

REGISTERED COMPANY NUMBER: 105861 (Ireland (Republic of))
REGISTERED CHARITY NUMBER: CHY 6283

**Report of the Trustees and
Financial Statements for the Year Ended 31st August 2014
for**

**Watch Tower Bible and Tract
Society of Ireland**

**Watch Tower Bible and Tract
Society of Ireland**

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for the Year Ended 31st August 2014**

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**Watch Tower Bible and Tract
Society of Ireland**

**Report of the Trustees
for the Year Ended 31st August 2014**

The Trustees submit their annual report, together with the audited final financial statements, for the year ended 31 August 2014.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

105861 (Ireland (Republic of))

Registered Charity number

CHY 6283

Registered office

Watch Tower House

Newcastle

Greystones

Co. Wicklow

Trustees

P Casey

A Murphy

B O'Farrell

M M O'Malley

S Papps

E G Watt

P G O'Kane

Company Secretary

P G O'Kane

Auditors

Calcutt Matthews Ltd

Chartered Accountants and Statutory Auditor

19 North Street

Ashford

Kent

TN24 8LF

Solicitors

Ferrys Solicitors

Inn Chambers

15 Upper Ormond Quay

Dublin 7

Bankers

Ulster Bank

63-64 Main Street

Bray

Co Wicklow

Ulster Bank

86 Hill Street

Newry

Co Down

BT34 1BT

**Watch Tower Bible and Tract
Society of Ireland**

**Report of the Trustees
for the Year Ended 31st August 2014**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Watch Tower Bible and Tract Society of Ireland ("the Society"), a company limited by guarantee and not having share capital, is governed by its Memorandum and Articles of Association which were adopted on September 26th, 1984. The Society was incorporated on February 19th, 1985.

Directors

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

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Society, contained in its Memorandum of Association, are to promote the Christian religion as practiced by the body of Christians known as Jehovah's Witnesses. This will be achieved by the dissemination of Bible truths, orally and by the printed page, and by the distribution of Bibles and the printing and publication of Bible study aids, tracts, pamphlets, papers, and other religious documents.

Grantmaking

Grants are made to organisations caring for the work of Jehovah's Witnesses in other countries. These organisations use funds for the same purposes as the Society. Funds held in excess of one month's operating expenses are considered for grant making.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Society covered the expenses of 179 full-time ministers who supported congregations in Ireland with their charitable Bible educational activity.

FINANCIAL REVIEW

Funds in deficit

The unrestricted funds of the charity are in deficit by €898,574. This has occurred because excess cash has been donated to Jehovas Zeugen in Deutschland. As needs for cash arise, requests for funding can be made to Jehovas Zeugen in Deutschland. All requests made so far have been honoured.

Income in the year derived from voluntary donations, grants and investments totalled €1,961,982.

Total expenses amounted to €3,881,359. Grants were made to Jehovas Zeugen in Deutschland totalling €529,623.

Books of accounts

The books of accounts are not held at the registered office. As required by section 147(4) of the Companies Act 1963, information is held at the registered office that enables the directors to ascertain the present financial position of the company. The centre of control is within the State where the majority of the directors are resident.

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.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Watch Tower Bible and Tract Society of Ireland for the purposes of company law) are responsible for preparing the Report of the Trustees 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.

Irish Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

**Watch Tower Bible and Tract
Society of Ireland**

**Report of the Trustees
for the Year Ended 31st August 2014**

- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Acts, 1963 to 2013. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Calcutt Matthews Ltd, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

Calcutt Matthews were appointed as Auditors for the year ending August 31st, 2014.

ON BEHALF OF THE BOARD:

STEPHEN PAPPS

.....
S Papps –Trustee

MARK O'MALLEY

.....
M M O'Malley –Trustee

Date: FEBRUARY 19, 2015..

