



Captive Presbyterian Church

ABN 94 519 979 704

Annual report 2018

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Annual Review by Session

As the Father has loved me so have I loved you. Abide in my love.

This is my commandment, that you love one another as I have loved you. Greater love has no one than this, that someone lay down his life for his friends.

John 15:9, 12-13

One of the many joys of being an elder is seeing a congregation come together for the sake of the gospel and to see lives transformed and emboldened by God's word across all aspects of church life. It always amazes me, and I praise the Lord, at how your lives at Captivate continue to be shaped by Christ.

As the excitement and energy from moving into a new place in 2017 continued into 2018, it took on a different form, as we started to focus on building strong foundations for Captivate.

In 2018 the M teams started to stand on its own legs, with the leaders within each stream developing and executing on various gospel driven initiatives. The congregation was able to bear witness to, and we praise God for, the fruits of some of their labour.

We saw our first ever Church in the Park that was very well received by many newcomers and passers-by; a relaunch of TGC to focus more on Christian maturity; the launch of the new student ministry, Engage; a greater emphasis on mission and our partnerships with church sponsored missionaries (Aaron and Gloria Moratz; Matt and Jen Lim) through Dawn; our annual Weekend Away was a huge success, with many thanks to our guest speaker Phillip Jensen; and continued improvements made to the service, that is enjoyed by the congregation every Sunday, with an increased number of returning newcomers. These are but a few of the highlights in 2018. So much more has been happening and we praise God for all of you who serve, whether it be in music, church set up, cooking, teaching kids, welcoming newcomers, so thank you.

We continue to thank God for our staff. For pastor Alan Au, and his preaching and guidance, who this year also, alongside his wife Beatrice, welcomes another addition to his own family in baby Theodore. Ryan Verghese continues with us at Captivate and we praise God for his teaching and leadership with the mission team. This year we also welcome onboard Lucy He who will focus on caring for women in Captivate and equipping our members for living out the gospel.

While Captivate continues to grow in its numbers, we were also blessed to equip and send out people to share the message of Jesus. We continued in to see members participate in missions programs at Toowoomb Bay and Bathurst. Others volunteered to help at Nextgen, a week-long training program aimed at teaching people how to read and teach the Bible. It was also with bittersweetness that we were blessed to send out three members, Tony Kong, Ross Ireland and Lilian Ireland as they embark on their journey into full time ministry as trainees in the Campus Bible Study Traineeship program.

As we set forth this year, I have every confidence that as a Christ loving, gospel centred community that is constantly encouraging the faint hearted, admonishing the idle, helping the weak and always seeking to do good in the eyes of the Lord, I know I will look forward to this year with joy and eagerness to see what God has in store for us.

Blessings,

Matthew Tse

Committee of Management Report

The Committee of Management (Committee) of Captivate Presbyterian Church (Church) presents its report, together with Church's financial statements for the year ended 31 December 2018.

The Committee takes care of the finances and administration at Captivate Church. Its role is to facilitate, support, and empower the growth of gospel ministry at Captivate Church.

The Committee organises itself around three main functions:

1. Finances
2. Operations
3. Risk and Governance

Finances

Each one must give as he has decided in his heart, not reluctantly or under compulsion, for God loves a cheerful giver. And God is able to make all grace abound to you, so that having all sufficiency in all things at all times, you may abound in every good work.

2 Corinthians 9:7-8

What a blessing from God it is to be blessed in so many ways at Captivate Church. We are very thankful that Captivate Church has been incredibly generous in response to God's grace in 2018.

Congregational giving exceeded budget (by about \$12,000), and with expenses close to budget, Captivate Church produced a financial surplus of about \$14,000 for the year.

Some of the ministry initiatives that the congregation's generosity has facilitated include the Captivate PLAY group, bringing on Ryan Verghese as a student pastor, and our awesome Christmas evangelistic events. On top of this, we also raised more than \$9,000 to support our missionary families Yakim and Grace in East Africa and the Lims in Japan.

