

Charity Registration No. 1077961
Company Registration No. 3858051

2000

WATCH TOWER

BIBLE AND TRACT SOCIETY OF BRITAIN



ANNUAL REPORT AND FINANCIAL STATEMENTS
10 months ended 31 August 2000

WATCH TOWER BIBLE AND TRACT SOCIETY OF BRITAIN

REPORTS AND ACCOUNTS

10 months ended 31 August 2000

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LEGAL AND ADMINISTRATIVE INFORMATION

10 months ended 31 August 2000

CONSTITUTION

The charity is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

DIRECTORS AND TRUSTEES

Jack Dowson
Ronald Drage - *Chairman*
Peter Ellis
Bevan Vigo

SECRETARY

T P Cruse

REGISTERED OFFICE

I.B.S.A. House
The Ridgeway
London
England NW7 1RN

PRINCIPAL BANKERS

The Royal Bank of Scotland PLC
97 New Bond Street
London
England W1Y 0EU

AUDITORS

Calcutt Matthews
Charities Unit
Chartered Accountants
The Courtyard
Holding Street
Rainham
Kent ME8 7HE

REPORT OF THE TRUSTEES

Year ended 31st August 2000

The board of trustees present their report and the financial statements of the Association for the year ended 31st August 2000. The financial statements have been prepared in accordance with current statutory requirements and the company's memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities.

Objects and activities

The principal activities of the Society are to support congregations of Jehovah's Witnesses and others in connection with their spiritual and material welfare, in Britain and abroad, within the charitable purposes of the Society. This is achieved principally by the printing and distribution of Bibles and Bible based literature, by making donations primarily in developing countries to local associations of Jehovah's Witnesses and administering the work of Jehovah's Witnesses in Britain.

Governance

The four Trustees of the Society also have key managerial roles at the charity headquarters. They meet every week, and at the same time confer closely with the Trustees of International Bible Students Association, as the activities of the two charities are closely related. Their decisions are then based on these joint strategy meetings.

Internal controls

These controls ensure that the monthly financial reports accurately represent all transactions; provide reasonable assurance that finances are being used for their intended purpose; verify that proper controls and procedures are in place, and adhered to, so that the figures are recorded accurately and accounts are in balance.

An internal audit of the financial function is performed every six months to confirm this.

Reserves policy

The Society has a consistent income base through Gift Aid. In addition, one of its primary activities is the manufacture and distribution of bible based religious literature on behalf of International Bible Students Association and The Kingdom Hall Trust, the cost of which is passed on. Based on this income, we can plan confidently with relatively small reserves. However, due to the increasing work load, it is necessary to actively consider relocation. It is therefore intended to maintain a higher level of reserves to cover costs relating to relocation.

Investment policy

Funds are invested with several major financial institutions, using money market instruments. Donated stocks and shares are managed or sold, according to professional advice on the soundness of the institution and in harmony with our Christian principles.

Relationship with connected charities

The Society works closely with International Bible Students Association and The Kingdom Hall Trust. International Bible Students Association permits Watch Tower Society to use its premises for the Society's charitable work and provides accommodation for volunteers. International Bible Students Association makes a monthly service and maintenance charge to the Society for the use of the buildings it occupies and for providing accommodation for volunteers connected with the Society's activities. The Society passes to International Bible Students Association and The Kingdom Hall Trust the cost incurred in printing and distributing the bible based religious literature manufactured and delivered to destinations on their behalf.

WATCH TOWER BIBLE AND TRACT SOCIETY OF BRITAIN

REPORT OF THE TRUSTEES (Continued)

Year ended 31st August 2000

Review of the year and financial position

This is the first year for Watch Tower Bible and Tract Society of Britain. On November 1, 1999 all assets and liabilities of the Watch Tower Bible and Tract Society of Pennsylvania were successfully transferred to the Society. The Society received a donation from Watch Tower Bible and Tract Society of Pennsylvania, in the sum of £12,334,861 which was invested immediately. This donation, to be used in connection with the charity's objects, has boosted the Society's reserves giving it a good base from which it can assist in financing the relocation of printing facilities owned by International Bible Students Association and used by the Society.

