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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 31ST AUGUST 2009



WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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

GENERAL INFORMATION

DIRECTORS

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

SECRETARY

Arthur Edward Matthews

AUDITORS

Anthony Ryan & Co.,
Chartered Accountants and Registered Auditors,
Hempfield,
Enniscorthy,
Co. Wexford.

BANKERS

Ulster Bank,
63-64 Main Street,
Bray,
Co. Wicklow.

Ulster Bank,
86 Hill Street,
Newry,
Co. Down,
BT34 1BT

SOLICITORS

Ferrys Solicitors
Inn Chambers,
15 Upper Ormond Quay,
DUBLIN 7.

REGISTERED NUMBER OF INCORPORATION

105861

REGISTERED OFFICE & BUSINESS ADDRESS

Watch Tower House,
Newcastle,
Greystones,
Co. Wicklow.

WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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CONTENTS

	<u>PAGE</u>
Directors' Report	1 - 2
Auditors' Report	3 - 4
Income and Expenditure Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Financial Statements	8 - 10
 <u>Supplementary Information</u>	
Detailed Income and Expenditure Account	11

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 31ST AUGUST 2009

The Directors present their report and audited financial statements for the year ended 31st August 2009.

Activities

Sustained growth in the evangelising work continued throughout the year and the average number sharing in this service each month was 5,713 with 638 in full-time service. Distribution of literature for the year was 29,965 Bibles and books as well as 411,351 booklets and brochures. Additionally some 1,178,761 copies of the Watchtower and Awake! were distributed. Each week the average number of Bible studies conducted in the homes of interested people was 2,871. In addition many of our 114 congregations made provision for groups to conduct meetings in foreign languages such as Chinese, French, Polish, Portuguese, Romanian, Russian and Sign Language. Conventions were also held in some of these languages. A number of congregation members are learning one of these languages with a view to giving spiritual help.

Financial Report

Details of the Society's financial standing are shown in the Income and Expenditure Account and Balance Sheet. Income for the year derived from voluntary donations and transfers from other branches amounted to €1,204,128. Total expenses amounted to €1,724,019 which includes 113 reimbursements for full-time ministers and for travelling overseers and their wives (€776,225).

Review of Developments

On the night of April 9th congregations throughout the country observed the Memorial of the death of Christ Jesus with an attendance of 11,210 with a total of 12 partaking of the emblems. During the month of July a district convention was held at PuncHESTOWN with representatives of all congregations in attendance. The total cost of the convention was €57,297 which was mainly offset by contributions at the convention. The six circuits also held one-day and two-day assemblies during the year.

Books of Accounts

Books of Accounts 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 1990 have continued in place. To this end, we have a full-time book-keeper.

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.

Auditors

The auditors, Anthony Ryan & Co., have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board

Arthur Edward Matthews )
Ewen Grant Watt ) Directors

WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND
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STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31ST AUGUST 2009

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit 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 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 Companies Acts 1963 to 2009 and the European Communities Regulation, 1992. 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.

On behalf of the Board

Arthur Edward Matthews )
Ewen Grant Watt ) Directors

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WATCH TOWER BIBLE & 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 & Tract Society of Ireland for the year ended 31st August 2009 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 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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and Ireland Accounting Standards are set out in the statement of Directors responsibilities.

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 accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland)

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements 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 Act 1963 to 2009. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an Extraordinary General Meeting of 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 financial statements are in agreement with the books of account.

We report to you 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 read the Directors Report and consider the implications for our report if we become aware of any apparent misstatement within it.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WATCH TOWER BIBLE & TRACT SOCIETY OF IRELAND (CONTINUED)

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

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 31st August 2009 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 2009.

We have obtained all the information and explanations 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.

The net assets of the company, as stated in the balance sheet, are more than half of the amount of its called up share capital and, in our opinion, on that basis there did not exist at 31st August 2009 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.

Signed: 
ANTHONY RYAN & CO.
CHARTERED ACCOUNTANTS &
REGISTERED AUDITORS

Date 16th December 2009

Hempfield,
Enniscorthy,
CO. WEXFORD.

WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

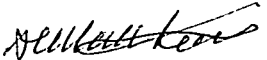

(A Company Limited by Guarantee and not having a Share Capital)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2009

		<u>2009</u>	<u>2008</u>
	Notes	€	€
Income	2	1,204,128	498,991
Expenditure		<u>(1,724,019)</u>	<u>(1,046,755)</u>
Operating (Deficit)		(519,891)	(547,764)
Profit on Sale of Fixed Asset		<u>3,000</u>	<u>-</u>
(Deficit) on Ordinary Activities Before Interest	3	(516,891)	(547,764)
Interest Receivable and Similar Income		95,613	1,200
Interest Payable and Similar Charges	4	<u>(385)</u>	<u>(228)</u>
(Deficit) for the year		(421,663)	(546,792)
Retained Surplus brought forward		3,439,682	3,986,474
Retained Surplus carried forward		<u><u>3,018,019</u></u>	<u><u>3,439,682</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 )
Ewen Grant Watt ) Directors


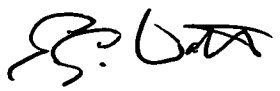
WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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BALANCE SHEET AS AT 31ST AUGUST 2009

	Notes	<u>2009</u> €	€	<u>2008</u> €	€
Fixed Assets					
Tangible assets	5		3,383,771		3,362,755
Current Assets					
Debtors	6	1,232,201		1,304,991	
Cash at Bank and In Hand		<u>1,922,891</u>		<u>141,148</u>	
		3,155,092		1,446,139	
Creditors: amounts falling due within one year	7	<u>(3,520,844)</u>		<u>(1,369,212)</u>	
Net Current (Liabilities)/Assets			<u>(365,752)</u>		<u>76,927</u>
Total Assets Less Current Liabilities			<u>3,018,019</u>		<u>3,439,682</u>
Capital and Reserves					
Revenue Reserves Account			<u>3,018,019</u>		<u>3,439,682</u>
Members' Funds	8		<u>3,018,019</u>		<u>3,439,682</u>

The financial statements were approved by the Board on 16th December 2009 and signed on its behalf by

Arthur Edward Matthews )
Ewen Grant Watt ) Directors

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2009

	<u>2009</u>	<u>2008</u>
	€	€
Reconciliation of operating Deficit to net cash inflow from operating activities		
Operating Deficit	(519,891)	(547,764)
Depreciation	39,813	28,568
Decrease in Debtors	72,790	177,535
Increase in Creditors	2,151,323	143,583
Net cash inflow / (outflow) from operating activities	<u>1,744,035</u>	<u>(198,078)</u>
Cash Flow Statement		
Net cash inflow / (outflow) from operating activities	1,744,035	(198,078)
Returns on investments and servicing of finance	95,228	972
Capital expenditure	(60,829)	(41,490)
Proceeds on Sale of Fixed Asset	3,000	-
Increase / (Decrease) in cash in the year	<u>1,781,434</u>	<u>(238,596)</u>
Reconciliation of net cash flow to movement in net debt (Note 9)		
Increase / (Decrease) in cash in the year	1,781,434	(238,596)
Net funds at 1st September 2008	<u>141,148</u>	<u>379,744</u>
Net Funds at 31st August 2009	<u>1,922,582</u>	<u>141,148</u>

WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2009

1. ACCOUNTING POLICIES

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 2006. 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

Income represents the total amount of donations received by the Society during the year.

1.3. Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset 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 Income and Expenditure account.