Members of the Committee

Members of Session

Jeff Read (Interim Moderator)
Matthew Tse (Chairman until 08/04/2018)
Jason Au
Kelvin Mo (Secretary)
Ethan Zuo (Chairman from 08/04/2018)

Managers

Carmen Chan
Raymond Choy (retired 08/04/2018)
Edmund Lau (retired 08/04/2018)
Florence Liang (Treasurer)
Jonathan So
Stephen Yeung

We ask that you would continue to be generous with your time, energy, and finances for gospel ministry at Captivate in 2019.

You will notice in the financial reports that our budgeted giving for 2019 is about \$70,000 higher than 2018. This additional giving will allow us to put Lucy He on staff this year as a women's worker to help disciple our sisters at Captivate.

Operations

The Committee is particularly thankful to the many brothers and sisters who serve behind the scenes to support word and prayer ministry at church. These include the back-ops team that set up and pack up the hall each week, the IT team who maintain our IT infrastructure, and many others who serve out of love for God and his people.

The North Ryde Community Hall has been a terrific place for us to meet this year. By God's grace we also have this venue for 2019, and we hope this will allow us to continue establishing our presence in this community.

Risk and governance

We want Captivate Church to be a safe environment for ministry to be conducted. We also want to demonstrate to the community that we are above reproach to earn permission to proclaim the gospel.

The Committee has worked to develop a risk and governance framework, with a focus on the application of this framework with our children's ministries.

Financial Statements

Statement of Comprehensive Income

For the year ended 31 December 2018

	Note	2018 \$	2017 \$
Congregational contributions		178,218	150,427
Other income		3,413	2,287
Donations in-kind		-	4,698
Total revenue	4	181,631	157,412
Cost of ministry and evangelistic events		7,028	5,170
Occupancy expenses		14,913	17,484
Personnel expenses		132,553	96,594
Presbyterian Church assessments		11,046	9,008
Other expenses		3,833	3,483
Total expenses	5	169,372	131,739
Result from operating activities		12,259	25,673
Depreciation expense		2,863	295
Depreciation expense	10	2,863	295
Finance income		4,924	3,751
Net finance income		4,924	3,751
Net income		14,320	29,129
Other comprehensive income for the year		-	-
Total comprehensive income for the year		14,320	29,129

The accompanying notes are an integral part of these financial statements.

Balance Sheet

For the year ended 31 December 2018

	Note	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	6	257,200	233,221
Prepayments		3,671	826
Trade and other receivables		179	179
Current tax receivable		7,134	4,857
Total current assets		268,184	239,082
Non-current assets			
Property, plant and equipment	10	10,115	7,887
Total non-current assets		10,115	7,887
Total assets		278,299	246,969
Current liabilities			
Trade and other payables	7	32,854	15,843
Total current liabilities		32,854	15,843
Total liabilities		32,854	15,843
Net assets		245,446	231,126
Congregational funds			
Retained surplus		245,446	231,126
Total congregational funds		245,446	231,126

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Congregational Funds

For the year ended 31 December 2018

	Note	Retained surplus	Total congregational funds
		\$	\$
Balance at 1 January 2017		201,999	201,999
Surplus for the period		29,129	29,129
Total comprehensive income for the year		29,129	29,129
Balance at 31 December 2017		231,126	231,126
Balance at 1 January 2018		231,126	231,126
Surplus for the period		14,320	14,320
Total comprehensive income for the year		14,320	14,320
Balance at 31 December 2018		245,446	245,446

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Cash receipts from general offering		179,353	150,036
Cash paid to suppliers and employees		(155,028)	(134,557)
Cash generated from operating activities		24,325	15,480
Interest received		4,924	3,751
Net cash from operating activities		29,249	19,231
Cash flows from investing activities			
Cash payments for property, plant and equipment		(5,270)	(4,284)
Net cash from investing activities		(5,270)	(4,284)
Net increase in cash and cash equivalents		23,979	14,947
Cash and cash equivalents at beginning of year		233,221	218,274
Cash and cash equivalents at end of year	7	257,200	233,221

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Overview of operations

Captivate Presbyterian Church (Church) is an unincorporated association and registered charity domiciled in Australia. The Church's principal place of business is 201 Coxs Road, North Ryde NSW 2113, Australia. The principal activity of the Church is conducting Presbyterian services of public worship, small group, youth and children's ministries, and supporting Christian mission. The financial statements of the Church are as at and for the year ended 31 December 2018.

