

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

**Report of the Trustees and
Financial Statements for the Year Ended 31st August 2018
for**

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

Contents of the Financial Statements
for the Year Ended 31st August 2018

	Page
Report of the Trustees	1 to 4
Statement of Trustees Responsibilities	5
Report of the Independent Auditors	6 to 7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statements	11 to 17

Report of the Trustees
for the Year Ended 31st August 2018

The Trustees submit their annual report, together with the audited final financial statements, for the year ended 31st August 2018.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Watch Tower Bible and Tract Society of Ireland ("The Society"), contained in its Memorandum of Association, are to promote the Christian religion as practised 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.

The Society helps to facilitate the activities of Jehovah's Witnesses. Places of worship and literature in many languages are made available so that members of the public can meet and worship together. This all helps Jehovah's Witnesses and others who associate with them to learn Godly values, promote well-being and respect for others, and practise qualities such as honesty and kindness.

Significant activities

The Charity's aim, to facilitate the activities of Jehovah's Witnesses, remains the same each year. Therefore, the short and long term objectives are synonymous with each other.

The major activities for the year in question have been:

1. Caring for and assisting full time Christian missionaries throughout Ireland.
2. Construction and refurbishment of places of worship for local congregations of Jehovah's Witnesses.
3. Supporting entities of Jehovah's Witnesses based abroad, who have similar aims and objectives, with their material welfare by making donations to them.

Public benefit

As evidenced in this report, much has been accomplished by the Charity to advance its objects for the public benefit. Places of worship have been constructed, which are open to all who wish to benefit from the practical values contained in the Holy Bible. The same is true of conventions which are facilitated by the Society.

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Society covered the expenses of 124 full-time ministers who supported congregations in Ireland with their charitable Bible educational activity and with building places of worship.

A key objective is to continue to make places of worship available. During the year, construction work was carried out in 6 different locations throughout Ireland, to build or improve places of worship. This work ranged from new builds to smaller refurbishments. This is in line with our objective to make places of worship available for those who wish to use them.

The achievement of the aim to facilitate worship was further shown by the combined peak attendance at 2 conventions held in Dublin of 7,690. All sessions were open to the public, and there was no charge for admission. These were a further opportunity for those to learn Bible truths, in line with the objectives and aims of the Charity.

All of the above continued to bring good results to beneficiaries, and society as a whole as stated in the objectives and public benefit paragraphs of this report.

Internal controls

These controls ensure that the monthly financial reports accurately represent all transactions, provide reasonable assurance that finances are being used for their intended purpose and verify that proper controls and procedures are in place and adhered to, so that the figures are recorded accurately and accounts are in balance. The internal audit programme has been achieved. All was found to be in order during the year.

Financial review

Financial position

The Charity finished the period with a strong balance sheet position of over €1.5 million. This is represented mainly by Fixed Assets. The large creditors balance mainly includes funds left on deposit with the Society. Although these could be reclaimed by the donor, experience has shown that requests for withdrawals are rare.

STRATEGIC REPORT

Financial review

Reserves policy

The Charity currently holds cash reserves of approximately €30,000.

In line with the paragraph regarding the current financial position, the Charity does not hold reserves to cover deposited funds or conditional donations. One reason is because the funds are provided for the Charity to use, not simply hold. Another is that these amounts are very rarely claimed back.

Another relevant factor is that, in the same way that this Charity can and has provided funds to other charities around the world with similar aims and objectives, funds can be applied for using this method if it ever became necessary.

Going concern

There are no uncertainties about the Charity continuing as a going concern. The main reasons for this are explained in the reserves policy.

Income in the year derived from voluntary donations, grants and investments totalled €2,450,016

Total expenses amounted to €2,326,838. Grants were made to Jehovahs Zeugen in Deutschland totalling €729,949.

ACCOUNTING RECORDS

The trustees acknowledge their responsibilities under section 281 to section 285 of the Companies Act 2014 to keep adequate accounting records for the company.

BOOKS OF ACCOUNTS

The books of accounts are not held at the registered office. 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.

Principal risks and uncertainties

The principal risks and uncertainties are in the following areas: Health and safety and IT disaster recovery.

Health and Safety

This risk is mitigated by a rigorous health and safety routine. Experts in this area give constant advice and direction as to how working and living practices can be made safer. The workers are continuously trained in the procedures they should undertake, and how they should carry out their tasks in the safest manner. Documented instructions are followed by those in oversight, and written materials are provided to the workers to assist them in maintaining health and safety.