2. INCOME

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

3. DEFICIT ON ORDINARY ACTIVITIES

	<u>2009</u>	<u>2008</u>
	€	€
Deficit on Ordinary Activities is stated after charging:		
Depreciation of Tangible Assets	39,813	28,568
Audit and Accountancy	7,200	11,696
	<u> </u>	<u> </u>
and after crediting:		
Profit on Foreign Currencies	46,069	98,456
	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2009</u>	<u>2008</u>
	€	€
Bank Interest and Charges	385	228
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2009

..... continued

5. TANGIBLE ASSETS

	<u>LAND & BUILDINGS</u>	<u>FIXTURES, FITTINGS & EQUIPMENT</u>	<u>MOTOR VEHICLES</u>	<u>TOTAL</u>
	€	€	€	€
<u>COST</u>				
Balance 1st September 2008	3,301,319	186,846	36,000	3,524,165
Additions	-	60,829	-	60,829
Disposals	-	(13,908)	-	(13,908)
Balance 31st August 2009	<u>3,301,319</u>	<u>233,767</u>	<u>36,000</u>	<u>3,571,086</u>
<u>DEPRECIATION</u>				
Balance 1st September 2008	-	136,010	25,400	161,410
Provision for the year	-	32,613	7,200	39,813
Provision on disposals	-	(13,908)	-	(13,908)
Balance 31st August 2009	<u>-</u>	<u>154,715</u>	<u>32,600</u>	<u>187,315</u>
<u>NET BOOK VALUE</u>				
31st August 2009	<u>3,301,319</u>	<u>79,052</u>	<u>3,400</u>	<u>3,383,771</u>
1st September 2008	<u>3,301,319</u>	<u>50,836</u>	<u>10,600</u>	<u>3,362,755</u>

6. DEBTORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2009</u>	<u>2008</u>
	€	€
Trade Debtors and Prepayments	<u>1,232,201</u>	<u>1,304,991</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2009</u>	<u>2008</u>
	€	€
Trade Creditors and Accruals	3,520,535	1,369,212
Bank Overdraft	309	-
	<u>3,520,844</u>	<u>1,369,212</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 31ST AUGUST 2009

..... continued

8. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	<u>2009</u> €	<u>2008</u> €
Deficit for the year	(421,663)	(546,792)
Opening Members' Funds	3,439,682	3,986,474
Closing Members' Funds	<u>3,018,019</u>	<u>3,439,682</u>

9. ANALYSIS OF CHANGES IN NET FUNDS

	<u>OPENING</u> <u>BALANCE</u> €	<u>CASH</u> <u>FLows</u> €	<u>CLOSING</u> <u>BALANCE</u> €
Cash at Bank and In Hand	141,148	1,781,743	1,922,891
Overdrafts	-	(309)	(309)
Net Funds	<u>141,148</u>	<u>1,781,434</u>	<u>1,922,582</u>

10. 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.

11. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 16th December 2009 and signed on its behalf by

Arthur Edward Matthews
Director



Ewen Grant Watt
Director



WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2009

	<u>2009</u>		<u>2008</u>	
	€	€	€	€
<u>INCOME</u>		1,204,128		498,991
<u>EXPENDITURE</u>				
Depreciation	39,813		28,568	
Insurances	-		(38,488)	
Light and Heat	36,614		41,137	
Cost of Maintaining Branch	118,366		16,775	
Stationery and Advertising	11,718		5,063	
Telephone and Postage	9,622		7,551	
Motor and Travelling	10,847		13,784	
Field Activities	776,225		788,542	
Bethel Expenses	101,038		44,318	
Conventions	57,297		54,875	
Legal and Professional	578,052		164,226	
Audit and Accountancy	7,200		11,696	
Transfers to Branches Worldwide	17,209		-	
Sundries	6,087		7,164	
Profit on Exchange	(46,069)		(98,456)	
		(1,724,019)		(1,046,755)
<u>OTHER OPERATING INCOME</u>				
Profit on Sale of Fixed Asset	3,000		-	
		3,000		-
<u>INTEREST RECEIVABLE</u>				
Bank Deposit Interest	95,613		1,200	
		95,613		1,200
<u>FINANCIAL EXPENSES</u>				
Bank Interest and Charges	385		228	
		(385)		(228)
<u>DEFICIT FOR THE YEAR</u>		<u>(421,663)</u>		<u>(546,792)</u>