**Report of the Independent Auditors to the Members of
Watch Tower Bible and Tract
Society of Ireland**

We have audited the financial statements of Watch Tower Bible and Tract Society of Ireland for the year ended 31st August 2014 on pages 7 to 19 which comprise the statement of financial activity, 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 charitable 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 charitable company's members those matters we are required to state 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with applicable law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law 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 2013. 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 Trustees' 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 trustees' remuneration and trustees' transactions is not disclosed, and, where practicable, include such information in our report. We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements 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 trustees 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 on financial statements

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 2014 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 2013 and Charities Act 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 Trustees' Report is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Watch Tower Bible and Tract
Society of Ireland**

NICHOLAS HUME

Nicholas Hume FCA (Senior Statutory Auditor)
for and on behalf of Calcutt Matthews Ltd
Chartered Accountants and Statutory Auditor
19 North Street
Ashford
Kent
TN24 8LF

Date: FEBRUARY 20, 2015.

**Watch Tower Bible and Tract
Society of Ireland**

**Statement of Financial Activities
for the Year Ended 31st August 2014**

	Not es	Unrestricted funds €	Restricted funds €	2014 Total funds €	2013 Total funds €
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	1,871,639	90,344	1,961,983	1,170,968
Investment income	3	-	-	-	3
Other incoming resources		<u>-</u>	<u>-</u>	<u>-</u>	<u>9,066</u>
Total incoming resources		1,871,639	90,344	1,961,983	1,180,037
RESOURCES EXPENDED					
Charitable activities					
Promoting Christian missionary work	4	3,327,164	-	3,327,164	1,127,984
Provision of conventions for Bible education		750	-	750	28,883
Making donations to further religious education overseas		529,623	-	529,623	150,000
Governance costs	7	21,648	-	21,648	8,196
Other resources expended		<u>2,175</u>	<u>-</u>	<u>2,175</u>	<u>4,928</u>
Total resources expended		3,881,360	-	3,881,360	1,319,991
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS					
		(2,009,721)	90,344	(1,919,377)	(139,954)
Gross transfers between funds	18	<u>1,565,221</u>	<u>(1,565,221)</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources before other recognised gains and losses		(444,500)	(1,474,877)	(1,919,377)	(139,954)
Other recognised gains/losses					
Gains/losses on investment assets		<u>(219,904)</u>	<u>-</u>	<u>(219,904)</u>	<u>(583,843)</u>
Net movement in funds		(664,404)	(1,474,877)	(2,139,281)	(723,797)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>(234,170)</u>	<u>3,698,043</u>	<u>3,463,873</u>	<u>4,187,670</u>
TOTAL FUNDS CARRIED FORWARD		<u>(898,574)</u>	<u>2,223,166</u>	<u>1,324,592</u>	<u>3,463,873</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The financial statements were approved by the Board of Trustees on FEBRUARY 18, 2015, and were signed on its behalf by:

STEPHEN PAPPS

.....
S Papps –Trustee

MARK O'MALLEY

.....
M M O'Malley –Trustee

The notes form part of these financial statements

**Watch Tower Bible and Tract
Society of Ireland**

**Balance Sheet
At 31st August 2014**

	Notes	Unrestricted funds €	Restricted funds €	2014 Total funds €	2013 Total funds €
FIXED ASSETS					
Tangible assets	11	3,091,689	-	3,091,689	-
Programme related investments	12	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,042,612</u>
		3,091,689	-	3,091,689	1,042,612
CURRENT ASSETS					
Debtors	13	33,232	-	33,232	15,657
Investments	14	-	-	-	3,600,000
Cash at bank and in hand		<u>(2,070,572)</u>	<u>2,223,166</u>	<u>152,594</u>	<u>156,013</u>
		(2,037,340)	2,223,166	185,826	3,771,670
CREDITORS					
Amounts falling due within one year	15	<u>(1,532,192)</u>	<u>-</u>	<u>(1,532,192)</u>	<u>(929,375)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(3,569,532)</u>	<u>2,223,166</u>	<u>(1,346,366)</u>	<u>2,842,295</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		(477,843)	2,223,166	1,745,323	3,884,907
PROVISIONS FOR LIABILITIES					
	17	<u>(420,731)</u>	<u>-</u>	<u>(420,731)</u>	<u>(421,034)</u>
NET ASSETS/(LIABILITIES)		<u>(898,574)</u>	<u>2,223,166</u>	<u>1,324,592</u>	<u>3,463,873</u>
FUNDS					
18					
Unrestricted funds:					
General fund				(898,574)	(454,074)
Revaluation reserve				<u>-</u>	<u>219,904</u>
Restricted funds				<u>(898,574)</u>	<u>(234,170)</u>
				<u>2,223,166</u>	<u>3,698,043</u>
TOTAL FUNDS				<u>1,324,592</u>	<u>3,463,873</u>

