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MILEY AND COMPANY
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

37 Island View,
Malahide,
Co. Dublin.

V.A.T. NO F4611164W

Watchtower Bible & Tract Society of Ireland

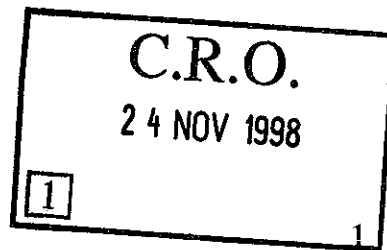
**(A company limited by Guarantee and not)
Having a Share Capital)**

**Financial Statements
Year Ended 31st August 1998**

For Submission to the Companies Office with Annual Returns

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Special Report of the Auditors
To the members of Watchtower Bible & Tract Society of Ireland
Pursuant to Section 18 (4) of the Companies (Amendment) Act 1986

We have examined;

1. The abridged financial statements for the year ended 31st August 1998 on pages 4 to 6 which the directors of Watchtower Bible & Tract Society of Ireland propose to annex to the annual return of the company and
2. The financial statements laid before the annual general meeting which form the basis for those abridged financial statements.

The scope of our work was limited to determining whether the company qualifies as a small-sized company under Section 8 of the Companies (Amendment) Act 1986 and to an examination of the abridged financial statements to enable us to form an opinion whether those abridged financial statements were properly prepared pursuant to the exemption provisions specified in Section 10 to 12 of that Act.

In our opinion the directors are entitled under Section 18 of the Companies (Amendment) Act 1986 to annex to the annual return of the company the abridged financial statements and those pursuant to the exemption provisions specified in Section 10 to 12 of that Act.

On 12th November, 1998 we reported, as auditors of Watchtower Bible and Tract Society to the members, on the company's financial statements for the year ended 31st August 1998 to be laid before its annual general meeting, and our report is reproduced on page 2.

12th November 1998

Miley, Co.
Miley & Co.,
Chartered Accountants
& Registered Auditors.

Auditors Report
To the Members of Watchtower Bible & Tract Society in Ireland

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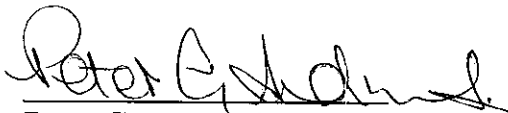
We have audited the accounts on pages 4 to 6 and have obtained all the information and explanations which we considered necessary.

In our opinion proper books of account have been kept by the company and the accounts which are in agreement therewith, give a true and fair view of the company's affairs as at 31st August 1998 and of its excess of Income over Expenditure for the year ended on that date and comply with the Companies Act 1986 to 1990.

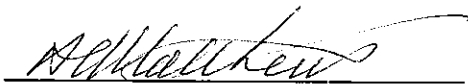
Miley & Co

**Miley & Co.,
Chartered Accountants
& Registered Auditors.**

Certified to be a true copy.



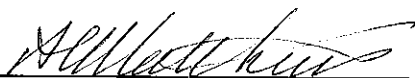
**Peter George Andrews
Director**



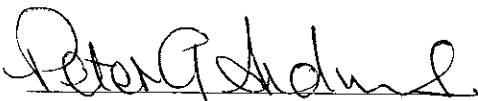
**Arthur Edward Matthews
Director & Secretary**

Accounts for the year ended 31st August 1998

We certify that the Auditors Report, Directors Report, Income & Expenditure Account and Balance Sheet are true copies as laid before the Annual General Meeting.



Arthur Edward Matthews
Director & Secretary



Peter George Andrews
Director

Watchtower Bible and Tract Society in Ireland

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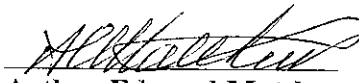
<u>1996/97</u>	<u>Income and Expenditure Account</u>		<u>1997/98</u>
	<u>Year Ended - 31st August 1998</u>		
		<u>Income</u>	
	339159	Donations	415164
	51612	Interest Earned	55940
	<u>27658</u>	Exchange	<u>2055</u>
418429			473159
		<u>Less Expenses</u>	
	452248	Field Activities	351882
	-	Support for Eastern Europe	605025
	12350	Cost of Maintaining Branch	20052
	14502	Motor	14873
	-	Insurance	1282
	2229	Communications	2152
	727	Office Supplies	2235
	3756	Conventions	7617
	386	Bank Charges	402
	3025	Audit	3025
	1605	Carriage	1288
		General Relief	742
	20	Legal	-
	6051	Light & Heat	10565
	-	Miscellaneous	880
		Depreciation	
	9700	Motor	11816
	<u>2000</u>	Office Equipment	<u>2500</u>
	<u>11700</u>		<u>14316</u>
<u>£509019</u>			<u>£1036336</u>
(90590)		Excess of Ordinary Expenditure over Ordinary Income	(563177)
<u>(800)</u>		Profit on Disposal of Vehicle	<u>416</u>
(91390)			(562761)
		<u>Property Transactions</u>	
		Loss on Disposal of Property in Greece	<u>(17870)</u>
(91390)			(580631)
<u>4055700</u>		Balance Carried Forward at 1st September 1997	<u>3964310</u>
<u>£3964310</u>		Carried to Balance Sheet	<u>£3383679</u>

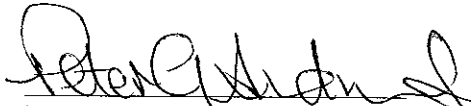
Watchtower Bible and Tract Society in Ireland
Balance Sheet - 31st August 1998

