

[Transcript] Faith on Trial: Hillsong / First fruits

That's me, a newspaper journalist, playing a new skill, by making a mistake.
A fairly big and completely basic mistake.
I've been chasing a lot of interviews for this podcast.
Some of those I've been chasing are in Australia, others are overseas, there's been early morning calls, late night calls, and some time zone stuff-ups.
Is America a day ahead or behind?
I'm still not quite sure.
You can hear on Dreya in that clip.
She's the producer on this podcast, and she's just too kind.
That's definitely recording now, the red lights on.
In some of the interviews I did actually remember to record, people have been talking about money.
They talk about Hillsong's obsession with money.
They said there's a sermon about why you need to give to the church, in every service.
It's not just a plate going around where you can throw on some loose change.
They tell me it's a sermon employing people to give a tithe, 10% of your income.
Again and again, I hear the same thing, Hillsong always asks for the first fruits.
I thought I'd better check out if this is true.
So let's search Hillsong and Finances.
Click on videos, okay, what's this one?
The Bible says to honour the Lord with our wealth, to put him first.
Now there's a promise that goes along with that and he's speaking to in a farming context and he says barns will be filled to overflowing, it's in Proverbs chapter 3, but we honour the Lord with every aspect of our lives including our finances and it's something that we believe in as a church, where we're honouring God.
We bring him the first fruits.
That's Hillsong's message on money.
It seems like it's the same the world over.
That sermon was delivered in the Netherlands, but did you hear the pastor's Australian accent?
I hear from a few people about this idea of first fruits.
I didn't quite believe it, but then the simple Google search and the sermon, including those exact words, comes up.
I think about biblical prosperity.
This is the church's Australian founder, Brian Houston.
Just saying those words, biblical prosperity, literally causes some people's head to stand up on the back of their, they're almost having a panic attack right now.
You know, the thing is, that's because they think I'm talking about greed, they think I'm talking about piling up lots and lots of stuff, they think that I'm talking about using God and giving as a get rich quick scheme.
Biblical prosperity isn't exclusive to Hillsong, but some say Brian Houston perfected its preaching.
Hillsong makes it easy to give.
They have a QR code on the screen at their services.
Just hover over it with your phone camera and a giving portal opens up.

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How much do you think you would have given to Hillsong at any time there?

In that 10 years, like more than \$100,000?

Oh yeah.

I would say it was between two and 300,000 US.

For Hillsong, the more money you give, the better.

And the flip side to this is that the more money you give, the bigger the reward that you'll get from God.

And it is by the Bible refers to his blessing, 3 John 2, beloved, I wish above all else that you will prosper.

Along the way, Hillsong itself has made millions.

In 2021, a pandemic year, where most of Australia was locked down at some point, it paid \$70,000 to \$6,000,000.

That's without real life services, for the most part.

They brought in \$93,000,000 in 2019, the year before the lockdowns.

Hillsong particularly is a \$100,000,000 per annum marketing and entertainment empire that, in the opinion of cynics, bubbles in religion to get a tax exempt status.

But now, for the first time, that's being threatened.

Hillsong has been accused in court of avoiding taxes.

It's also facing an investigation by the Australian Charities Regulator.

I'm Stephen Drill, and this is Faith on Trial, episode 3, First Fruits.

I'm trying to understand how, out of all the churches in the world, did Hillsong become so successful?

What did they do that was so special?

Did they do it fairly?

And wasn't really Christian at all?

We have these new guys that are saying, well, you know, God's all about blessing.

And how do we measure blessing?

Personal wealth.

So, let's get blessed.

This is Alex Spencer.

He's doing a PhD into why Hillsong and other churches don't deserve a tax break.

And so they've turned this whole thing upside down, it's not about servants, it's about serving me.

It's about my benefit, my blessing, my salvation, you know, my well-being, my prosperity, and the physical prosperity is the sight of God's blessing.

And if the congregation is blessed, if God helps them prosper, the pastors share in that wealth.

In Hillsong, the guys at the front on stage, they're not monks.

They don't make a vow of poverty.

This whole new generation of prosperity doctrine has spawned an enormous amount of personal enrichment within some of these pastors, and it's unaccountable and it's untaxable.

At Hillsong, the prosperity doctrine is in its DNA.

Remember Brian's book, You Need More Money.

As a Gucci wearing Harley riding pastor, Brian practices what he preaches.

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Those things don't come cheap.

As a church, some of Hillsong's activities have tax deductible status.

Now that's an accountancy term that means some of the money given to the church comes with little or no tax at all.

It's not the kind of advice you have to seek out, it's not tricky, you don't need an accountant to tell you that.

They don't have to whisper it across the table, it's perfectly legal, it's legitimate, and it's very, very lucrative.

If it were just a business, Hillsong would have to pay a tax on all its income.

Between or about mid-2020, Houston announced that \$10,000 would be given to persons who were its former interns, who had sought to start a Hillsong church in Bucharest, Romania.

That's Andrea, the producer of this podcast.

She's reading a paragraph 26 of a statement of claim filed by Hillsong bookkeeper, Natalie Moses.

That \$10,000 payment, and how it's handled, is the spark that lights a bonfire under Hillsong's finances.

It's a blaze the church is having trouble dowsing.