IT disaster recovery and planning

The systems used to achieve the aims listed in the objectives system, are completely reliant on IT services. The potential for such services to be damaged or impeded in some way is a serious risk to the operations of the Society. This risk is mitigated by extremely detailed IT backup procedures. Offsite backups are regularly done, with sensitive data being backed up more frequently. Should a physical server be lost, remote servers are kept offsite that can take over and ensure the continued running of operations. In the unlikely event that the network goes down, a robust and remote infrastructure allows for operations to continue uninterrupted.

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.

Recruitment, appointment, induction and training of new trustees

The Trustees of the Society who held office during the year, and at the date of this report, are set out below. The Trustees have the power to appoint or remove Trustees by a simple majority vote.

The recruitment and induction of new Trustees is arranged as follows. When necessary, the Trustees review potential candidates, on the basis set out in the Articles of Association. Their abilities and qualifications are evaluated by the Trustees. New Trustees are given training in both operational and financial matters with the aid of the existing Trustees.

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

Watch Tower Bible and Tract
Society of Ireland

Report of the Trustees
for the Year Ended 31st August 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The charity is constituted as a company limited by guarantee.

The Trustees organise the running of the charity through a number of departments. Each department is headed up by a trained and experienced department overseer who will make regular reports to the Trustees. Policy decisions are made solely by the Trustees. In some cases, a separate committee is given a budget, and can make decisions within the approved budget.

Wider network

Charities with similar objects exist in many countries around the world. Cooperation with these charities facilitates an efficient and economic use of resources, and helps the Society to meet its stated objectives.

The Society reviews policies, procedures and guidelines used by entities of Jehovah's Witnesses globally with similar aims and objectives, and, where applicable, seeks to implement them.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
105861 (Ireland)

Registered Charity number
CHY 6283

Registered office
Watch Tower House
Newcastle
Greystones
Co. Wicklow
A63 RF61

Trustees
P Casey
A Murphy
N Novis
B O'Farrell
P G O'Kane
M M O'Malley
S Papps
D Fuller

- appointed 17.11.17

Company Secretary
P G O'Kane

Auditors
Calcutt Matthews Ltd
Chartered Accountants and Statutory Auditor
19 North Street
United Kingdom
Ashford
TN24 8LF

Solicitors
Ferry's Solicitors
Inn Chambers
15 Upper Ormond Quay
Dublin 7

Watch Tower Bible and Tract
Society of Ireland

Report of the Trustees
for the Year Ended 31st August 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers
Ulster Bank
63-64 Main Street
Bray
Co Wicklow

Ulster Bank
86 Hill Street
Newry
Co Down
BT34 1BT

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, Calcutt Matthews Ltd, have indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

Calcutt Matthews were appointed as Auditors for the year ending August 31st, 2019.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ~~FEBRUARY 15, 2019~~, and signed on the board's behalf by:



S Pappas - Trustee

Statement of Trustees Responsibilities
for the Year Ended 31st August 2018

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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 comply with the Companies Act 2006. 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.

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

Opinion

We have audited the financial statements of Watch Tower Bible and Tract Society of Ireland (the 'charitable company') for the year ended 31st August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

Responsibilities of trustees

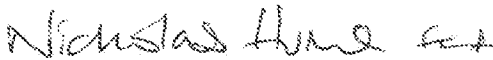
As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.



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

Date: 8 February 2019

Watch Tower Bible and Tract
Society of Ireland

Statement of Financial Activities
for the Year Ended 31st August 2018

	Notes	Unrestricted funds €	Restricted funds €	2018 Total funds €	2017 Total funds €
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,427,573	22,443	2,450,016	2,189,961
Total		<u>2,427,573</u>	<u>22,443</u>	<u>2,450,016</u>	<u>2,189,961</u>
EXPENDITURE ON					
Charitable activities					
Promoting Christian missionary work	3	1,033,926	2,167	1,036,093	1,027,416
Provision of conventions for Bible education		51,811	-	51,811	22,757
Making donations to further religious education overseas		729,949	-	729,949	379,254
Building places of worship		385,462	80,334	465,796	498,957
Translation of Bible literature into local languages		43,189	-	43,189	43,471
Total		<u>2,244,337</u>	<u>82,501</u>	<u>2,326,838</u>	<u>1,971,855</u>
NET INCOME/(EXPENDITURE)		<u>183,236</u>	<u>(60,058)</u>	<u>123,178</u>	<u>218,106</u>
Transfers between funds	15	384,951	(384,951)	-	-
Net movement in funds		<u>568,187</u>	<u>(445,009)</u>	<u>123,178</u>	<u>218,106</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,077,605</u>	<u>465,465</u>	<u>1,543,070</u>	<u>1,324,964</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,645,792</u>	<u>20,456</u>	<u>1,666,248</u>	<u>1,543,070</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.


