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CERTIFICATION LETTER

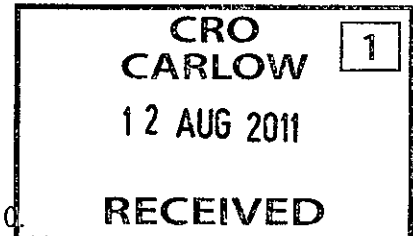
WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

WATCH TOWER BOUSE, NEWCASTLE, GREYSTONES, CO. WICKLOW.

Date:- 26th January, 2011

We hereby certify that the attached are true copies of the following reports as presented to all members at the Annual General Meeting.

- 1) Directors Report.
- 2) Auditors Report.
- 3) Balance Sheet for 31st August, 2010.
- 4) Profit and Loss Account for the year ended 31st August, 2010.





DIRECTOR



COMPANY SECRETARY

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 2010



WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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

GENERAL INFORMATION

| | |
|---|---|
| DIRECTORS | Ronald David McCaslin Ewen Grant Watt Arthur Edward Matthews Peter George Andrews (resigned 16/07/2010) 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. |
| CHARITY REGISTRATION NUMBER | CHY 6283 |
| REGISTERED NUMBER OF INCORPORATION | 105861 |
| REGISTERED OFFICE & BUSINESS ADDRESS | Watch Tower House, Newcastle, Greystones, Co. Wicklow. |

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' REPORT FOR THE YEAR ENDED 31ST AUGUST 2010

The Directors present their report and audited financial statements for the year ended 31st August 2010.

Activities

Our 115 congregations have continued their charitable Bible educational activity throughout Ireland during the past year. On average, 5721 congregation members, including 639 in full-time service, shared each month in this activity. The distributed, without charge, 28,831 Bibles and books, 33,650 brochures, and 1,170,378 copies of The Watchtower and Awake! magazines. They also conducted, on average, 2,989 Bible studies each month in the homes of interested persons. Besides those that conduct their meetings in English, there are also congregations conducting their meetings and ministry in Chinese(Madarin), French, Polish, and Russian. Some of the congregations also sponsor groups that hold meetings and conduct a public ministry in Portuguese, Romanian, and Irish Sign Language. A number of assemblies and district convention sessions were also held in these languages in the course of the year.

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 in other countries amounted to €796,764. Total expenses amounted to €2,005,335. This includes reimbursements for 113 full-time ministers and for travelling overseers and their wives (€778,129), and €42,816 for the two district conventions held in Puncchestown, Co Kildare at the end of July and the beginning of August,2010.

Books of Accounts

Books of Accounts are maintained and kept at the Society's branch office at Watch Tower House, Newcastle, Co. Wicklow. Measures taken by the directors to ensure compliance with current legislation have continued in place. To this end, we have a full-time book-keeper.

Directors Retiring

In accordance with the Articles of Association of the Society, 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


Ronald David McCaslin

)
) Directors
)

Ewen Grant Watt



Date:

13th January 2011

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 YEAR ENDED 31ST AUGUST 2010

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 Institute of Chartered Accountants in Ireland.

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.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 that the financial statements comply with the Companies Acts 1963 to 2009. 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

Ronald David McCaslin

Ewen Grant Watt

)
) Directors
)

**Independent Auditors' Report To The Members Of
Watch Tower Bible & Tract Society Of Ireland**

We have audited the financial statements of Watch Tower Bible & Tract Society of Ireland for the year ended 31st August 2010 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

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 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)

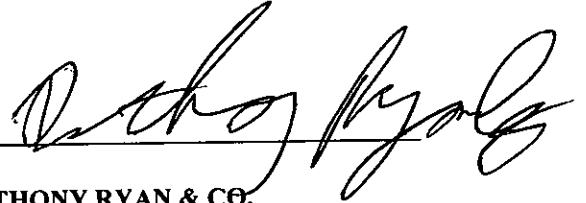
Opinion

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 2010 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.

Signed: _____



ANTHONY RYAN & CO.
Chartered Accountants & Registered Auditors,
Hempfield,
Enniscorthy,
Co. Wexford.



Date: 13th January 2011

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 2010

| | | <u>2010</u> | <u>2009</u> |
|---|----------|---------------------------|-------------------------|
| | Notes | € | € |
| Income | 2 | 796,764 | 1,204,128 |
| Expenditure | | <u>(2,005,335)</u> | <u>(1,724,019)</u> |
| Operating (Deficit) | | (1,208,571) | (519,891) |
| Profit on Sale of Fixed Asset | | - | <u>3,000</u> |
| (Deficit) on Ordinary Activities Before Interest | 3 | <u>(1,208,571)</u> | <u>(516,891)</u> |
| Interest Receivable and Similar Income | | 57,230 | 95,613 |
| Interest Payable and Similar Charges | 4 | <u>(260)</u> | <u>(385)</u> |
| Loss on ordinary activities before taxation | | <u>(1,151,601)</u> | <u>(421,663)</u> |
| Prior Period Adjustment | 5 | <u>(258,013)</u> | - |
| (Deficit) for the year | | <u><u>(1,409,614)</u></u> | <u><u>(421,663)</u></u> |

Income and operating surplus / (deficit) arose solely from continuing operations.
 There are no recognised gains or losses other than the surplus or deficit for the above two financial years.