Note 2 Basis of preparation

(a) Statement of compliance

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Presbyterian Church of Australia in the State of New South Wales. The Committee of Management has determined that the Church is not a reporting entity. The special purpose financial report has been prepared in accordance with Australian Accounting Standards adopted by Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*.

The notes to the financial statements have been prepared assuming that the Committee of Management chooses to exclude all disclosures except the minimum requirements.

The financial report does not include disclosure requirements for all Australian Accounting Standards except for the following minimum requirements and those disclosures considered necessary by the Committee of Management:

- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Cash Flow Statements*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 1048 *Interpretation and Application of Standards*
- AASB 1054 *Australian Additional Disclosures*

(b) Basis of measurement

The financial statements have been prepared on a historic cost basis.

(c) Functional and presentation currencies

The financial statements are presented in Australian dollars, which is the Church's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year, are included in the notes to the financial statements.

Notes to the Financial Statements

For the year ended 31 December 2018

Note 3 Statement of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

(a) Revenue

(i) Congregational contributions

Revenue from congregational contributions is recognised when the Church gains control of the contribution or the right to receive the contribution. Where such amounts are conditional upon expenditure for a specified purpose and/or during a specified time period they are classified as deferred revenue. Amounts are released to revenue as the expenditure for the specified purpose is made during any such specified time period.

(ii) Interest income

Interest income is recognised as and when received in relation to the current period.

(iii) Donations-in-kind

Donations in-kind are recognised as revenue when the Church gains control, economic benefits are probable and the amount of the donation can be measured reliably. When the Church receives a donation in kind in the form of property plant and equipment, the asset is recognised at fair value and a corresponding amount of revenue is recognised. Fair value for assets is determined as the cost (for new assets) or at market value (for used assets). Depreciation is also calculated on these assets (see Note 3(j)). Donation in kind of services refer to pro-bono audit fee calculated at fair value. Refer to Note 8 for Auditor's remuneration.

(b) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Church in the management of its short term commitments.

(d) Trade and other payables

Trade and other payables are measured at their amortised cost. Trade accounts payable are normally settled within 30 days.

(e) Employee benefits

(i) Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Other long term employee benefits

The Church's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Church's obligations.

Notes to the Financial Statements

For the year ended 31 December 2018

(iii) Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term benefit plans if the Church has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(f) Provisions

A provision is recognised in the balance sheet when the Church has a present legal or constructive obligation as a result of a past event, and it is probably that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(g) Equity reserves

All expenditure, for which money has been set aside in a reserve, is expensed in the income statement or capitalised as an asset on the balance sheet. Reserves are increased by transferring funds from another reserve or from retained earnings.

(h) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(i) Income tax

The Church is a registered charity and is exempt from income tax under section 50-5 of the *Income Tax Assessment Act 1997*.

(j) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment (comprising of AV Equipment and Onsite Equipment) are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives in the current and comparative periods are as follows:

- AV Equipment: 4 years
- Onsite Equipment: 10 years

The residual value, the useful life and the depreciation method applied to an asset are reassessed annually.

(iii) Impairment testing of property, plant and equipment

An impairment loss is recognised when the carrying value of the asset exceeds its recoverable amount, which is the higher of fair value less costs to sell and the value in use. Impairment is reviewed annually.

Notes to the Financial Statements

For the year ended 31 December 2018

Note 4 Revenue

	Note	2018 \$	2017 \$
Congregation contributions		178,218	150,427
GST refund		3,413	2,287
Other income		-	-
Total other income		3,413	2,287
Donations in-kind*		-	4,698
Total revenue		181,631	157,412

* Donations in-kind include donations of fixed assets (2018: nil; 2017: \$3,898) and financial statement audit services performed on an honorary basis (2018: nil; 2017: \$800).