The notes form part of these financial statements

Watch Tower Bible and Tract
Society of Ireland

Balance Sheet
At 31st August 2018

	Notes	Unrestricted funds €	Restricted funds €	2018 Total funds €	2017 Total funds €
FIXED ASSETS					
Tangible assets	8	3,453,432	8,430	3,461,862	3,039,085
CURRENT ASSETS					
Stocks	9	-	-	-	246,028
Debtors	10	24,080	-	24,080	391,654
Cash at bank and in hand		16,603	12,026	28,629	82,157
		<u>40,683</u>	<u>12,026</u>	<u>52,709</u>	<u>719,839</u>
CREDITORS					
Amounts falling due within one year	11	(368,165)	-	(368,165)	(770,215)
NET CURRENT ASSETS/(LIABILITIES)		<u>(327,482)</u>	<u>12,026</u>	<u>(315,456)</u>	<u>(50,376)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,125,950</u>	<u>20,456</u>	<u>3,146,406</u>	<u>2,988,709</u>
CREDITORS					
Amounts falling due after more than one year	12	(476,876)	-	(476,876)	(476,505)
PROVISIONS FOR LIABILITIES	14	(1,003,282)	-	(1,003,282)	(969,134)
NET ASSETS		<u><u>1,645,792</u></u>	<u><u>20,456</u></u>	<u><u>1,666,248</u></u>	<u><u>1,543,070</u></u>
FUNDS	15				
Unrestricted funds				1,645,792	1,077,605
Restricted funds				20,456	465,465
TOTAL FUNDS				<u><u>1,666,248</u></u>	<u><u>1,543,070</u></u>

The financial statements were approved by the Board of Trustees on FEBRUARY 19, 2019 and were signed on its behalf by:



P G O'Kane - Trustee



S Pappas - Trustee

The notes form part of these financial statements

Watch Tower Bible and Tract
Society of Ireland

Cash Flow Statement
for the Year Ended 31st August 2018

	Notes	2018 €	2017 €
Cash flows from operating activities:			
Cash generated from operations	17	459,183	171,463
Net cash provided by (used in) operating activities		<u>459,183</u>	<u>171,463</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(513,043)	(201,065)
Net cash provided by (used in) investing activities		<u>(513,043)</u>	<u>(201,065)</u>
Cash flows from financing activities:			
Deposits advanced by depositors		1,430	22,422
Deposits repaid to depositors on demand		(1,098)	(10,918)
Net cash provided by (used in) financing activities		<u>332</u>	<u>11,504</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>82,157</u>	<u>100,255</u>
Cash and cash equivalents at the end of the reporting period		<u>28,629</u>	<u>82,157</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The charitable company has applied the recommendations contained in the Charities Statement of Recommended Practice (FRS 102) effective January 2015.

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

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, income and expenditure. The nature of estimation and judgement means that actual outcomes could differ from expectation. Significant areas of estimation and judgement include; support costs which cannot be attributed to one specific activity have been allocated on a basis consistent with use of resources, and also a provision is made based on 50% of conditional donations currently held as detailed in Note 13 to the financial statements.

Incoming resources

All incoming resources are recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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.

Tangible fixed assets

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

Freehold Properties	-	Land - Not depreciated. Land improvements 7%
		Buildings - 2% or 2.5% on cost
Plant and machinery	-	10% or 20% on cost
Motor vehicles	-	14% or 20% on cost
Fixtures and fittings	-	20% or 33% on cost
Computer equipment	-	14% or 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.

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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.

1. ACCOUNTING POLICIES - continued

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.

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. Therefore, 90% of these amounts held are recognised as falling due after one year. This adjustment represents a change in accounting policy in the current year.

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.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, and cash on demand deposits.