The financial statements were approved by the Board of Trustees on FEBRUARY 18, 2015, and were signed on its behalf by:

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**Watch Tower Bible and Tract
Society of Ireland**

**Cash Flow Statement
for the Year Ended 31st August 2014**

	Notes	2014 €	2013 €
Net cash outflow from operating activities	19	(1,974,050)	(336,374)
Returns on investments and servicing of finance	20	-	3
Capital expenditure and financial investment	20	1,029,512	480,904
		<u>(944,538)</u>	<u>144,533</u>
Financing	20	941,119	(76,358)
		<u>941,119</u>	<u>(76,358)</u>
(Decrease)/increase in cash in the period		<u><u>(3,419)</u></u>	<u><u>68,175</u></u>

**Reconciliation of net cash flow to movement in
net debt**

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(Decrease)/increase in cash in the period	(3,419)	68,175
Cash inflow/(outflow) from increase/(decrease) in debt and lease financing	<u>(599,257)</u>	<u>87,633</u>
Change in net debt resulting from cash flows	<u>(602,676)</u>	<u>155,808</u>
Movement in net debt in the period	(602,676)	155,808
Net debt at 1st September	<u>(611,783)</u>	<u>(767,591)</u>
Net debt at 31st August	<u><u>(1,214,459)</u></u>	<u><u>(611,783)</u></u>

The financial statements were approved by the Board of Trustees on FEBRUARY 18, 2015, and were signed on its behalf by:

STEPHEN PAPPS

.....
S Papps –Trustee

MARK O'MALLEY

.....
M M O'Malley –Trustee

The notes form part of these financial statements

**Watch Tower Bible and Tract
Society of Ireland**

**Notes to the Financial Statements
for the Year Ended 31st August 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with applicable accounting standards, the Companies Act 1963 to 2013 and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities."

Donations receivable

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. No income is deferred. Donations are from the public, congregations and charities with similar aims. Donations in the form of assets are included at the market value on the date of the gift.

Legacies

Legacies are recognised at the earlier of the date of notification or being received.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The trustees are of the opinion that support costs are best allocated to the costs of promoting Christian missionary work. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Governance costs

Governance costs comprise external audit fees and other fees from consultants. All other administrative costs are re-charged.

Tangible fixed assets

Fixed assets are valued at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Land	-	Not depreciated
Buildings	-	2% on cost
Motor vehicles	-	20% on cost
Fixtures and fittings	-	20%/33% on cost

Impairment reviews are carried out on individual assets when there is some indication that the recoverable amount of a fixed asset is below its net book value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Where a restricted fund has fulfilled its purpose and excess funds remain, the balance will be transferred into unrestricted funds, provided that this was understood by the donors at the time of their donation.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Euro at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Watch Tower Bible and Tract
Society of Ireland**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

1. ACCOUNTING POLICIES - continued

Deposits

The Society has an arrangement whereby individuals or congregations of Jehovah's Witnesses can deposit funds so that the Society can benefit, on the understanding that these funds can be requested back whenever the depositor wishes. Experience shows that only a small percentage of deposits (approximately 10%) will be called upon in any one year. However, as the amount held by the Society is relatively small, these have all been shown as short term creditors.

Conditional donations

The charity receives some donations where the donor reserves the right to receive the funds back. Experience has shown that only a small percentage is returned, but prudently the charity provides for fifty percent.

Grants payable

Grants payable to other institutions are recognised at the point when their payment has been approved by the trustees.

Other recognised gains and losses

These comprise unrealised and realised gains and losses on investments. Unrealised gains and losses represent the difference between the market value brought forward (or cost, for assets bought within this financial year) and the market value at the balance sheet date. Realised gains and losses represent the difference between sales proceeds and market value brought forward (or cost, for assets bought within this financial year.)

