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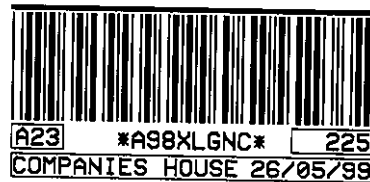
**THE NORTHERN MILL ENGINE SOCIETY LIMITED**

**Financial Statements**

**For the year ended 31 December 1998**

Charity number 532259 R

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**COOPER  
LANCASTER  
BREWERS**

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**

Cooper Lancaster Brewers  
14 Wood Street  
BL1 1DZ

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**Council of Management**

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

**Elected Members of Council :**

J Petrie, A Bethell, G Drake, J Buckley, R Gardiner, J Marsh, A Feasby, M Pybus, J Boothman.

**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**

The Council submit their Report to the Members, together with the audited accounts for the year ended 31 December 1998.

1. The Society had a surplus of income over expenditure during the year of £2,598.72, compared with a deficit of £623.30 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, Messrs Cooper Lancaster Brewers, have indicated their willingness to be reappointed.

By Order of the Council of Management

J PHILLP  
Secretary  
29 March 1999



### **Statement of Council Members' Responsibilities**

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Company law requires the Council members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the council members are required to :

make judgements and estimates that are reasonable and prudent

state whether applicable accounting standards have been followed

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Charities Act 1993. 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.

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

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We have audited the financial statements on pages 4 to 6 which have been prepared in accordance with Auditing Standards.

**Respective responsibilities of council members and auditors**

As described on page 3 the Council members are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes 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. However, the evidence available to us was limited because £1,922.80 of the company's total income comprises voluntary donations, over which there was no system of control on which we could rely for the purpose of our audit. There were no other satisfactory audit procedures that we could adopt to confirm the completeness and accuracy of voluntary income.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

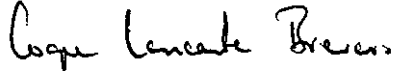
**Qualified opinion arising from limitation in audit scope**

Except for any adjustment that might have been found to be necessary had we been able to obtain sufficient evidence concerning voluntary income, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1998 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to voluntary income, we have not been able to obtain the audit evidence that we considered necessary for the purposes of our audit.

**Bolton**

29 March 1999

  
**COOPER LANCASTER BREWERS**  
Chartered Accountants  
Registered Auditors

**Statement Financial Activities**  
**For the year ended 31 December 1998**

	1998 £	1997 £
<b>Income - continuing operations</b>		
Members subscriptions	2,209.38	2,239.62
Sales income less cost of sales	106.79	173.26
Other sales	-	36.69
Donations received	1,922.80	1,195.20
Legacies	1,223.54	-
Diamond Engine - Science Museum grant receivable	-	399.00
Sale of assets	-	1,107.00
	<b>5,462.51</b>	<b>5,150.77</b>
<b>Interest received</b>		
National Savings Account	1,149.38	980.90
Royal Bank of Scotland	279.43	110.64
	<b>1,428.81</b>	<b>1,091.54</b>
<b>Total income</b>	<b>6,891.32</b>	<b>6,242.31</b>
<b>Direct expenditure</b>		
Materials purchased	1,360.26	2,072.50
Grant repaid	-	1,107.54
Subscriptions	173.68	96.18
	<b>1,533.94</b>	<b>3,276.22</b>
<b>Indirect expenditure</b>		
Postage	253.72	308.85
Printing and stationery	909.55	959.89
Insurance	1,117.65	960.37
Audit fee	4. 346.63	340.75
Company registration	15.00	15.00
Legal fees	-	149.00
Expenses (officers)	5. -	2.50
Rent	334.87	293.75
Rates	114.30	88.90
Gas and electricity	241.94	136.01
Water charges	(700.00)	200.00
Software update	95.00	95.00
Donations made	30.00	-
Bank charges	-	39.37
	<b>2,758.66</b>	<b>3,589.39</b>
<b>Total expenditure</b>	<b>4,292.60</b>	<b>6,865.61</b>
<b>Net incoming/(outgoing) resources</b>	<b>2,598.72</b>	<b>(623.30)</b>