Debtors

Debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method (less impairment losses for bad and doubtful debts), unless the effect of discounting would be immaterial, in which case they are stated at fair value less impairment losses.

Creditors

Creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. DONATIONS AND LEGACIES

	2018	2017
	€	€
Legacies	73,955	2,471
Grants	324,139	301,501
Donations	2,051,922	1,885,989
	<u>2,450,016</u>	<u>2,189,961</u>

3. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 4)	Support costs (See note 5)	Totals
	€	€	€	€
Promoting Christian missionary work	1,026,548	-	9,545	1,036,093
Provision of conventions for Bible education	51,334	-	477	51,811
Building places of worship	461,508	-	4,288	465,796
Translation of Bible literature into local languages	42,791	-	398	43,189
Making donations to further religious education overseas	-	729,949	-	729,949
	<u>1,582,181</u>	<u>729,949</u>	<u>14,708</u>	<u>2,326,838</u>

4. GRANTS PAYABLE

	2018	2017
	€	€
Making donations to further religious education overseas	729,949	379,254
	<u>729,949</u>	<u>379,254</u>

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

5. SUPPORT COSTS

	Other	Governance costs	Totals
	€	€	€
Promoting Christian missionary work	2,421	7,124	9,545
Provision of conventions for Bible education	121	356	477
Building places of worship	1,088	3,200	4,288
Translation of Bible literature into local languages	101	297	398
	<u>3,731</u>	<u>10,977</u>	<u>14,708</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	€	€
Auditors' remuneration	7,245	9,041
Depreciation - owned assets	90,266	76,835
Deficit on disposal of fixed asset	-	324
	<u>97,511</u>	<u>186,199</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees do not receive any remuneration or benefits for their role as trustees of the charity. However, some Trustees are members of a worldwide religious order. By virtue of their membership of the religious order, and if they are serving the religious order in Ireland they (and if married to a member of the order, their spouse) receive from the charity a modest allowance.

The total allowance paid to each trustee fulfilling the above criteria by virtue of their membership of the religious order, in the year ending 31 August 2018 was €1,384 (2017: £0).

Trustees' expenses

No expenses were reimbursed to trustees in their role as trustees during this year or the previous year.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

8. TANGIBLE FIXED ASSETS

	Freehold property €	Fixtures and fittings €	Motor vehicles €	Computer equipment €	Totals €
COST					
At 1st September 2017	3,451,319	146,936	102,146	5,336	3,705,737
Additions	483,879	8,250	20,914	-	513,043
At 31st August 2018	<u>3,935,198</u>	<u>155,186</u>	<u>123,060</u>	<u>5,336</u>	<u>4,218,780</u>
DEPRECIATION					
At 1st September 2017	508,708	102,969	49,639	5,336	666,652
Charge for year	71,840	9,343	9,083	-	90,266
At 31st August 2018	<u>580,548</u>	<u>112,312</u>	<u>58,722</u>	<u>5,336</u>	<u>756,918</u>
NET BOOK VALUE					
At 31st August 2018	<u>3,354,650</u>	<u>42,874</u>	<u>64,338</u>	<u>-</u>	<u>3,461,862</u>
At 31st August 2017	<u>2,942,611</u>	<u>43,967</u>	<u>52,507</u>	<u>-</u>	<u>3,039,085</u>

9. STOCKS

	2018 €	2017 €
Work-in-progress	-	246,028

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 €	2017 €
Other debtors	17,981	391,654
Prepayments	6,099	-
	<u>24,080</u>	<u>391,654</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 €	2017 €
Deposits (see note 13)	52,986	52,945
Trade creditors	54,676	56,550
Other creditors	242,441	616,035
Accrued expenses	18,062	44,685
	<u>368,165</u>	<u>770,215</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 €	2017 €
Deposits (see note 13)	<u>476,876</u>	<u>476,505</u>

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 has demonstrated that only a small percentage of these amounts are being reclaimed in a given year.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

13. DEPOSITS

No maturity analysis is provided for these deposits due to their nature described in the above notes.

14. PROVISIONS FOR LIABILITIES

	2018 €	2017 €
Conditional donations	<u>1,003,282</u>	<u>969,134</u>
		€
Provision at 1st September 2017		969,134
Provision on new conditional donations received		37,500
Provision released on conditional donations returned		(4,000)
Exchange rate difference		<u>648</u>
Provision at 31st August 2018		<u>1,003,282</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 €1,003,282 is a contingent liability.