Direct charitable expenditure through the year includes the cost of manufacturing and distributing Bibles and Bible study aids at a cost of £4,243,943. Financial support was given to full-time ministers in Britain and overseas in the sum of £394,544. The charity was able to make donations of cash and goods to overseas charities in ninety-seven countries, primarily in the developing world totalling £3,624,797 to assist in the world-wide work of Jehovah's Witnesses, advancing the Christian religion.

The work of Watch Tower Bible and Tract Society of Britain has continued to increase over the past year. To meet the demand for bible based religious literature and Bible study aids, it has been necessary to increase production of the principal religious magazines by 13%. The Society commenced printing and distributing literature to an additional 5 countries primarily in Africa and it commenced printing in an additional 7 editions.

The increase in the primary activity of the Society has meant that the facilities being used are now deployed almost to capacity. The Society is co-operating closely with International Bible Students Association in its search for suitable alternative property to handle the current and future requirements of the Society. The Society is willing to assist in the search and procurement of suitable property in any way necessary including financial support as the requirement for additional factory space is now urgent.

Trustees responsibilities in respect of the preparation of accounts

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue to operate.

WATCH TOWER BIBLE AND TRACT SOCIETY OF BRITAIN

REPORT OF THE TRUSTEES (Continued)

Year ended 31st August 2000

Trustees responsibilities in respect of the preparation of accounts ..continued

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with Companies Act 1985. The trustees 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.

Auditors

A resolution will be proposed at the Annual General Meeting that Calcutt Matthews, Chartered Accountants, be re-appointed as auditors to the charity for the ensuing year.

By order of the Trustees



T P CRUSE
Secretary

30 March 2001

I.B.S.A. House
The Ridgeway
London
England
NW7 1RN

REPORT OF THE AUDITORS

10 months ended 31 August 2000

Auditors report to the trustees

We have audited the financial statements on pages 6 to 16 which have been prepared in accordance with the accounting policies set out on page 9.

Respective responsibilities of trustees and auditors

As described on page 3 the trustees are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial 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. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the charity, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider 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 charity's affairs at 31st August 2000 and of the incoming resources and application, of resources, including the income and expenditure, in the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Calcutt Matthews

Calcutt Matthews

Charities Unit

Chartered Accountants

Registered Auditors

30 March 2001

STATEMENT OF FINANCIAL ACTIVITIES

10 months ended 31 August 2000

		General unrestricted fund	Restricted funds (Note 8)	Total funds	WBTS Pennsylvania- Britain Branch 1999 (14 month period)
INCOME AND EXPENDITURE					
	Notes				
INCOME					
Charitable activities:					
Donations and gifts	4	16,464,428	1,027,894	17,492,322	8,476,598
Legacies		636,868	22,000	658,868	864,137
Income from literature	3	5,141,694	-	5,141,694	7,539,688
Other activities to generate funds:					
Investment income received		667,044	421,758	1,088,801	423,618
Mortgage interest received		-	-	-	378,437
Total incoming resources		22,910,034	1,471,652	24,381,686	17,682,478
RESOURCES EXPENDED					
Direct charitable expenditure:					
Ministry costs and restricted expenditure	5	394,544	1,443,921	1,838,465	903,776
Donations and aid to branches	6	4,625,945	-	4,625,945	8,037,613
Expenditure on literature		4,243,943	-	4,243,943	6,135,377
Support costs		1,800,437	-	1,800,437	2,092,353
Managing and administering the charity:					
Administration expenses	7	382,608	143,802	526,410	293,439
Loan interest payable to congregations	8	-	364,089	364,089	756,472
Exceptional write offs		-	-	-	886,238
Total resources expended		11,447,477	1,951,812	13,399,290	19,105,268
NET INCOMING / (OUTGOING) RESOURCES		11,462,557	(480,160)	10,982,397	(1,422,790)
OTHER RECOGNISED GAINS					
Currency exchange rate changes		5,689	-	5,689	-
Gains on investments		13,514	-	13,514	-
Transfers		(66,626)	66,626	-	-
NET MOVEMENT OF RESOURCES		11,415,134	(413,534)	11,001,600	(1,422,790)
Fund balances transferred from WBTS Pennsylvania Britain Branch		2,938,292	8,643,788	11,582,080	13,004,870
Fund balances carried forward at 31 August 2000		£14,353,426	£8,230,254	£22,583,680	£11,582,080