On behalf of the Board

 Ronald David McCaslin
 Ewen Grant Watt 

)
) Directors
)

WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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

BALANCE SHEET AS AT 31ST AUGUST 2010

| | Notes | <u>2010</u> € | € | <u>2009</u> € | € |
|---|-------|--------------------|--------------------|--------------------|------------------|
| Fixed Assets | | | | | |
| Tangible assets | 6 | | 3,831,496 | | 3,383,771 |
| Current Assets | | | | | |
| Debtors | 7 | 1,328,747 | | 1,232,201 | |
| Cash at Bank and In Hand | | 231,602 | | 1,922,891 | |
| | | <u>1,560,349</u> | | <u>3,155,092</u> | |
| Creditors: amounts falling due within one year | 8 | <u>(3,783,440)</u> | | <u>(3,520,844)</u> | |
| Net Current Liabilities | | | <u>(2,223,091)</u> | | <u>(365,752)</u> |
| Total Assets Less Current Liabilities | | | <u>1,608,405</u> | | <u>3,018,019</u> |
| Capital and Reserves | | | | | |
| Revenue Reserves Account | | | <u>1,608,405</u> | | <u>3,018,019</u> |
| Members' Funds | 9 | | <u>1,608,405</u> | | <u>3,018,019</u> |


The financial statements were approved by the Board on 13th January 2011 and signed on its behalf by



Ronald David McCaslin

)
) Directors

Ewen Grant Watt



)

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 31ST AUGUST 2010

| | <u>2010</u> | <u>2009</u> |
|--|------------------|------------------|
| | € | € |
| Reconciliation of operating Deficit to net cash outflow from operating activities | | |
| Operating Deficit | (1,208,571) | (519,891) |
| Depreciation | 104,735 | 39,813 |
| (Increase) in Debtors | (96,546) | 72,790 |
| Increase in Creditors | 262,905 | 2,151,323 |
| Net cash outflow / (outflow) from operating activities | <u>(937,477)</u> | <u>1,744,035</u> |

Cash Flow Statement

| | | |
|--|--------------------|------------------|
| Net cash outflow / (outflow) from operating activities | (937,477) | 1,744,035 |
| Returns on investments and servicing of finance | 56,970 | 95,228 |
| Prior Period Adjustment | 258,013 | - |
| Capital expenditure | (552,460) | (60,829) |
| Proceeds on Sale of Fixed Asset | - | 3,000 |
| Increase / (Decrease) in cash in the year | <u>(1,690,980)</u> | <u>1,781,434</u> |

Reconciliation of net cash flow to movement in net funds (Note 10)

| | | |
|--|------------------|------------------|
| Increase / (Decrease) in cash in the year | (1,690,980) | 1,781,434 |
| Net funds at 1st September 2009 | <u>1,922,582</u> | <u>141,148</u> |
| Net Funds at 31st August 2010 | <u>231,602</u> | <u>1,922,582</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 2010

1. ACCOUNTING POLICIES

1.1. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention. The financial statements comply with the financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland and the Companies Acts 1963 to 2009.

1.2. Income

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

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated 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:

| | | |
|----------------------------------|---|--------------------------|
| Buildings | - | 2% Straight Line |
| Fixtures, Fittings and Equipment | - | 20%/33.33% Straight Line |
| Motor vehicles | - | 20% Straight Line |

1.4. Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 6283. Irrecoverable value added tax is expended as incurred.

1.5. 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>2010</u> | <u>2009</u> |
|--|-------------------|-------------------|
| | € | € |
| Deficit on Ordinary Activities is stated after charging: | | |
| Depreciation of Tangible Assets | 104,735 | 39,813 |
| Loss / (Profit) on Foreign Currencies | 10,194 | (46,069) |
| Audit and Accountancy | 7,865 | 7,200 |
| | <u> </u> | <u> </u> |

4. INTEREST PAYABLE AND SIMILAR CHARGES

| | <u>2010</u> | <u>2009</u> |
|---------------------------|-------------------|-------------------|
| | € | € |
| Bank Interest and Charges | 260 | 385 |
| | <u> </u> | <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 31ST AUGUST 2010

..... continued

5. PRIOR YEAR ADJUSTMENT

The discrepancy of €258013 has arisen due to the society not receiving audit journal adjustments each year from previous auditor. The society has prepared its accounts to trial balance stage for the first time this year. After posting the balances from the old accounts system, the net asset balance is different by €258013.