5.
1998

1997

		<u>Fixed Assets</u>		
		Motor Vehicles		60860
		Less Accumulated Depreciation	<u>25216</u>	
30100				35644
		Office Equipment	20083	
		Less Accumulated Depreciation	<u>12954</u>	
<u>3807</u>				<u>7129</u>
33907				42773
		<u>Property</u>		
	450000	Property in Greece	-	
	<u>2600000</u>	Newcastle at Valuation	<u>2600000</u>	
<u>3050000</u>				<u>2600000</u>
3083907				2642773
		<u>Current Assets</u>		
	239626	Bank & Cash Balances	250000	
		Kingdom Hall Loans		
	606886	R o I	488579	
	<u>194204</u>	N I	<u>145275</u>	
801090				633854
2878		General Relief Fund	-	
<u>31</u>		Missionary Fund	-	
1043625				883854
		<u>Less Current Liabilities</u>		
	46784	Creditors & Accrued Expenses	12397	
	11022	Circuit Funds	8412	
	53448	K. H. Insurance Fund	66780	
	41879	Conditional Loans RoI	47375	
	<u>37747</u>	Conditional Loans NI	<u>37747</u>	
	<u>190880</u>			<u>172711</u>
<u>852745</u>		Net Current Assets		<u>711143</u>
<u>3936652</u>		Net Assets		<u>3353916</u>
		Represented By		
£3964310		Income and Expenditure Account		£3383679
<u>27658</u>		Less Currency Exchange		<u>29763</u>
<u>£3936652</u>				<u>£3353916</u>


Arthur Edward Matthews
 Director /Secretary


Peter George Andrews
 Director

Watchtower Bible and Tract Society in Ireland
Notes to the Accounts

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1. Employees and Remuneration

The company has no employees . The Directors are not remunerated.

2. Taxation

The Company is exempt from Corporation Tax because of having a charitable status.

3. Tangible Fixed Assets

	<u>Land & Buildings</u> IR£	<u>Motor Vehicles</u> IR£	<u>Office Equipment</u> IR£	<u>Total</u> IR£
Cost or Valuation				
Balance 01/09/97	3050000	59350	14261	3123611
Additions	<u> =</u>	<u>25360</u>	<u>5822</u>	<u>31182</u>
	3050000	84710	20083	3154793
Disposals	<u>450000</u>	<u>23850</u>	<u> -</u>	<u>473850</u>
	<u>2600000</u>	<u>60860</u>	<u>20083</u>	<u>2680943</u>
 Accumulated Depreciation				
Balance 01/09/97	Nil	29250	10454	39704
Charge for Year	<u>Nil</u>	<u>11816</u>	<u>2500</u>	<u>14316</u>
	Nil	41066	12954	54020
Disposal		<u>15850</u>		<u>15850</u>
		25216		38170
 <u>Written Down Value</u>				
31/08/98	<u>2600000</u>	<u>35644</u>	<u>7129</u>	<u>2642773</u>
 4. <u>Debtors</u>			<u>1998</u>	<u>1997</u>
Loans to Congregations			<u>633854</u>	<u>801090</u>
 5. <u>Creditors</u> (falling due within one year)			<u>1998</u>	<u>1997</u>
Creditors for supplies etc.....			<u>12397</u>	<u>46784</u>

DIRECTORS' REPORT - YEAR ENDED AUGUST 1998

The directors present their annual report and statement of accounts of the Society for the year ended 31st August 1998.

1. ACTIVITIES

During the past service year a number of trends in field service activity have become manifest. The peak number of publishers was 4,594 which represents an increase of 1 percent which is identical with the figure for last year. Having in mind that over 500 publishers and pioneers left the field for various reasons in the last four years or so, this indicates that many are still interested in the good news. Distribution of magazines continued to increase and totalled 1,256,940 as compared with 1,240,924 last year. With the growing use of magazines the placement of Bibles, books and brochures dropped by some 13-percent. The return visit work is being maintained but there was a drop of some 9-percent in home Bible studies. To some extent this may reflect a growing spiritual apathy as the life-style of many of the public is affected by the materialism which often accompanies the economic prosperity now in evidence. There is clearly a continuing need to build up the home Bible study work.

2. FINANCIAL RESULTS

Cash on hand at the beginning was £263,794 and receipts during the fiscal year, from congregation donations and investment returns, amounted to £744,845. We also received the proceeds from the sale of property in Greece which amounted to £432,130. This provided cash assets for the year of £1,440,769. Expenditure amounted to £1,190,173. The main disbursement was £605,767 to support Kingdom Hall construction in Eastern Europe where the expansion of the Kingdom work has outstripped the seating capacity of available meeting places. The sum of £348,357 was spent to cover the monthly reimbursement of 133 full-time ministers service with congregations in the Republic and Northern Ireland.

3. REVIEW OF DEVELOPMENTS

Three district conventions were held in the Navan Exhibition Hall in July and we received many expressions of appreciation for the timeliness of the programme. The total attendance was 5,785. Additionally, this year, a group of over 300 attended international conventions in the United States and Britain. Provision was also made for missionaries to attend a convention in their homeland and take a holiday with their families. Plans are now well advanced to hold a national convention next year at the RDS in Dublin, July 16-18. Now that the overwhelming majority of congregations have their own Kingdom Halls the work of the Regional Building Committee has been reduced. A Kingdom Hall was built in Newcastle West and preparations are being made for another in Bantry. A school in Donegal is being remodelled and should be completed in January, 1999. The Hospital Liaison Committee reported a very successful year with increasing levels of co-operation at most hospitals and a growing interest in the field of bloodless surgery.

WATCHTOWER BIBLE & TRACT SOCIETY IN IRELAND

8.

DIRCTORS' REPORT - YEAR ENDED AUGUST 1998

By order of the Directors



Arthur E. Matthews (Secretary)



Peter G. Andrews (Chairman)