All of the above activities result from continuing activities. All gains and losses recognised in the year are included in the above.

BALANCE SHEET

At 31 August 2000

	Notes	General unrestricted fund	Restricted funds (Note 8)	Total funds	WTBTS Pennsylvania- Britain Branch 1999
FIXED ASSETS - Tangible assets					
Land and buildings	9	49,000	86,950	135,950	106,950
Plant and machinery	9	1,653,333	-	1,653,333	1,491,613
Motor vehicles and trailers	9	436,417	611,080	1,047,497	1,077,142
Office equipment	9	148,322	-	148,322	248,531
		<u>2,287,072</u>	<u>698,030</u>	<u>2,985,102</u>	<u>2,924,236</u>
CURRENT ASSETS					
Stocks	11	2,807,503	-	2,807,503	2,133,249
Debtors and accrued income	12	2,461,856	-	2,461,856	2,046,528
Investments in fixed interest securities	10	9,987,224	7,509,167	17,496,391	-
Investments in short term deposits		886,763	-	886,763	9,389,534
Investments - Congregation Loan Deposits		-	7,859,136	7,859,136	6,119,879
Investments - Kingdom Hall Mortgage Fund		-	3,478,326	3,478,326	3,693,158
Deposits in foreign currencies		11,215	-	11,215	7,964
Cash at bank and in hand		19,056	-	19,056	77,043
		<u>16,173,617</u>	<u>18,846,629</u>	<u>35,020,246</u>	<u>23,467,355</u>
CREDITORS					
Amounts falling due within one year	13	(4,107,262)	(11,314,405)	(15,421,668)	(14,809,511)
		<u>12,066,354</u>	<u>7,532,224</u>	<u>19,598,578</u>	<u>8,657,844</u>
NET CURRENT ASSETS					
		<u>14,353,426</u>	<u>8,230,254</u>	<u>22,583,680</u>	<u>11,582,080</u>
TOTAL ASSETS LESS LIABILITIES					
		<u>14,353,426</u>	<u>8,230,254</u>	<u>22,583,680</u>	<u>11,582,080</u>
FUNDS:					
General unrestricted fund		14,353,426	-	14,353,426	2,938,292
Restricted funds	8	-	8,230,254	8,230,254	8,643,788
		<u>14,353,426</u>	<u>8,230,254</u>	<u>22,583,680</u>	<u>11,582,080</u>

The financial statements on pages 6 to 16 were approved by the trustees on 30 March 2001 and signed on their behalf by:


R. DRAGE


T. P. CRUSE

Secretary

WATCH TOWER BIBLE AND TRACT SOCIETY OF BRITAIN

CASH FLOW STATEMENT
10 months ended 31 August 2000

*WTBTS
Pennsylvania-
Britain Branch
1999
(14 month period)*

	Notes		
Net Cash inflow / (outflow) from operating activities	17	9,888,187	(712,284)
Return on investment and servicing of finance	18	1,088,802	985,849
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(604,484)	(1,943,906)
Sale of tangible fixed assets		96,793	-
Net outlay in investments		(17,486,557)	52,057
		<hr/>	<hr/>
(Decrease) / Increase in cash		(7,017,259)	325,622
		<hr/>	<hr/>
Reconciliation of Net Cashflow to Movement in Net funds			
Decrease in cash in the year		(7,017,259)	
Cash at 1 November 1999		19,373,391	
		<hr/>	
CASH AT 31 AUGUST 2000		12,356,132	
		<hr/>	
Cash and deposits repayable on demand			
Building society and bank deposits		12,224,225	19,202,571
Cash at bank		30,271	85,007
Cash and cash in transit		100,635	85,813
		<hr/>	<hr/>
		12,355,131	19,373,391
		<hr/>	<hr/>