Notes to the Financial Statements

For the year ended 31 December 2018

Note 5 Expenses

	Note	2018 \$	2017 \$
Cost of ministry and evangelistic events			
Evangelism costs and other events		-	2,435
Ministry group expenses		6,870	2,300
Ministry training costs		158	435
Promotion expenses		-	-
Total cost of ministry and evangelistic events		7,028	5,170
Occupancy expenses			
Venue licence fees - NSCAC		818	9,000
Rent - Other		14,095	8,484
Total occupancy expenses		14,913	17,484
Personnel expenses			
Stipend		55,610	50,490
Fringe benefits		46,671	37,139
Scholarships		7,562	-
Annual leave expense		2,563	1,195
Other leave expense		11,472	-
Superannuation expenses		8,676	7,770
Total personnel expenses		132,553	96,594
Presbyterian Church assessments			
Presbyterian Church assessments expense		11,046	9,008
Other expenses			
General expenses		94	-
Audit fee		800	-
Honorarium and other speaker fees		800	400
IT and systems expenses		188	418
Postage		201	196
Printing and stationery		268	86
Licences and subscriptions		1,026	1,477
Telephone and Internet		249	96
Bank fees		26	10
Professional Services in-kind		-	800
Loss on disposal of asset		181	-
Total other expenses		3,833	3,483
Total expenses		169,372	131,739

Notes to the Financial Statements

For the year ended 31 December 2018

Note 6 Cash and cash equivalents

	Note	2018 \$	2017 \$
Cash at bank		55,951	54,996
Cash deposits		201,122	178,098
Cash on hand		127	127
Total cash and cash equivalents		257,200	233,221

Note 7 Trade and other payables

	Note	2018 \$	2017 \$
Accounts payable		-	-
Accrued expenses		3,652	2,850
Employee benefits		15,230	2,973
Presbyterian Church assessments provision		10,338	9,025
Other		3,634	(200)
Total trade and other payables		32,854	14,648

Note 8 Auditor's remuneration

	Note	2018 \$	2017 \$
Audit services			
Auditor of the Church		800	800

Note 9 Reconciliation of cash flows from operating activities

	Note	2018 \$	2017 \$
Net income		14,320	29,129
Non-cash items			
Depreciation		2,863	295
Loss (gain) on disposal of assets		(160)	-
Changes in assets and liabilities			
Cash flows from investing activities		5,272	4,284
Change in prepayments		(2,845)	(406)
Change in payables		17,010	(3,211)
Change in trade and other receivables		-	(179)
Change in GST receivable		(2,278)	(2,499)
Change in fixed assets		(4,933)	(8,182)
Net cash from operating activities		29,249	19,231

Notes to the Financial Statements

For the year ended 31 December 2018

Note 10 Fixed assets

	Note	Onsite Equipment \$	AV Equipment \$
Cost			
Balance at 1 January 2017		-	-
Acquisitions		1,391	6,791
Disposals		-	-
Balance at 31 December 2017		1,391	6,791
Balance at 1 January 2018		1,391	6,791
Acquisitions		247	5,025
Disposals		-	(340)
Balance at 31 December 2018		1,638	11,476
Depreciation			
Balance at 1 January 2017		-	-
Depriciation charge for the year		(18)	(277)
Disposals		-	-
Balance at 31 December 2017		(18)	(277)
Balance at 1 January 2018		(18)	(277)
Depreciation charge for the year		(192)	(2,672)
Disposals		-	160
Balance at 31 December 2018		(210)	(2,789)
Carrying amounts			
At 1 January 2017		-	-
At 31 December 2017		1,373	6,514
At 1 January 2018		1,373	6,514
At 31 December 2018		1,428	8,687

Committee of Management Declaration

The Committee of Management of Captivate Presbyterian Church (Church) has determined that the Church is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Notes 2 and 3 to the financial statements.