15. MOVEMENT IN FUNDS

	At 1.9.17 €	Net movement in funds €	Transfers between funds €	At 31.8.18 €
Unrestricted funds				
General fund	1,077,605	183,236	384,951	1,645,792
Restricted funds				
Kingdom Hall Assistance Arrangement	374,508	-	(374,508)	-
Relief Fund	26	12,000	-	12,026
Kingdom Hall Construction Worldwide	80,334	(80,334)	-	-
Travelling Overseers' Assistance Arrangement	10,597	(2,167)	-	8,430
Convention Fund	-	10,443	(10,443)	-
	<u>465,465</u>	<u>(60,058)</u>	<u>(384,951)</u>	<u>20,456</u>
TOTAL FUNDS	<u>1,543,070</u>	<u>123,178</u>	<u>-</u>	<u>1,666,248</u>

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources €	Resources expended €	Movement in funds €
Unrestricted funds			
General fund	2,427,573	(2,244,337)	183,236
Restricted funds			
Relief Fund	12,000	-	12,000
Travelling Overseers' Assistance Arrangement	-	(2,167)	(2,167)
Convention Fund	10,443	-	10,443
Kingdom Hall Construction Worldwide	-	(80,334)	(80,334)
	<u>22,443</u>	<u>(82,501)</u>	<u>(60,058)</u>
TOTAL FUNDS	<u>2,450,016</u>	<u>(2,326,838)</u>	<u>123,178</u>

Comparatives for movement in funds

	At 1.9.16 €	Net movement in funds €	Transfers between funds €	At 31.8.17 €
Unrestricted Funds				
General fund	334,955	743,565	(915)	1,077,605
Restricted Funds				
Kingdom Hall Assistance Arrangement	374,508	-	-	374,508
Relief Fund	26	-	-	26
Kingdom Hall Construction Worldwide	579,291	(498,957)	-	80,334
Travelling Overseers' Assistance Arrangement	36,184	(26,502)	915	10,597
	<u>990,009</u>	<u>(525,459)</u>	<u>915</u>	<u>465,465</u>
TOTAL FUNDS	<u>1,324,964</u>	<u>218,106</u>	<u>-</u>	<u>1,543,070</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources €	Resources expended €	Movement in funds €
Unrestricted funds			
General fund	2,189,252	(1,445,687)	743,565
Restricted funds			
Travelling Overseers' Assistance Arrangement	709	(27,211)	(26,502)
Kingdom Hall Construction Worldwide	-	(498,957)	(498,957)
	<u>709</u>	<u>(526,168)</u>	<u>(525,459)</u>
TOTAL FUNDS	<u>2,189,961</u>	<u>(1,971,855)</u>	<u>218,106</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

15. MOVEMENT IN FUNDS - continued

Kingdom Hall Assistance Arrangement

The Kingdom Hall Assistance Arrangement (KHAA) existed to give aid where losses and damages have been suffered by congregations or individuals. This fund has now been replaced by a more flexible arrangement through the general funds of the Charity. Approval was given by the Charities Regulatory Authority to apply these funds *cy pres*, and release them to the general fund. Public notice was given of this matter and no objections arose.

Kingdom Hall Construction Worldwide

This was set up to provide monies to assist with the purchase and build of places of worship. This fund has now been replaced by a more flexible arrangement.

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.

16. RELATED PARTY DISCLOSURES

Although there are no related parties, the charity works closely with other charities, in many countries, who have similar aims and objectives. Cooperation with these charities facilitates an efficient and economic use of resources, and helps the charity to meet its stated objectives.

17. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	€	€
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	123,178	218,106
Adjustments for:		
Depreciation charges	90,266	76,835
Loss on disposal of fixed assets	-	324
Movement on conditional donations	67,000	28,304
Movement on provisions	(34,145)	(12,307)
Currency Movements	2,234	(6,798)
Other non-cash donations received	(861)	(98,200)
Decrease/(increase) in stocks	246,028	(119,595)
Decrease/(increase) in debtors	367,574	(358,208)
(Decrease)/increase in creditors	(402,091)	443,002
	<u>459,183</u>	<u>171,463</u>
Net cash provided by (used in) operating activities	<u>459,183</u>	<u>171,463</u>