2. VOLUNTARY INCOME

	2014	2013
	€	€
Legacies	8,763	11,387
Grants	473,205	273,359
Donated services and facilities	-	3,145
Donations	<u>1,480,015</u>	<u>883,077</u>
	<u>1,961,983</u>	<u>1,170,968</u>

3. INVESTMENT INCOME

	2014	2013
	€	€
Deposit account interest	<u>-</u>	<u>3</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 5)	Support costs (See note 6)	Totals
	€	€	€	€
Promoting Christian missionary work	1,269,603	1,556,398	501,163	3,327,164
Provision of conventions for Bible education	750	-	-	750
Making donations to further religious education overseas	<u>-</u>	<u>529,623</u>	<u>-</u>	<u>529,623</u>
	<u>1,270,353</u>	<u>2,086,021</u>	<u>501,163</u>	<u>3,857,537</u>

**Watch Tower Bible and Tract
Society of Ireland**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

5. GRANTS PAYABLE

	2014 €	2013 €
Promoting Christian missionary work	1,556,398	155,073
Making donations to further religious education overseas	<u>529,623</u>	<u>150,000</u>
	<u>2,086,021</u>	<u>305,073</u>

All grants made to further religious education overseas were made to Jehovas Zeugen in Deutschland, a connected charity in Germany.

Grants made to promote Christian missionary work are amounts paid to congregations of Jehovah's Witnesses to assist them in constructing or renovating places of worship. Formerly, the charity supported this work by means of interest free loans. From 2014, this will now be done by means of grants.

6. SUPPORT COSTS

	Management €	Other €	Totals €
Promoting Christian missionary work	<u>472,806</u>	<u>28,357</u>	<u>501,163</u>

7. GOVERNANCE COSTS

	2014 €	2013 €
Legal fees	10,498	3,484
Auditors' remuneration	<u>11,150</u>	<u>4,712</u>
	<u>21,648</u>	<u>8,196</u>

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2014 €	2013 €
Auditors' remuneration	11,150	4,712
Depreciation - owned assets	<u>301,508</u>	<u>-</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st August 2014 nor for the year ended 31st August 2013.

The trustees confirm that they have not been involved with any transactions of the charity.

The trustees of the Society receive no payments or reimbursements in their capacity as trustees.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2014 nor for the year ended 31st August 2013.

**Watch Tower Bible and Tract
Society of Ireland**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

10. GAINS/LOSSES ON INVESTMENT ASSETS

These have arisen due to a loss on disposal of one property and a reduction in the fair market value of another.

11. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	€	€	€	€	€
COST					
At 1st September 2013	-	-	36,000	-	36,000
Additions	-	14,796	-	-	14,796
Reclassification	<u>3,395,764</u>	<u>111,920</u>	<u>-</u>	<u>20,154</u>	<u>3,527,838</u>
At 31st August 2014	<u>3,395,764</u>	<u>126,716</u>	<u>36,000</u>	<u>20,154</u>	<u>3,578,634</u>
DEPRECIATION					
At 1st September 2013	-	-	36,000	-	36,000
Charge for year	281,225	20,101	-	182	301,508
Reclassification/transfer	<u>46,162</u>	<u>83,412</u>	<u>-</u>	<u>19,863</u>	<u>149,437</u>
At 31st August 2014	<u>327,387</u>	<u>103,513</u>	<u>36,000</u>	<u>20,045</u>	<u>486,945</u>
NET BOOK VALUE					
At 31st August 2014	<u><u>3,068,377</u></u>	<u><u>23,203</u></u>	<u><u>-</u></u>	<u><u>109</u></u>	<u><u>3,091,689</u></u>
At 31st August 2013	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

During the year ended 31st August 2011, a substantial amount of the administrative work of the Society was taken over by Watch Tower Bible and Tract Society of Britain and it seemed likely that they charity would be dissolved. As the fixed assets used by the Society were no longer in functional use and were for sale on the open market, they were reclassified as current assets and valued at open market value.

The Society has reevaluated its future plans, which now involve keeping its major fixed assets and using them to further the interests of the charity, They have therefore been reclassified as fixed assets and depreciated accordingly during the current financial year.