**Statement of total recognised gains and losses**

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

**THE NORTHERN MILL ENGINE SOCIETY LIMITED**  
**- LIMITED BY GUARANTEE**

Page 6

**Balance Sheet**

**As at 31 December 1998.**

	1998 £	1997 £
<b>Current Assets</b>		
Stock of items for resale	272.94	337.33
Prepaid insurance	-	161.40
Prepaid rates	-	22.23
Accrued interest	130.00	-
Balances at bank :		
Premium Deposit account	6,191.04	5,393.62
Current account	100.71	42.77
National Savings account	20,215.27	19,065.89
	26,909.96	25,023.24
<b>Current Liabilities</b>		
Amounts owing :		
Audit fees	(352.50)	(352.50)
Water charges	(50.00)	(750.00)
Electricity	-	(12.00)
<b>Net current assets</b>	<b>26,507.46</b>	<b>23,908.74</b>
<b>Accumulation unrestricted funds</b>		
Balance at 31 December 1997	23,908.74	24,532.04
Net incoming/(outgoing) resources	2,598.72	(623.30)
	26,507.46	23,908.74

J JONES

*James Jones*

J PHILLP

*J. P. Phillp*

) COUNCIL MEMBERS

29 March 1999

**Notes to the accounts**

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These accounts have been prepared using the historical cost basis of accounting, and in accordance with the Statement of Recommended Practice, 'Accounting by charities' issued in October 1995.

**1. Accounting Policies**

**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 £300 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 1998

### 1. ENGINES

- 1.1 Vertical Compound 'non-dead-centre' engine by John Musgrave 1893 150hp approx 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 Bellis & Morcom with alternator 250hp (Calderdale Museum)
- 1.9 High-Speed enclosed engine by Browett & Lindley with Manchester dynamo 7" and 11" x 6"
- 1.10 Double diagonal engine by Langbridge 9" x 12"
- 1.11 High-speed vertical open-type engine by Sissons 4" and 7" x 7"
- 1.12 High-speed vertical open-type engine by Sissons (similar to above)
- 1.13 Horizontal single-cylinder by Tangye 5" x 10"
- 1.14 Horizontal single-cylinder "Colonial" engine by Tangye 9" x 14"
- 1.15 Horizontal single-cylinder by SS Stott 4" x 6"
- 1.16 Three-cylinder stenter engine 4" x 6" by Mather & Platt
- 1.17 Steam fire pump by Walkers.
- 1.18 Barring engine by Hick Hargreaves
- 1.19 Barring engine by George Saxon
- 1.20 Barring engine by John Musgrave
- 1.21 Steam turbine by Holden & Brook approx 10hp
- 1.22 Oil engine by National 8" x 16"
- 1.23 Gas engine by National 4" x 10"
- 1.24 A-frame steam engine by James Chadwick
- 1.25 Weir steam pumps (2 off)
- 1.26 Twin-cylinder boiler feed pump by Greens
- 1.27 Vertical boiler feed pump by Cameron Ironworks
- 1.28 Horizontal duplex boiler feed pump by Worthington-Simpson

### 2. OTHER ITEMS

- 2.1 Front of 8ft diam Lancashire boiler by Hick Hargreaves
- 2.2 3-ram high-pressure pump
- 2.3 Royce dynamo and slate-mounted switchgear
- 2.4 Hick-Hargreaves supplementary governor
- 2.5 J Lumb supplementary governor
- 2.6 Pickering governors (2 off)
- 2.7 Musgrave governor (ex E Lancs Paper mill)

# **NORTHERN MILL ENGINE SOCIETY Ltd**

## **LIST OF ASSETS**

for the year ended 31 December 1998

### **2. OTHER ITEMS (cont)**

- 2.8 Mercury arc rectifier unit
- 2.9 Cast-iron spiral staircase
- 2.10 Model vertical boilers
- 2.11 Model steam engines (various makers)
- 2.12 Collection of engine indicators
- 2.13 Collection of engine builders plates and christening plates
- 2.14 Collection of pressure gauges and engine gauge boards
- 2.15 Collection of books, leaflets, drawings, catalogues, photographs (approx 4000 items)
- 2.16 Oil painting of Dee and Ensor Mill engines by Alan Andrew
- 2.17 Oil painting of NMES museum by Edna Lumb
- 2.18 19th century time-clocking machine
- 2.19 Factory steam hooter (2 off)
- 2.20 Factory steam hooter (trumpet type)
- 2.21 Moscrop time/engine recorder
- 2.22 Lumb engine speed recorders (3 off)
- 2.23 DC dynamo by GEC 60v 60amp 1929
- 2.24 Water flow meter by Lea