NOTES TO THE ACCOUNTS - STATUS AND ACCOUNTING POLICIES

10 months ended 31 August 2000

1. STATUS AND RELATIONSHIP WITH CONNECTED CHARITIES

The constitution of the charity is as stated on page 1 of these accounts. The Society has close association with International Bible Students Association (I.B.S.A.) and The Kingdom Hall Trust (K.H.T.) both UK registered charities. Although serving separate functions, both organisations have common objectives and share the same premises, facilities and workers.

Watch Tower Bible & Tract Society of Pennsylvania was established in Britain as a foreign corporation in the 1950s and registered as a charity in the early 1960s. Over the years a local branch committee has administered and managed the affairs of the Society. In conjunction with the advice and recommendations from the Charity Commission it was agreed that the work of the Society would better be served by establishing a British registered charitable company. On November 1, 1999 all assets and liabilities of Watch Tower Bible & Tract Society of Pennsylvania were transferred to this charity. Subsequently the Pennsylvania Corporation had its charity and company registration cancelled.

2. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:

a) Donations and interest receivable

Income from donations and interest is included as it is receivable. If the donor specifies that monies are to be used for specific purposes this income is included in a restricted fund.

b) Depreciation

Depreciation has been provided to write off tangible fixed assets over the following periods:-

Plant and equipment	12 - 15 years
Motor vehicles	5 years
Office furniture and equipment	3-10 years
Buildings	50 years

c) Stocks

Stocks of materials and unfinished items are valued at cost, or if lower, realisable values. Finished products are included at realisable values.

d) Foreign currencies

Assets and liabilities in foreign currencies have been translated at the rates ruling at the balance sheet date.

e) Investments

Fixed asset investments are stated at market value.

f) Restricted funds (Page 10)

The whole of the expenditure from restricted funds was for the specific purposes of the respective funds. All administrative costs were paid from general funds.

Funds have been established for the following purposes:

Ministers Car and Council tax fund

This fund exists to fund the provision of cars and pay council tax for travelling ministers in the British field.

Kingdom Hall Assistance Arrangement

The Hall Upkeep and Assistance Arrangement exists to give aid where losses and damages have been suffered by congregations or individuals.

NOTES TO THE ACCOUNTS - INCOME & EXPENDITURE

10 months ended 31 August 2000

2. ACCOUNTING POLICIES...Continued

f) Restricted funds - continued (Page 10)

Kingdom Hall Mortgage fund

The fund has been set up to advance monies to assist with the purchase of places of worship.

Congregation Deposit Loan fund

The fund has been set up to pool funds from connected congregation charities and seek to pay better rates of interest to them than would be available locally.

Missionary Convention Travel fund

This fund was established by an appeal to pay for missionaries to travel home for international conventions held in Britain in the Summer of 1998.

Distress fund

This fund exists to help pay monies to give support to areas experiencing distress or natural disaster.

Eastern Europe fund

This fund was established to help contribute towards the purchase of places of worship and branch facilities in Eastern Europe.

