

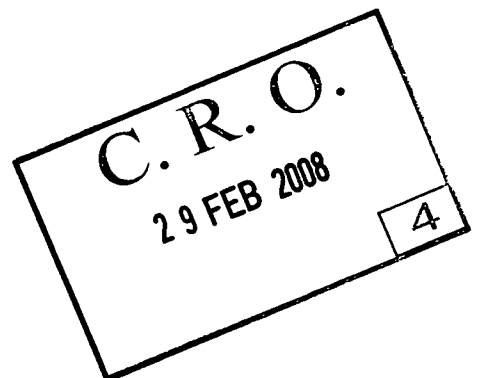
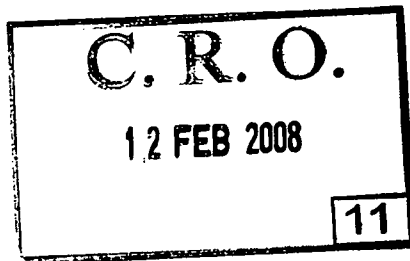
Registration number 105861



Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Directors' Report and Financial Statements

for the year ended 31/08/07



Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

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Watch Tower Bible and Tract Society of Ireland
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Directors and other information

Directors	Arthur Edward Matthews Ewen Grant Watt Brendan O' Farrell Peter George Andrews
Secretary	Arthur Edward Matthews
Company number	105861
Registered office	Watchtower House Newcastle Greystones County Wicklow
Auditors	Maxwell and Company Chartered Accountants Registered Auditors 117 Baggot Court Dublin 2
Business address	Watchtower House Newcastle Greystones County Wicklow
Bankers	Ulster Bank 86 Main Street Bray County Wicklow Ulster Bank 86 Hill Street Newry County Down BT34 1BT
Solicitors	Margetson & Green 35 Baggot Street Lower Dublin 2

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Directors' report
for the year ended 31/08/07

Following is the annual report and statement of accounts presented by the directors of the Society for the year ended 31 August 2007.

Activities

Encouraging progress in the evangelising work was maintained throughout the year. The peak number sharing in the public ministry was 5,512. This was an increase of 6% over last year. The average number sharing was 715 including 213 who shared temporarily. During the year 22,611 Bibles and related books were distributed besides 43,860 booklets and brochures. Some 1,205,635 copies of The Watchtower and Awake! magazines were obtained by the public. It is also noteworthy that an average of 2,453 Bible studies were conducted in the homes of interested people each week. In many of the 112 congregations groups met to hold meetings in foreign languages particularly in Chinese, French, Polish, Portuguese, Romanian, Russian, Tagalog and Sign language. In the month of July conventions were also held in these languages in addition to English.

Financial Report

Details of the Society's financial standing are set out in the Income and Expenditure Account and Balance Sheet. Income for the year derived from voluntary donations and earned interest amounted to €948,877. Expenditure, including maintenance of property and general running expenses, was in the amount of €1,059,851. The main expenditure was €789,190 to cover reimbursements for 135 full time volunteers including missionaries and circuit ministers and their wives serving in 120 congregations and groups. The cost of operating nine English and foreign language conventions was €65,277 that was partly offset by contributions amounting to €33,739.

Review of developments

On the night of April 2nd congregations and groups throughout the country observed the Memorial of the death of Christ Jesus with 10,329 in attendance and 14 partaking of the emblems. In addition to the conventions held in July each of the six circuits held a one-day and a two-day assembly. The Regional Building Committee was involved in remodelling and refurbishing a number of Kingdom Halls in various parts of the country. Hospital Liaison Committees continued their work of supporting fellow believers in upholding God's law respecting blood. As a result of a forced blood transfusion a case is now pending in the High Court.

Books of Account

Books of account are maintained and kept at the Society's office at Watch Tower House, Newcastle, Greystones, Co. Wicklow. Measures taken by the directors to ensure compliance with section 202 of the Companies Act, 1990 have continued in place.

Directors retiring

In accordance with the Articles of Association, the directors are not required to retire by rotation

Subsequent Events

There have no circumstances or events subsequent to the year-end that would require adjustment to or disclosure in the financial statements or in the notes thereto.

Accounting Records

The directors acknowledge their responsibility under Section 202 of the Companies Act 1990 to keep proper records. We have a full-time bookkeeper and our records are kept at our registered office.

