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**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 31/08/08

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

Directors and other information

Directors Arthur Edward Matthews
 Ewen Grant Watt
 Peter George Andrews
 Ronald David McCaslin
 Mark Michael O'Malley

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 31/08/08

The directors present their report and the audited financial statements for the year ended 31/08/08.

Activity

Activity in the public ministry was well maintained. The peak number sharing in this service was 5,701 as against 5,512 in the previous year. This year saw some 27,978 Bibles and related books placed with the public besides 48,584 booklets and brochures. Additionally 1,238,132 copies of The Watchtower and Awake! magazines were distributed. It is also encouraging to see that 2,606 home Bible studies were regularly conducted in the homes of interested people. In addition many of our 113 congregations make provision for groups to conduct meetings in foreign languages such as Chinese, French, Polish, Portuguese, Romanian, Russian, Tagalog and Sign Language. During the month of July, in conjunction with three conventions in English, convention sessions were also conducted in these languages.

Financial Report

Details of the Society's financial standing are set out in the Income & Expenditure Account and Balance Sheet. Income for the year derived from voluntary donations and earned interest amounted to €498,991. Expenditure, including maintenance of property and general running expenses, was in the amount of €1,046,983, which was a reduction of nearly €13,000 over the previous year. The main expenditure was €832,860 to cover the reimbursements for 134 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 €54,875 that was partially offset by the contributions amounting to €45,377.

Review of Developments

On the night of March 22 congregations and groups throughout the country observed the Memorial of the death of Christ Jesus. The attendance numbered 10,680 with 12 partaking of the emblems. In addition to the conventions each of the six circuits held a one-day and two-day assembly. The Regional Building Committee continued its work of refurbishing Kingdom Halls in various parts of the country. The Hospital Liaison Committees also continued their work of supporting fellow ministers in maintaining respect for God's law at Acts 15:20 regarding the use of blood.

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 been 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.

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 31/08/08

..... continued

Books of Account

The Directors acknowledge their responsibility under Section 202 of the Companies Act 1990 to keep proper books and records for the company. To this end, we employ a full-time book-keeper. Our books and records are kept at our registered office.

Directors' responsibilities

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 profit or loss of the company for that period.

In preparing those financial statements, 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 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.

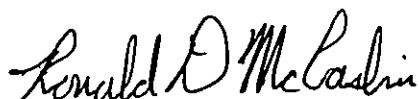
Auditors

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 23/01/09 and signed on its behalf by



Arthur Edward Matthews
Director



Ronald David McCaslin
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


Ronald David McCaslin
Director

Date: 23rd January 2009

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 31/08/08 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 31/08/08 and of its loss 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: 23/01/09


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 31/08/08

	Notes	Continuing operations	
		2008	2007
		€	€
Income	2	498,991	945,184
Expenditure		(1,046,982)	(1,059,851)
(Deficit) on ordinary activities before interest		(547,991)	(114,667)
Other interest receivable and similar income		1,200	3,693
(Deficit) on ordinary activities before taxation		(546,791)	(110,974)
Tax on deficit on ordinary activities		-	-
Deficit on ordinary activities after taxation		(546,791)	(110,974)
Deficit for the year		(546,791)	(110,974)
Balance brought forward		3,986,474	4,097,448
Balance carried forward		<u>3,439,683</u>	<u>3,986,474</u>

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

On behalf of the board


Arthur Edward Matthews
Director


Ronald David McCaslin
Director


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)

Balance sheet
as at 31/08/08

		2008		2007	
Notes	€	€	€	€	€
Fixed assets					
Tangible assets	5		3,362,755		3,349,833
Current assets					
Debtors	6	1,304,991		1,482,526	
Cash at bank and in hand		141,149		379,744	
		1,446,140		1,862,270	
Creditors: amounts falling due within one year	7	(1,369,212)		(1,225,629)	
Net current assets			76,928		636,641
Total assets less current liabilities			3,439,683		3,986,474
Net assets			3,439,683		3,986,474
Capital and reserves					
Revenue reserves account			3,439,683		3,986,474
Members' funds	8		3,439,683		3,986,474

On behalf of the board


Arthur Edward Matthews
 Director


Ronald David McCaslin
 Director 23/01/09

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 31/08/08

	Notes	2008 €	2007 €
Reconciliation of operating loss to net cash outflow from operating activities			
Operating loss		(547,991)	(114,667)
Depreciation		28,568	23,798
Decrease in debtors		177,535	53,397
Increase in creditors		143,583	259,069
Net cash outflow from operating activities		<u>(198,305)</u>	<u>221,597</u>
 Cash flow statement			
Net cash outflow from operating activities		(198,305)	221,597
Returns on investments and servicing of finance	9	1,200	3,693
Capital expenditure	9	(41,490)	(24,104)
Decrease in cash in the year		<u>(238,595)</u>	<u>201,186</u>
 Reconciliation of net cash flow to movement in net debt (Note 10)			
Decrease in cash in the year		(238,595)	201,186
Net cash inflow from issue of shares classed as financial liabilities		-	-
Net funds at 01/09/07		<u>379,744</u>	<u>178,558</u>
Net funds at 31/08/08		<u>141,149</u>	<u>379,744</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 31/08/08

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 amount of donations received by the Society 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.

	2008	2007
	€	€
Class of business		
Donations	498,991	945,184
	<u>498,991</u>	<u>945,184</u>
	<u><u>498,991</u></u>	<u><u>945,184</u></u>
Geographical market		
Ireland	498,991	945,184
	<u>498,991</u>	<u>945,184</u>
	<u><u>498,991</u></u>	<u><u>945,184</u></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 31/08/08

..... 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 01/09/07	3,301,319	145,356	36,000	3,482,675
Additions	-	41,490	-	41,490
At 31/08/08	<u>3,301,319</u>	<u>186,846</u>	<u>36,000</u>	<u>3,524,165</u>
Depreciation				
At 01/09/07	-	114,642	18,200	132,842
Charge for the year	-	21,368	7,200	28,568
At 31/08/08	<u>-</u>	<u>136,010</u>	<u>25,400</u>	<u>161,410</u>
Net book values				
At 31/08/08	<u>3,301,319</u>	<u>50,836</u>	<u>10,600</u>	<u>3,362,755</u>
At 31/08/07	<u>3,301,319</u>	<u>30,714</u>	<u>17,800</u>	<u>3,349,833</u>

6. Debtors

	2008	2007
	€	€
Other debtors	<u>1,304,991</u>	<u>1,482,526</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 31/08/08

..... continued

7. Creditors: amounts falling due within one year	2008 €	2007 €	
<i>Other creditors</i>			
Accruals and deferred income	1,369,212	1,225,629	
	<u> </u>	<u> </u>	
8. Reconciliation of movements in members' funds	2008 €	2007 €	
Deficit for the year	(546,791)	(110,974)	
Opening members' funds	3,986,474	4,097,448	
Closing members' funds	<u>3,439,683</u>	<u>3,986,474</u>	
9. Gross cash flows	2008 €	2007 €	
Returns on investments and servicing of finance			
Interest received	1,200	3,693	
	<u> </u>	<u> </u>	
Capital expenditure			
Payments to acquire tangible assets	<u>(41,490)</u>	<u>(24,104)</u>	
10. Analysis of changes in net funds	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	379,744	(238,595)	141,149
Net funds	<u>379,744</u>	<u>(238,595)</u>	<u>141,149</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 31/08/08

..... continued

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 23 January 2009 and signed on its behalf by



Arthur Edward Matthews
Director



Ronald David McCaslin
Director