(14 month period)

WTBTS

Pennsylvania-

Britain Branch

1999

3. LITERATURE ACCOUNT

Value of literature and magazines donated overseas	573,159	1,185,574
Value of literature and "Watchtower" and "Awake" magazines	4,568,535	6,354,114
	5,141,694	7,539,688
Value of literature donated by HQ	1,849,371	1,612,466
Costs:		
Outside printing	11,796	20,184
Paper and ink	1,955,887	2,287,195
Other printing supplies	36,549	69,346
(Increase) / Decrease in literature stock	(717,647)	942,053
	3,135,956	4,931,244
Fonts and graphics	42,288	30,028
Plant repairs and maintenance	46,060	195,950
Depreciation of plant and equipment	127,367	118,106
	215,716	344,084
Distribution costs		
Cartons and shipping costs	589,882	510,574
Postage, carriage and associated costs	25,613	42,357
Vehicle running costs and decrease in other stock	216,369	228,038
Depreciation of vehicles and loss on disposal	60,407	79,080
	892,272	860,049
Total expenditure on literature	4,243,943	6,135,377
Net income from literature	£897,750	£1,404,311

NOTES TO THE ACCOUNTS - INCOME & EXPENDITURE

10 months ended 31 August 2000

(14 month period)

	<i>WTBTS Pennsylvania- Britain Branch</i>	
4. DONATIONS AND GIFTS TO GENERAL FUNDS RECEIVABLE		
Donations from I.B.S.A. (a registered charity)	257,750	591,620
Contributions, donations and gifts	2,022,447	4,821,198
Convention foreign travel surplus	-	84,179
Cash donations from Headquarters	12,334,861	-
Donations of literature from Headquarters	1,849,371	1,612,466
	<u>£16,464,428</u>	<u>£7,109,463</u>
(Page 4)		

5. MINISTRY COSTS

1999

Travelling ministers allowances	60,945	66,874
Ministers personal expenses	96,294	89,056
Missionary and special assignment allowances	173,428	234,864
Other ministry costs	63,876	54,342
	<u>£394,544</u>	<u>£378,262</u>

6. DONATIONS MADE AND AID TO OTHER BRANCHES

Donations to IBSA (a Registered Charity)	427,989	1,035,600
Donations of literature and magazines (see note 3)	573,159	1,185,574
Donated to overseas branches for Christian work*	3,624,797	5,816,439
	<u>£4,625,945</u>	<u>£8,037,613</u>

* All cash donations overseas were applied for the benefit of the work of Jehovah's Witnesses in under-developed lands.

7. ADMINISTRATION EXPENSES

Property taxes	26,482	38,235
Stationery and office expenses	89,027	49,293
Telephones and communications	46,534	58,732
Professional fees	65,256	55,848
Auditors remuneration	7,800	7,500
Bank charges	17,013	16,990
Depreciation of office equipment and loss on disposal	78,074	35,197
Depreciation of plant & equipment - non distribution	9,860	10,355
Vehicle running costs	32,365	21,289
Depreciation of motor vehicles	9,198	-
Depreciation of freehold properties	1,000	-
	<u>£382,608</u>	<u>£293,439</u>

WATCH TOWER BIBLE AND TRACT SOCIETY OF BRITAIN

NOTES TO THE ACCOUNTS - RESTRICTED FUNDS

10 months ended 31 August 2000

(14 month period)

