

ANNUAL GENERAL MEETING

Minutes of Meeting

Date: 25 August 2020, Tuesday
Time: 7:45 p.m.
Venue: Online

Agenda

1. Roll Call
 2. Highlights of Activities in 2019
 3. Acceptance of 2019 Audited Financial Statements
 4. Affirmation of 2020 Budget
 5. Updates on Textile Centre En-bloc Exercise
 6. Election of Replacement Treasurer
 7. Re-appointment of Auditors
 8. Results of Proxy Voting
 9. Close of Meeting
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No Item

1 Roll Call

Tan Ah Tuan, President of Hope Church (Singapore), called the First online AGM at 7:45pm. He shared the Church sent out 1,126 AGM Notification Proxy Forms and 871 (77%) completed the Proxy Forms. We have reached a quorum (> 50%) to proceed with the AGM.

2 Highlights of activities in 2019

Pastor Jeffrey Chong reported the praise points from 2019.

Summary of points shared:

- The theme of 2019 for the Church was "Let The World See"
- Lives impacted locally:
 - 6473 in service attendance
 - 7067 in LG attendance across 852 LGs
 - 484 water baptises
 - 476 new members
- This is Home Fund Raising 2019, a Total of \$1,398,182 raised for Northeast Centre and Missions.
Hope @ New Tech Park
- First Student Conference
- Birth of a New Movement
- Lives impacted globally:
 - The statistic showed the life groups have grown from 451 to 601. The number of cities/areas have grown from 153 to 201 and number of countries from 22 to 29.

No Item

3 Acceptance of 2019 Audited Financial Statements

Pastor Daniel Tan presented the audited financial statements of the church to the members.

He shared on the change of Accounting Standard on FRS 116 – Lease and its impact on Financial Statements.

The following were highlighted during his presentation:

Statement of Comprehensive Income:

- “*Tithes and thanksgiving*” increased slightly by ~3.00%
- Deficit for the year before specific funds was \$20,936; largely due to an increase in “*Depreciation*” introduced by FRS 116 Lease reporting.
- This is Home campaign has raised \$1,422,776.
- Surplus for the year after including specific funds was \$1,401,840.
- Depreciation has more than doubled due to the introduction of FRS 116 Lease reporting. This new standard captured the depreciation of the church lease commitment at Hope@New Tech Park, and level 8 Connect Halls at Textile Centre, which has now been capitalised as “Right-of-use Assets” (ROU assets).
- The 14% increase of “*Personnel expenses*” is due to 11 new hire in 2019 with the expansion in local and global ministries.
- “*Finance cost*” is the interest expense incurred from the lease liabilities of the 2 leased premises: Hope@New Tech Park and Level 8 Connect Halls at Textile Centre.
- Total expenditure for the year \$13,058,717.

Statement of Financial Position:

- The church current leasehold properties (AXIS auditorium & CT Hub church office) are reclassified from Property, plant & equipment, together with the Hope@New Tech Park & Level 8 Connect Halls at Textile Centre, as “*ROU assets*”.
- The lease commitment to the two properties: Hope@New Tech Park & Level 8 Connect Halls at Textile Centre are categorised as “*Lease liabilities*”.

Pastor Daniel Tan proceeded to present the audited financial statements of Hopespace Pte Ltd (formally known as Vernazza Investments Pte Ltd), the subsidiary of Hope Church Singapore.

- From 1 January 2019, there was a major change in the accounting standard (FRS 116 Lease) which made a substantial impact on the financial statements of Hopespace Pte. Ltd.
- As Hope@New Tech Park and Level 8 Connect Halls in Textile centre were leased under Hopespace, under the new accounting standard, depreciation is reflected in Hopespace. As a result, in 2019 the Company’s accumulated loss

No Item

has exceeded the paid-up capital by \$162,208. The Company has received a letter of continuing financial support from Hope Church (S).

4 Affirmation of 2020 Budget

Pastor Daniel Tan presented the 2020 financial budget.

The operating budget comprised of \$12.6 million income and \$11.8 million expenses leading up to a surplus of \$782,882.

The capital budget contained \$582,000 spending on Programmes, Information Technology and Facilities.

He highlighted the following:

- The church was anticipating a 4% decrease in Tithe and Thanksgiving due to the economy recession.
- The Church will be receiving a total of \$830K of Job Support Scheme from the government, which was included as Other Income.
- Personnel expense budget increased by 5% with 3 new headcount in 2020.
- The Local Ministries budget has significantly decreased due to the cancellation of various camps, catering and ministry-related activities.

Question from Pauline Leong from NEC Adult Congregation

I would like to enquire regarding the difference in the “Other Offerings” between 2020 and 2019. The amount for 2019 was \$1,422,776 but there was nil offerings in 2020. May I know what may have caused the change? Would there be any plans to request for other offerings?

Answer from Pastor Daniel Tan:

(Published on AGM webpage on 21st August 2020):

With reference to the Budget 2020 slide, the \$1.4 million of “Other Offerings” received in 2019 came from “This Is Home” campaign and members’ giving towards Missions.

In our original 2020 Budget which we came out late last year, we budgeted \$200K of members’ giving towards Missions under “Other Offerings”. Due to the COVID-19 pandemic, we did a budget revision in April 2020. In this budget revision (which was the budget presented in the slides), we took out the budgeted members’ giving towards Missions (\$200K), as we would like to adopt a more conservative approach in our income budgeting. This was done in view of the negative economic outlook.

As to whether there are any plans to request for ‘Other Offerings’, in May 2020 the church started the COVID-19 Hope Fund campaign. The objective of this fund was to help those who were impacted financially because of the COVID-19 pandemic. The donation to the COVID-19 Hope Fund would be reflected under “Other Offerings” in the 2020 accounts.

No Item

5 Updates on Textile Centre En-bloc Exercise

- En-bloc sale exercise for Textile Centre had lapsed on 23 February 2020.
- Final signing % (share value): 55.35%
- Final signing % (share area): 66.53%
- Both fell short of the required 80% for the En-bloc exercise to proceed.

6 Election of replacement Treasurer

Mr. Tan Ah Tuan announced that Ms. Chio Yee Ming has resigned from the position of Treasurer with effect from 25th August 2020 for personal reason and would remain on the Board as an Ordinary Member.

To elect the current Board member Mr. Gerald Aw Jer-Weei to replace Ms. Chio Yee Ming as the Treasurer from 25th August 2020 onwards for the remaining term of the Board.

7 Re-appointment of Auditors

Mr. Tan Ah Tuan shared we would be re-appointing Foo Kon Tan LLP for another year.

*The Church resolved that the firm of Certified Public Accountants **Foo Kon Tan LLP**, be and are hereby reappointed as Auditors of the Church to hold office for a term of 1 year starting from the conclusion of this Annual General Meeting*

8 Results of Proxy Voting

Mr. Tan Ah Tuan presented the results of proxy voting:

- 86% voted for the Acceptance of 2019 Audited Financial Statements
- 86% voted for the Adoption of 2020 Budget
- 87% voted for the Election of Mr. Gerald Aw as Replacement Treasurer.
- 87% voted for the Reappointment of auditors: Foo Kon Tan LLP.

9 Close of Meeting

Pastor Jeffrey Chong thanked the Board Members for working to support the church's governance and mission.

Attachments:

Minutes prepared by:

Chua Tian Tian
Finance Manager
Hope Church (Singapore)

Minutes vetted by:



Daniel Tan
Vice President
Hope Church (Singapore)

Minutes approved by:



Tan Ah Tuan
President
Hope Church (Singapore)