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Directors' report
for the year ended 31/08/07

..... continued

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year and give a true and fair view of the state of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the companies Act 1963 to 2003. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Auditors

The auditors, Maxwell and Company, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the companies Act, 1963

This report was approved by the Board on 14/02/08 and signed in its behalf by



Arthur Edward Matthews
Director



Ewen Grant Watt
Director

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Statement of Directors' responsibilities for the members' financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Auditing Practices Board in the UK and Ireland.

Irish company law requires the directors to prepare financial statements for each financial period 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 directors are required to:

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

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish statute comprising the Companies Acts 1963 to 2005 and all Regulations to be construed as one with those Acts. They are responsible for ensuring that the company otherwise complies with the provisions of those Acts relating to financial statements in so far as they are applicable to the company.

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.

Where financial statements are to be published on the web, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

On behalf of the board



Arthur Edward Matthews
Director



Ewen Grant Watt
Director

Date: 14th February 2008

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Independent auditors' report to the members of
Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

We have audited the financial statements of Watch Tower Bible and Tract Society of Ireland for the year ended 31/08/07 which comprise the income and expenditure account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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 auditors' 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 directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and Irish Accounting Standards published by the Auditing Practices Board in the UK and Ireland.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and Auditing Standards promulgated by the Auditing Practices Board (UK and Ireland) and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland and are properly prepared in accordance with the Companies Acts 1963 to 2005. We also report to you whether in our opinion: proper books of account have been kept by the company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's balance sheet and its income and expenditure account are in agreement with the books of account.

We also report, to the members if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. The information given in the directors' report includes that specific information presented in the Operating and Financial Review that is cross referred from the Business Review section of the directors' report.

**Independent auditors' report to the members of Watch Tower Bible and Tract Society of Ireland
(continued)**

(A Company Limited by Guarantee and not having a Share Capital)

Basis of audit opinion

~~We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 an assessment of the significant estimates and judgements made by the directors 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 and performed 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, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31/08/07 and of its deficit and cash flows for the year then ended ; and
- have been properly prepared in accordance with the Companies Acts 1963 to 2005.

We have obtained all the information and explanations, which we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account

In our opinion the information given in the directors' report is consistent with the financial statements.



**Maxwell and Company
Chartered Accountants
Registered Auditors**

**117 Baggot Court
Dublin 2**

Date: 14/02/08

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Income and Expenditure Account
for the year ended 31/08/07

	Notes	Continuing operations	
		2007	2006
		€	€
Income	2	945,184	1,416,244
Expenditure		(1,059,851)	(825,994)
DEFICIT/(SURPLUS) on ordinary activities before interest		<u>(114,667)</u>	<u>590,250</u>
Other interest receivable and similar income		3,693	1,912
Deficit/(surplus) on ordinary activities before taxation		<u>(110,974)</u>	<u>592,162</u>
Tax on (deficit)/surplus on ordinary activities		-	-
Deficit/(surplus) on ordinary activities after taxation		<u>(110,974)</u>	<u>592,162</u>
(Deficit)/Retained surplus for the year		(110,974)	592,162
Balance brought forward		4,097,448	3,505,286
Balance carried forward		<u><u>3,986,474</u></u>	<u><u>4,097,448</u></u>

There are no recognised gains or losses other than the surplus or deficit for the above two financial years.

On behalf of the board



Arthur Edward Matthews
Director



Ewen Grant Watt
Director


The notes on pages 10 to 13 form an integral part of these financial statements.


Watch Tower Bible and Tract Society of Ireland
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Balance sheet
as at 31/08/07

	Notes	2007		2006	
		€	€	€	€
Fixed assets					
Tangible assets	5		3,349,833		3,349,527
Current assets					
Debtors	6	1,482,526		1,535,923	
Cash at bank and in hand		379,744		178,558	
		<u>1,862,270</u>		<u>1,714,481</u>	
Creditors: amounts falling due within one year	7	(1,225,629)		(966,560)	
Net current assets			<u>636,641</u>		<u>747,921</u>
Total assets less current liabilities			<u>3,986,474</u>		<u>4,097,448</u>
Net assets			<u><u>3,986,474</u></u>		<u><u>4,097,448</u></u>
Capital and reserves					
Revenue reserves account			3,986,474		4,097,448
Members' funds	8		<u><u>3,986,474</u></u>		<u><u>4,097,448</u></u>

On behalf of the board


Arthur Edward Matthews
Director


Ewen Grant Watt
Director

14/02/08

The notes on pages 10 to 13 form an integral part of these financial statements.