	Ministers Car and Council Tax Fund	Kingdom Hall Assistance Arrangement	Kingdom Hall Mortgage Fund	Congregation Deposit Loan Fund	Distress Relief Fund	Eastern Europe Fund	TOTAL 2000	TOTAL 1999
BALANCES BROUGHT FORWARD								
Transferred 1 November 1999	939,974	1,770,136	5,085,623	89,032	220,283	538,740	8,643,788	7,821,391
INCOME								
Donations	75,429	313,651	230,126	1,284	96,181	311,222	1,027,894	1,367,135
Legacies	-	-	2,000	-	20,000	-	22,000	-
Investment income	11,059	-	64,786	186,448	8,362	22,835	293,491	232,155
Mortgage interest received	-	-	-	128,267	-	-	128,267	378,437
EXPENDITURE								
Charitable expenditure	(28,343)	(136,871)	-	-	(411,453)	(867,254)	(1,443,921)	(271,493)
Depreciation and profit on disposal	(143,802)	-	-	-	-	-	(143,802)	(187,147)
Loan interest payable	-	-	-	(364,089)	-	-	(364,089)	(756,472)
(DEFICIT) / SURPLUS	(85,657)	176,780	296,912	(48,090)	(286,909)	(533,196)	(480,160)	762,615
TRANSFERS								
	-	-	(181,119)	181,119	66,626	-	66,626	59,782
BALANCES CARRIED FORWARD								
at 31 August 2000	854,317	1,946,916	5,201,416	222,061	-	5,544	8,230,254	£8,643,788
Represented by:								
Tangible fixed assets	611,080	-	-	86,950	-	-	698,030	690,944
Investments	-	-	4,140,876	3,368,291	-	-	7,509,167	-
Loans receivable	-	-	-	4,490,845	-	-	4,490,845	9,813,037
Bank	243,237	1,946,916	1,060,540	3,590,380	-	5,544	6,846,617	9,281,578
Creditors	-	-	-	(11,314,405)	-	-	(11,314,405)	(11,141,771)
	854,317	1,946,916	5,201,416	222,061	-	5,544	8,230,254	£8,643,788

WTBTS
Pennsylvania-
Britain Branch
1999

NOTES TO THE ACCOUNTS
10 months ended 31 August 2000

9. FIXED ASSETS

	Land and buildings	Machinery, equipment & furniture	Motor Vehicles	Office equipment	Unrestricted Total	Restricted cars	Restricted land & buildings	Total all funds
Cost								
Transferred 1 November 1999	20,000	2,317,971	686,250	594,630	3,618,851	952,954	86,950	4,668,755
Re-analysed	-	220,227	-	(220,227)	-	-	-	-
Additions	30,000	255,662	34,259	43,650	363,571	240,913	-	604,484
(Disposals and written off)	-	(46,803)	(45,454)	(50,417)	(142,674)	(191,993)	-	(334,667)
At 31 August 2000	50,000	2,747,057	675,055	367,636	3,839,748	1,001,874	86,950	4,928,572
Depreciation								
Transferred 1 November 1999	-	826,358	213,102	346,099	1,385,559	348,960	-	1,734,519
Re-analysed	-	138,310	-	(138,310)	-	-	-	-
Charge for Period	1,000	181,597	47,798	61,942	292,337	160,477	-	452,814
(On disposals and written off)	-	(52,542)	(22,262)	(50,417)	(125,220)	(118,643)	-	(243,863)
At 31 August 2000	1,000	1,093,724	238,638	219,314	1,552,676	390,794	-	1,943,470
Book values								
At 31 October 1999*	20,000	1,491,613	473,148	248,531	2,233,292	603,994	86,950	2,924,236
At 31 August 2000	49,000	1,653,333	436,417	148,322	2,287,072	611,080	86,950	2,985,102

Following the inception of FRS 15, the trustees have decided not to revalue freehold on the grounds of cost. No tangible fixed assets are held for investment purposes other than the restricted land and buildings.

WTBIS
Pennsylvania-
Britain Branch
1999

10. CURRENT ASSET INVESTMENTS

Additions	17,486,557	-
Net Investment gains	9,834	-
Market value at 31 August 2000	£17,496,391	-
Historic cost at 31 August 2000	£17,486,557	-
UK listed investments are represented by:		
Fixed interest securities	£17,496,391	-

11. STOCKS

Printing materials and unfinished products	143,285	109,356
Literature and finished products	2,646,547	1,962,829
Total literature stocks	2,789,832	2,072,185
Plant components	6,630	28,939
Motor vehicle spares	11,041	32,125
	£2,807,503	£2,133,249

