 off)
- 3.2 Steel shelving, drawing cabinets, cupboards, archive boxes, albums etc for archive storage
- 3.3 Steel racking for storage of artifacts and equipment
- 3.4 Dehumidifier unit
- 3.5 Fire extinguishers, BCF, CO₂, Water, powder
- 3.6 Gestetner Rex-Rotary copy printer
- 3.7 20ft steel storage container
- 3.8 16 steel box pallets
- 3.9 Air receiver – vertical type 60" x 20"diam 250psi working
- 3.10 Air compressor E3X30 and motor by Ingersoll-Rand
- 3.11 Microwave oven
- 3.12 Approx 150m of steam pipe system complete with valves, traps and drains
- 3.13 4500lbs/hr steam boiler "Wee Chieftain" by Cochran of Glasgow
- 3.14 Spirax Sarco blowdown vessel and boiler feed tank

4. TOOLS

- 4.1 2-ton travelling wire monorail hoist by Kings c/w beam and controls
- 4.2 1-ton travelling wire monorail hoist by Abacus c/w beam and controls
- 4.3 Sundry lifting chains, slings, shackles etc
- 4.4 1-ton Nichi chain hoist
- 4.5 10 tonne chain hoist 7m lift complete with traveller
- 4.6 Various other hand-operated chain hoists 1 - 3 ton (4 off)
- 4.7 Small 3hp air compressor c/w receiver 100psi
- 4.8 Small single-phase air compressor complete
- 4.9 Dean Smith and Grace gap bed lathe 20" x 60" belt driven

NORTHERN MILL ENGINE SOCIETY Ltd

LIST OF ASSETS

for the year ended 31 December 2004

4. TOOLS (cont)

- 4.10 Dean Smith and Grace toolroom lathe 13" x 42"
- 4.11 Harrison 700 centre lathe
- 4.12 Floor mounted vertical pillar drill 1.5" capacity, gear drive, Progress 9E
- 4.13 12" horizontal shaping machine by Butler
- 4.14 Vertical milling machine by Adcock Shipley
- 4.15 Heavy duty mechanical hacksaw
- 4.16 Small metal bandsaw
- 4.17 Fitting benches and engineers vices (various)
- 4.18 Various electric motors and reduction gearboxes
- 4.19 Wolf 240v hand drill ¾" capacity
- 4.20 Makita 110volt ½" capacity hammer drill
- 4.21 240/110v portable tool transformer
- 4.22 Magnetic base and drill 1" capacity
- 4.23 ¾" drive socket set
- 4.24 4½" angle grinder
- 4.25 9" angle grinder
- 4.26 Large collection of hand tools, spanners, drills, taps, dies, reamers etc
- 4.27 0-1", 1-2", 2-3", 3-4", 4-5" micrometers
- 4.28 6" sine bar; dial indicators (various),
- 4.29 6", 10", 12" vernier calipers
- 4.30 Set of slip gauges
- 4.31 Depth micrometer set, inside micrometer set
- 4.32 18 inch precision square (2 off)
- 4.33 Precision crankshaft deflection gauge by Starrett
- 4.34 4 small bench drills, horizontal finisher and hand grinders
- 4.35 Large twin-wheel heavy duty hand grinder
- 4.36 Approx 6 sections aluminium tower scaffolding
- 4.37 Half-bag electric cement mixer by Belle Engineering
- 4.38 Selection of manual pipe-screwing equipment ½" to 6"
- 4.39 Electric pipe-screwing machine ½" to 2"
- 4.40 Electric pipe-screwing machine 1" to 3"
- 4.41 1.5 ton Tirfors lifting/pulling units (2 off)
- 4.42 5 ton Tirfor lifting/pulling unit
- 4.43 20 ton Blackhawk hydraulic jack and separate pump
- 4.44 10 ton Blackhawk jack (as above)
- 4.45 Hydraulic portable pipe-bending machine
- 4.46 10 and 5 ton mechanical toe-lift jacks
- 4.47 50 ton hydraulic press with frame
- 4.48 3ft x 2ft cast-iron marking-out table
- 4.49 3 surface plates 24" x 24", 15" x 15", 18" x 15"
- 4.50 Atlas Copco diesel-driven air compressor
- 4.51 Hydrovane air compressor
- 4.52 140amp Oxford arc welding transformer (2off)
- 4.53 Large collection of nuts, bolts, washers, pipe fittings etc
- 4.54 Storage bins, cupboards and racking for above
- 4.55 Oxygen, propane gas bottles and welding/cutting torches
- 4.56 Small floor-standing blacksmiths forge