12. PROGRAMME RELATED INVESTMENTS

	Loans €	Totals €
MARKET VALUE		
At 1st September 2013	1,042,612	1,042,612
Loans advanced	75,500	75,500
Loans repaid	(107,122)	(107,122)
Loans written off	<u>(1,010,990)</u>	<u>(1,010,990)</u>
At 31st August 2014	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At 31st August 2014	<u><u>-</u></u>	<u><u>-</u></u>
At 31st August 2013	<u><u>1,042,612</u></u>	<u><u>1,042,612</u></u>

**Watch Tower Bible and Tract
Society of Ireland**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

12. PROGRAMME RELATED INVESTMENTS - continued

Congregation loans

Until May 1, 2014, the Society loaned funds to congregations of Jehovah's Witnesses in the Republic of Ireland and Northern Ireland for the purpose of purchasing, constructing or renovating buildings as places of worship. The ability of the congregation to repay such monies was assessed prior to the funds being extended. All such loans were on an interest free basis. These loans enabled the Society to further its aims of promoting religious education and worship.

Effective May 1, 2014, the decision was made to write off all of the loan balances. A new policy has been adopted, that places of worship will be funded by the Society and given to congregations. This will provide congregations with good quality meeting places regardless of their ability to pay for their construction.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	€	€
Other debtors	<u>33,232</u>	<u>15,657</u>

14. CURRENT ASSET INVESTMENTS

	2014	2013
	€	€
Property in course of disposal	<u>-</u>	<u>3,600,000</u>

Please see the fixed assets note for further information.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	€	€
Deposits (see note 16)	1,367,053	767,796
Other creditors	160,139	159,579
Accrued expenses	<u>5,000</u>	<u>2,000</u>
	<u>1,532,192</u>	<u>929,375</u>

16. DEPOSITS

An analysis of the maturity of deposits is given below:

	2014	2013
	€	€
Amounts falling due within one year on demand: Deposits	<u>1,367,053</u>	<u>767,796</u>

**Watch Tower Bible and Tract
Society of Ireland**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

17. PROVISIONS FOR LIABILITIES

	2014 €	2013 €
Conditional donations	<u>420,731</u>	<u>421,034</u>
Provision at 1st September 2013		€ 421,034
Provision on new conditional donations received		4,287
Provision released on conditional donations returned		(6,275)
Provision released on conditional donations converted to donations		-
Exchange rate difference		<u>1,685</u>
Provision at 31st August 2014		<u>420,731</u>

Conditional donations are donations made by individuals on the understanding that they may be recalled should the donor require such funds in the future. The donor retains an option over their donation until they die or write to convert it into an outright donation. While it is considered probable that some of these conditional donations will need to be repaid, it is unknown when this liability will crystallise or how large it will be. The trustees have therefore prudently made a provision for 50% of the balance of conditional donations as shown above. The remaining €420,731 is a contingent liability.

18. MOVEMENT IN FUNDS

	At 1.9.13 €	Net movement in funds €	Transfers between funds €	At 31.8.14 €
Unrestricted funds				
General fund	(454,074)	(2,009,721)	1,565,221	(898,574)
Revaluation reserve	<u>219,904</u>	<u>(219,904)</u>	-	-
	(234,170)	(2,229,625)	1,565,221	(898,574)
Restricted funds				
Kingdom Hall Assistance Arrangement	373,650	16,192	(9,595)	380,247
Relief Fund	290,126	21,000	-	311,126
Kingdom Hall Construction Worldwide	3,007,844	49,953	(1,554,899)	1,502,898
Travelling Overseers' Assistance Arrangement	16,058	892	(727)	16,223
2014 Convention Fund	<u>10,365</u>	<u>2,307</u>	-	<u>12,672</u>
	3,698,043	90,344	(1,565,221)	2,223,166
TOTAL FUNDS	<u>3,463,873</u>	<u>(2,139,281)</u>	-	<u>1,324,592</u>