In the opinion of the members of the Committee of Management:

- (a) the financial statements and notes give a true and fair view of the financial position of the Church as at 31 December 2018 and of its performance (as represented by the results of its operations and its cash flows) for the year ended on that date in accordance with the accounting policies described in Notes 2 and 3 to the financial statements; and
- (b) as at the date of this statement, there are reasonable grounds to believe that the Church will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Committee of Management.



Chairman



Treasurer

28 March 2019

Sydney

Auditor's Report



AUDITOR'S STATEMENT

to be completed by the Auditor/s

I/We * advise that:- (* Please circle as appropriate)

- | | |
|---|-----|
| 1. The records of all offerings are initialed by two people. | Yes |
| 2. All offerings recorded are deposited intact. | Yes |
| 3. All offerings are deposited promptly to the Bank account. | Yes |
| 4. The Minute Book of the Committee of Management evidences: | |
| (a) Authority for payment of all outgoings | Yes |
| (b) Presentation of bank statements at meetings. | Yes |
| (a) All Assessments and insurances due have been paid. | Yes |
| (b) Superannuation Guarantee Contributions for non-ministerial staff have been paid before each quarterly deadline. | Yes |
| 6. The accounts of other Pastoral Charges or organisations have been audited. | Yes |
| 7. Form F has been verified to source records. | Yes |
| 8. All Trust Funds, PAYG and GST received have been remitted to the appropriate third party. | Yes |
| 9. Receipts / Payments correctly recorded | Yes |
| 10. BAS Statements lodged. | Yes |

AUDITOR'S REPORT

As Auditor/s of the accounts of the Committee of Management, I/We* advise that:-

1. I/We* have examined the financial records of the Committee of Management including the vouchers and bank statements.
2. I/We* have **reviewed** the financial statements of this Financial Return (FORM F) and no matter has come to our attention that is a material error.
3. I/We* have included any comments below regarding "no" responses indicated in the checklist above.

n/a

Signed (Auditor) Victor Owusu

Name : Victor Owusu
Qualifications : Chartered Accountant
Contact : 0477356155

Date 27.03.2019 03:32:42 pm

Budget

For the year ending 31 December 2019

	Note	2019 Budget \$	2018 Budget \$
Income			
General offering		236,000.00	166,000.00
Interest income		5,400.00	5,000.00
Total income		241,400.00	171,000.00
Ministry expenses			
Staff expenses			
Stipend		89,951.00	55,610.00
Superannuation (ministry staff)		13,942.41	8,619.55
Long service leave expense (ministry staff)		-	931.02
Manse allowance		53,066.00	36,400.00
Technology allowance		650.00	400.00
Travel allowance		17,529.00	9,690.00
Student minister scholarship		8,000.00	8,000.00
Ministry group expenses			
TGC		750.00	500.00
Engage		285.00	350.00
Switch			250.00
Captivate Kids		750.00	977.00
Captivate Play		600.00	
Magnification team		7,480.00	9,997.00
Maturity team		200.00	
Membership team/Food ministry		2,780.00	2,900.00
Ministry team		3,935.00	1,000.00
Mission team		5,300.00	6,000.00
TWIL			200.00
A-Team			200.00
Total ministry expenses		205,218.41	142,024.57
Other income			
GST refund		3,720.27	4,000.00
Total other income		3,720.27	4,000.00

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	Note	2019 Budget \$	2018 Budget \$
Operating expenses			
Audit fees		800.00	800.00
Bank fees		50.00	-
Communion costs		200.00	204.00
Depreciation		3,238.00	500.00
Honorarium and other speaker fees		1,000.00	1,000.00
Insurance		13.00	3,000.00
IT & systems expenses		1,500.00	1,500.00
Licences and subscriptions		550.00	-
Postage		200.00	200.00
Presbyterian Church assessments		10,400.00	9,025.00
Printing and stationery		100.00	200.00
Rent		14,400.00	14,500.00
Telephone and internet		75.00	-
Workers compensation		2,018.00	
Total operating expenses		34,544.00	30,929.00
Net surplus (deficit)		5,357.87	2,046.43

Directory

Captivate Presbyterian Church

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