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Cash flow statement
for the year ended 31/08/07

	Notes	2007 €	2006 €
Reconciliation of operating (loss)/profit to net cash inflow from operating activities			
Operating (loss)/profit		(114,667)	590,250
Depreciation		23,798	27,087
Decrease in debtors		53,397	(718,487)
Increase in creditors		259,069	(15,295)
Net cash inflow from operating activities		<u>221,597</u>	<u>(116,445)</u>
 Cash flow statement			
Net cash inflow from operating activities		221,597	(116,445)
Returns on investments and servicing of finance	9	3,693	1,912
Capital expenditure	9	(24,104)	(17,038)
Increase in cash in the year		<u>201,186</u>	<u>(131,571)</u>
 Reconciliation of net cash flow to movement in net funds (Note 10)			
Increase in cash in the year		201,186	(131,571)
Net cash inflow from issue of shares classed as financial liabilities		-	-
Net funds at 01/09/06		<u>178,558</u>	<u>310,129</u>
Net funds at 31/08/07		<u>379,744</u>	<u>178,558</u>

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Notes to the financial statements
for the year ended 31/08/07

1. Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

1.1. Basis of preparation

The audited financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts 1963 to 2005, Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Accounting Standards Board and published by the Auditing Practices Board in the UK and Ireland.

1.2. Income Policy

Income represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less residual value, of each asset systematically over its expected useful life, as follows:

Fixtures, fittings and equipment	- 20% Straight Line
Motor vehicles	- 20% Straight Line

1.4. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

2. Income

The total income of the company for the year has been derived from its principal activity wholly undertaken in Ireland.

	2007 €	2006 €
Class of business		
Donations	945,184	1,416,244
	<u>945,184</u>	<u>1,416,244</u>
Geographical market		
Ireland	945,184	1,416,244
	<u>945,184</u>	<u>1,416,244</u>

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Notes to the financial statements
for the year ended 31/08/07

..... continued

3. Employees

There were no employees during the year apart from the directors.

4. Directors of the Company

The present membership of the board is listed on the 'Directors and other information' page

5. Tangible fixed assets	Land and buildings freehold	Fixtures, fittings and equipment	Motor vehicles	Total
	€	€	€	€
Cost				
At 01/09/06	3,301,319	121,252	36,000	3,458,571
Additions	-	24,104	-	24,104
At 31/08/07	<u>3,301,319</u>	<u>145,356</u>	<u>36,000</u>	<u>3,482,675</u>
Depreciation				
At 01/09/06	-	98,044	11,000	109,044
Charge for the year	-	16,598	7,200	23,798
At 31/08/07	<u>-</u>	<u>114,642</u>	<u>18,200</u>	<u>132,842</u>
Net book values				
At 31/08/07	<u>3,301,319</u>	<u>30,714</u>	<u>17,800</u>	<u>3,349,833</u>
At 31/08/06	<u>3,301,319</u>	<u>23,208</u>	<u>25,000</u>	<u>3,349,527</u>

6. Debtors

	2007	2006
	€	€
Other debtors	1,482,526	1,521,088
Prepayments and accrued income	-	14,835
	<u>1,482,526</u>	<u>1,535,923</u>

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Notes to the financial statements
for the year ended 31/08/07

..... continued

7. Creditors: amounts falling due within one year	2007 €	2006 €
<i>Other creditors</i>		
Accruals and deferred income	1,225,629	966,560
	<u>1,225,629</u>	<u>966,560</u>
8. Reconciliation of movements in members' funds	2007 €	2006 €
Deficit/(surplus) for the year	(110,974)	592,162
Opening members' funds	4,097,448	3,505,286
Closing members' funds	<u>3,986,474</u>	<u>4,097,448</u>
9. Gross cash flows	2007 €	2006 €
Returns on investments and servicing of finance		
Interest received	<u>3,693</u>	<u>1,912</u>
Capital expenditure		
Payments to acquire tangible assets	(24,104)	(19,738)
Receipts from sales of tangible assets	-	2,700
	<u>(24,104)</u>	<u>(17,038)</u>

Watch Tower Bible and Tract Society of Ireland
(A Company Limited by Guarantee and not having a Share Capital)

Notes to the financial statements
for the year ended 31/08/07

..... continued

10. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	178,558	201,186	379,744
Net funds	<u>178,558</u>	<u>201,186</u>	<u>379,744</u>

11. Company Limited by Guarantee

The company is one limited by guarantee not having a share capital. The liability of each member, in the event of the company being wound up is €1.

12. Accounting Periods

The current accounts are for a full year. The comparative accounts are for a full year.

13. Approval of financial statements

The financial statements were approved by the Board on 14 February 2008 and signed on its behalf by



Arthur Edward Matthews
Director



Ewen Grant Watt
Director