6. TANGIBLE ASSETS

| | <u>LAND & BUILDINGS</u> | <u>FIXTURES, FITTINGS & EQUIPMENT</u> | <u>MOTOR VEHICLES</u> | <u>TOTAL</u> |
|------------------------------|---------------------------------|---|---------------------------|------------------|
| | € | € | € | € |
| <u>COST</u> | | | | |
| Balance 1st September 2009 | 3,301,319 | 233,767 | 36,000 | 3,571,086 |
| Additions | 544,445 | 8,015 | - | 552,460 |
| Disposals | - | - | - | - |
| Balance 31st August 2010 | <u>3,845,764</u> | <u>241,782</u> | <u>36,000</u> | <u>4,123,546</u> |
| <u>DEPRECIATION</u> | | | | |
| Balance 1st September 2009 | - | 154,715 | 32,600 | 187,315 |
| Provision for the year | 74,477 | 26,858 | 3,400 | 104,735 |
| Provision on disposals | - | - | - | - |
| Balance 31st August 2010 | <u>74,477</u> | <u>181,573</u> | <u>36,000</u> | <u>292,050</u> |
| <u>NET BOOK VALUE</u> | | | | |
| 31st August 2010 | <u>3,771,287</u> | <u>60,209</u> | <u>-</u> | <u>3,831,496</u> |
| 1st September 2009 | <u>3,301,319</u> | <u>79,052</u> | <u>3,400</u> | <u>3,383,771</u> |

7. DEBTORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

| | <u>2010</u> | <u>2009</u> |
|-------------------------------|------------------|------------------|
| | € | € |
| Trade Debtors and Prepayments | <u>1,328,747</u> | <u>1,232,201</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 2010

..... continued

**8. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

| | <u>2010</u> € | <u>2009</u> € |
|------------------------------|------------------|------------------|
| Trade Creditors and Accruals | 3,783,440 | 3,520,535 |
| Bank Overdraft | - | 309 |
| | <u>3,783,440</u> | <u>3,520,844</u> |

9. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

| | <u>2010</u> € | <u>2009</u> € |
|------------------------|------------------|------------------|
| Deficit for the year | (1,409,614) | (421,663) |
| Opening Members' Funds | 3,018,019 | 3,439,682 |
| Closing Members' Funds | <u>1,608,405</u> | <u>3,018,019</u> |

10. 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 | 1,922,891 | (1,691,289) | 231,602 |
| Overdrafts | (309) | 309 | - |
| Net Funds | <u>1,922,582</u> | <u>(1,690,980)</u> | <u>231,602</u> |

11. COMPANY LIMITED BY GUARANTEE

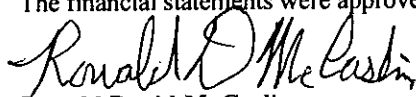
The company is one limited by guarantee not having a share capital. The liability of each member in the event of the company being wound up is €1.

12. CAPITAL COMMITMENTS

There were no capital commitments at the year end.

13. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 13th January 2011 and signed on its behalf by


Ronald David McCaslin
Director


Ewen Grant Watt
Director

WATCH TOWER BIBLE AND TRACT SOCIETY OF IRELAND

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

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2010

| | <u>2010</u> | | <u>2009</u> |
|--------------------------------------|-------------|-------------|-------------|
| | € | € | € |
| <u>INCOME</u> | | 796,764 | 1,204,128 |
| <u>EXPENDITURE</u> | | | |
| Depreciation | 104,735 | | 39,813 |
| Light and Heat | 47,907 | | 36,614 |
| Cost of Maintaining Branch | 47,349 | | 118,366 |
| Office Supplies | 4,327 | | 3,697 |
| IT Supplies | 5,433 | | 8,021 |
| Telephone and Postage | 9,328 | | 9,622 |
| Motor and Travelling | 12,900 | | 10,847 |
| Field Activities | 778,129 | | 776,225 |
| Bethel Expenses | 107,136 | | 101,038 |
| Conventions | 42,816 | | 57,297 |
| Legal and Professional | 21,129 | | 578,052 |
| Audit and Accountancy | 7,865 | | 7,200 |
| Payments from KHAA Fund | 16,615 | | - |
| Transfers to Branches Worldwide | 767,886 | | 17,209 |
| Sundries | 21,586 | | 6,087 |
| Profit on Exchange | 10,194 | | (46,069) |
| | | (2,005,335) | (1,724,019) |
| <u>OTHER OPERATING INCOME</u> | | | |
| Profit on Sale of Fixed Asset | - | | 3,000 |
| | | | 3,000 |
| <u>INTEREST RECEIVABLE</u> | | | |
| Bank Deposit Interest | 57,230 | | 95,613 |
| | | 57,230 | 95,613 |
| <u>FINANCIAL EXPENSES</u> | | | |
| Bank Interest and Charges | 260 | | 385 |
| | | (260) | (385) |
| <u>DEFICIT FOR THE YEAR</u> | | (1,151,601) | (421,663) |