**Watch Tower Bible and Tract
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**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources €	Resources expended €	Gains and losses €	Movement in funds €
Unrestricted funds				
General fund	1,871,639	(3,881,360)	-	(2,009,721)
Revaluation reserve	-	-	(219,904)	(219,904)
	<u>1,871,639</u>	<u>(3,881,360)</u>	<u>(219,904)</u>	<u>(2,229,625)</u>
Restricted funds				
Kingdom Hall Assistance Arrangement	16,192	-	-	16,192
Relief Fund	21,000	-	-	21,000
Kingdom Hall Construction Worldwide	49,953	-	-	49,953
Travelling Overseers' Assistance Arrangement	892	-	-	892
2014 Convention Fund	<u>2,307</u>	<u>-</u>	<u>-</u>	<u>2,307</u>
	<u>90,344</u>	<u>-</u>	<u>-</u>	<u>90,344</u>
TOTAL FUNDS	<u><u>1,961,983</u></u>	<u><u>(3,881,360)</u></u>	<u><u>(219,904)</u></u>	<u><u>(2,139,281)</u></u>

Kingdom Hall Assistance Arrangement

The Kingdom Hall Assistance Arrangement (KHAA) exists to give aid where losses and damages have been suffered by congregations or individuals. Many congregations and certain individuals pay into this fund on the understanding that the Society will give them financial assistance in the event of loss or damage to their property. This fund operates world-wide, so that if any one local branch office of Jehovah's Witnesses is unable to meet the demands on its Kingdom Hall Assistance Arrangement, it can request other branches to contribute from their own KHAA funds. This creates a contingent liability within the Society's accounts, limited to the value of the fund locally, currently €380,247.

Kingdom Hall Construction Worldwide

This was set up to provide monies to assist with the purchase of places of worship.

Relief Fund

This fund exists for the purpose of giving support to areas experiencing distress or natural disaster.

Travelling Overseers Assistance Arrangement

This fund was set up for the provision of motor vehicles for travelling ministers in the Irish field.

2014 Convention Fund

This fund has been set up to assist missionaries and others serving in foreign lands to travel to conventions to be held in 2014. All donations to this fund are made on the understanding that any excess remaining in the fund once all expenses have been cared for may be transferred to the "Worldwide work"- the unrestricted funds of the charity.

19. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2014 €	2013 €
Net outgoing resources	(1,919,377)	(139,954)
Depreciation charges	301,507	-
Carried forward	(1,617,870)	(139,954)

**Watch Tower Bible and Tract
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**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

19. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES - continued

	2014	2013
	€	€
Brought forward	(1,617,870)	(139,954)
Interest received	-	(3)
Movement on conditional donations	(3,974)	73,572
Movement on provisions	(303)	191,916
Currency adjustments	15,272	(14,853)
Other non-cash donations received	(353,160)	(453,825)
Increase in debtors	(17,575)	(11,957)
Increase in creditors	<u>3,560</u>	<u>18,730</u>
Net cash outflow from operating activities	<u>(1,974,050)</u>	<u>(336,374)</u>

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014	2013
	€	€
Returns on investments and servicing of finance		
Interest received	<u>-</u>	<u>3</u>
Net cash inflow for returns on investments and servicing of finance	<u>-</u>	<u>3</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(13,100)	-
Programme related investments advanced	(75,500)	-
Sale of current asset investments	-	316,157
Programme related investments repaid	107,122	164,747
Programme related investments written off	<u>1,010,990</u>	<u>-</u>
Net cash inflow for capital expenditure and financial investment	<u>1,029,512</u>	<u>480,904</u>
Financing		
Loans advanced by depositors	987,929	548,093
Loans repaid to depositors on demand	<u>(46,810)</u>	<u>(624,451)</u>
Net cash inflow/(outflow) from financing	<u>941,119</u>	<u>(76,358)</u>

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**Notes to the Financial Statements - continued
for the Year Ended 31st August 2014**

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.13 €	Cash flow €	At 31.8.14 €
Net cash:			
Cash at bank and in hand	156,013	(3,419)	152,594
Debt:			
Debts falling due within one year	(767,796)	(599,257)	(1,367,053)
	<hr/>	<hr/>	<hr/>
Total	<u>(611,783)</u>	<u>(602,676)</u>	<u>(1,214,459)</u>