### **3. MUSEUM EQUIPMENT**

- 3.1 Stone Vapor monotube boiler type 4610 1700lbs/hr
- 3.2 Permutit water softening unit for boiler
- 3.3 Hydrovane air compressor for above
- 3.4 600 gallon oil tank for boiler fuel
- 3.5 High-bay 400watt HP Sodium light fittings (8 off)
- 3.6 Steel shelving, drawing cabinets, cupboards, archive boxes, albums etc for archive storage
- 3.7 Dehumidifier unit
- 3.8 Digital thermohygrometer
- 3.9 BCF fire extinguisher
- 3.10 Portable gas fires (2 off)
- 3.11 20ft steel storage container (2 off)
- 3.12 16 steel box pallets
- 3.13 MJN 386 PC computer

# NORTHERN MILL ENGINE SOCIETY Ltd

## LIST OF ASSETS

for the year ended 31 December 1998

### 4. TOOLS

- 4.1 2-ton travelling wire monorail hoist c/w beam and controls
- 4.2 1-ton travelling wire monorail hoist c/w beam and controls
- 4.3 Sundry lifting chains, slings, shackles etc
- 4.4 1-ton Nichi chain hoist
- 4.5 13ft span 10ft lift 3-tonne A-frame mobile lifting gantry
- 4.6 1 tonne hand-controlled Lansing Bagnall fork-lift truck
- 4.7 10 tonne chain hoist 20ft lift complete with traveller
- 4.8 15ft span 25ft lift 6-tonne A-frame lifting gantry
- 4.9 5 ton differential hand-operated hoist
- 4.10 Various other hand-operated chain hoists 0.5 - 3 ton (5 off)
- 4.11 Cylinder boring bar c/w stands
- 4.12 Atlas Copco small air compressor
- 4.13 Small single-phase air compressor
- 4.14 Dean Smith and Grace lathe 7" x 60" belt driven
- 4.15 Harrison 700 centre lathe
- 4.16 Belt-driven floor mounted pillar drill
- 4.17 Fitting benches c/w vices (various)
- 4.18 Various electric motors and reduction gearboxes (10 off)
- 4.19 Makita 110volt 1/2" capacity hammer drill
- 4.20 Wolf electric drill 3/4" capacity
- 4.21 Kango 110volt electric drill 1" capacity with magnetic base
- 4.22 Kango light demolition hammer 110volt
- 4.23 240/110v portable tool transformer
- 4.24 3/4" drive and 1/2" drive socket sets
- 4.25 Large collection of hand tools, spanners, drills taps, dies, etc
- 4.26 0-1", 1-2" micrometers; 0-6" vernier; 6" sine bar; dial indicator
- 4.27 18inch Moore and Wright precision square (2 off)
- 4.28 2 small bench drills, horizontal finisher and offhand grinders (2off)
- 4.29 Approx 10 sections aluminium tower scaffolding
- 4.30 Half-bag electric cement mixer by Belle Engineering
- 4.31 Selection of manual pipe-screwing equipment 1/2" to 6"
- 4.32 Electric pipe-screwing machine 1/2" to 2"
- 4.33 1.5 ton Tirfors lifting/pulling units (2 off)
- 4.34 20ton Blackhawk hydraulic jack and separate pump
- 4.35 10ton Blackhawk jack (as above)
- 4.36 10 ton mechanical toe-lift jack
- 4.37 3ft x 2ft cast-iron marking-out table and surface plate
- 4.38 Atlas Copco diesel-driven air compressor
- 4.39 140amp Oxford arc welding transformer