NOTES TO THE ACCOUNTS
10 months ended 31 August 2000

WTBTS
Pennsylvania-
Britain Branch
1999

12. DEBTORS

Due from I.B.S.A. for literature	224,121	248,647
Other amounts due from connected charities	22,315	-
Due from The Kingdom Hall Trust for literature	200,924	152,199
Due from other branches	962,335	962,335
Value Added Tax reclaimable	87,700	159,261
Income Tax repayment claims	26,988	96,088
Legacies receivable	254,923	61,794
Investment income accrued	597,889	239,750
Other Debtors	78,962	88,989
Other amounts receivable and prepayments	5,699	37,465
	<u>£2,461,856</u>	<u>£2,046,528</u>

13. CREDITORS: Amounts falling due within one year

Suppliers accounts	212,448	290,311
Due to IBSA for service charges	176,476	150,966
Personal expenses accounts	174,925	162,115
Loans from circuits	138,530	190,873
Loans from congregations	1,920,069	1,438,580
Other general loans	889,976	822,715
Accruals	102,277	7,500
	<u>3,614,702</u>	<u>3,063,060</u>
Provision for repayment of conditional donations*	492,560	604,680
	<u>£4,107,262</u>	<u>£3,667,740</u>

NOTE: All loans shown above are interest free and unsecured.

*The trustees have for a number of years, on the basis of experience, considered adequate a provision for 50% of the total balances of conditional donations which amounted to £985,120.

Amounts falling due within one year: Restricted fund*Amounts due on Congregation Loan Deposit Fund*

Congregation loan deposits	(Page 5) 11,314,405	11,110,471
Interest accrued	-	31,300
	<u>£11,314,405</u>	<u>£11,141,771</u>

14. CONTINGENT LIABILITIES

Guarantees have been given to the branch bankers in respect of Customs and Excise and other operating commitments in amounts totalling	£30,000	£30,000
The branch has entered into legal undertakings with bankers to guarantee mortgage borrowings secured by Kingdom Halls and an Assembly Hall (freehold properties). These guarantees cover a total commitment of:	<u>£352,149</u>	<u>£503,554</u>

NOTES TO THE ACCOUNTS - PERSONNEL

10 months ended 31 August 2000

15. PERSONNEL

The Branch has no employees but engages only volunteers and provides them with allowances for personal and other expenses. All travelling ministers and their wives are provided for on the same basis and the total cash allowances and expenses payments to any one person would not exceed £654 in the Period. These ministers stay in the homes of congregation members for much of the time. During the Period there was an average of 144 persons so engaged. Likewise, all missionaries on special assignment are each paid on the same basis and the total cash allowances and expenses payments to any one person would not exceed £2,470. During the period there was an average of 82 persons so engaged.

16. TRUSTEE REMUNERATION AND EXPENSES

The trustees, and others working at the branch's operations based in London, similarly are volunteers and received allowances and expenses from International Bible Students Association full details of which are featured in the accounts of that association. Remuneration and expenses are charged to Watch Tower indirectly through the at cost service charge by IBSA appearing as support costs.

The trustees confirm that they have not been involved in any transactions with the charity.

17. NOTES TO THE CASH FLOW STATEMENT

		<i>WTBTS</i> <i>Pennsylvania-</i> <i>Britain Branch</i> <i>1999</i>
Reconciliation of changes in resources to inflow from operating activities:		
Net incoming / (outgoing) resources for the Period	10,982,397	(1,517,778)
Investment income received	(1,088,801)	(423,618)
Mortgage interest received	-	(378,437)
Unrealised gains on exchange rates and investments	19,203	-
Depreciation charged (Note 9)	452,814	429,885
Increase in creditors	612,157	505,212
(Increase) / Decrease in debtors	(415,328)	1,254,360
(Increase) / Decrease in stocks	(674,254)	942,053
Adjustment to opening balance on tangible fixed assets	-	310,704
Cash inflow from operating activities	£9,888,187	£1,122,381

NOTES TO THE ACCOUNTS
10 months ended 31 August 2000

(14 month period)

		<i>WTBTS Pennsylvania- Britain Branch 1999</i>
18. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Income from investments and interest received	<u>1,088,802</u>	<u>985,849</u>