On or about 7 March 2022, Ms. Moses informed Ridley during a telephone call, amongst other things that, A, Hillsong was putting itself at risk by stating that such donations were tax deductible, and that a smart journalist could work this out, and that this was unethical and fraudulent.

The Ridley mentioned is Peter Ridley, Hillsong's chief financial officer.

That phone call from Natalie should raise alarm bells.

Clearly, Natalie knows the rules, but she also points out that what Hillsong is doing is pretty easy to unpick.

During the telephone call, Ridley became angry and dismissive, and said he did just not understand what Ms. Moses' problem was.

For Ridley, those alarm bells should have been going off like he was sitting in a fire station.

Because around that same time, according to the statement of claim, the Australian National Charities and Not-for-profit Commission begins investigating Hillsong.

The document details what happens at a meeting where the inquiry is discussed.

Ridley said that God would protect Hillsong during the investigations, as God protects the righteous, and Hillsong is the righteous.

Now, some of the terms are label-speak.

They get a bit complicated, but it's worth sticking with this document because if what it claims is true, it's earth-shattering for Hillsong's business model.

I'm going to paraphrase a few key points.

1. Hillsong is accused of moving money between countries to avoid tax.
2. Hillsong allegedly funnels \$2 million each year to its college in Sydney to avoid tax.
3. Hillsong is accused of behaving unethically when it loans money between companies to buy

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a \$23 million venue in Melbourne called Festival Hall.

The court case against Hillsong is being heard in Australia's federal court.

And Hillsong files a defence.

Here's Andrea reading out the church's response.

Hillsong received an independent auditor's report to the trustee of Hillsong Foundation Trust from Ernst & Young, which found that the financial reporting of that entity complied with its trustee and relevant legislation including, but not limited to, the Australian Charities and Not-for-Profit Commission Act.

Hillsong also denies that it moves money between countries to avoid tax.

It goes even further, accusing Natalie of getting even minor facts completely wrong.

It denies that Peter Ridley ever said that Hillsong was righteous.

And it denies that he orders payments to be hidden.

Hillsong denies subparagraph D on the basis that there was no such actual or pending transaction.

The court case ends up going down some strange rabbit holes.

Miss Moses said that a cover-up is often worse than the crime.

That's a line from an email Natalie sent to Hillsong bosses on May 20, 2022.

It's about a meeting she had with Hillsong's in-house lawyer, Tim Wincob, where Natalie says he cracked a joke.

Only, it wasn't very funny.

Allegedly, the punchline is something about his mother-in-law getting beaten to death.

Hillsong admits Tim made a joke in front of Natalie, but says it wasn't sexist.

In response to paragraph 61, Hillsong admits that by email on 20 May 2022, Mr Wincob apologised to the applicant and expressed regret at having told the joke on 17 May 2022.

Okay, I've never heard a joke like that.

Why would anyone ever joke about that?

I've been told that Tim Wincob was deeply embarrassed and also mortified he may have offended his wife's mum.

But there's also other, much more serious rabbit holes in the court documents.

A number of directors of Hillsong Church were pastors who were paid full-time salaries, but who also received substantial cash honorariums for speaking engagements conducted in their roles as pastors for Hillsong Church.

That's Natalie's statement again.

I'm stunned when I read this document.

The pastors get paid salaries and then, it's alleged, they put their hands out for more money when they go on their speaking tours.

It's called a love offering.

There's a word.

Yeah.

This is Mel.

You heard her in the first episode.

She was in Hillsong in the 1980s.

It's got its own turn.

Oh, I was shocked.

I read it in the court documents and went, this is outrageous.

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But there's actually a standard love offering.

Pastor from the US would come out here, he'd get his love offering and then would go visit his church and get his love offering from over there.

Yeah.

That's how it all works.

They're already paid.

That's like paying me to do my job again.

Yeah.

And then Brian would go overseas and live a wonderful, luxurious life and visit different churches.

And he would get love offerings from those churches.

Is a love offering the \$20 or is it thousands?

Thousands.

Because they put in a bucket and it round and then they put in their suitcases and go home.

They're like carrying suitcases of cash back.

I guess so, yeah.

Right now, the federal court case against Hillsong is locked in mediation, but there's a good chance it will go to trial.

That will mean everything being played out in public, Natalie's claims that Hillsong has questions to answer over whether it pays taxes and also her claim that she was targeted by the church when she raised her concerns.

Natalie claims she was a whistleblower.

By now, Hillsong is jumping at shadows, accusing her of leaking stories to the media and downloading

40,000 internal Hillsong documents detailing the inner workings of the church's finances.

Natalie denies she leaked stories, but she did download those documents.

She says she did so for work.

Imagine you were Hillsong.

These documents could contain anything from invoices, loans or even the personal credit card claims from pastors.

If they get out into the public, who knows what would be the reaction?

How many stories they would generate?

Given Hillsong is in 30 countries, these documents could be worldwide news.

Now everyone would like to know what's in the rest of that trove of documents, how salacious they are, how damaging they are, whether any of them relate to things other than Natalie Moses' claim that there is financial malfeasance in the operation of Hillsong, that there was regular effort to bend the rules relating to the transit of money overseas, the allocation of money that had been raised for tax-exempt purposes, being put to non-tax-exempt purposes, that financial gifts were being given to the leaders of the church on a regular basis.

That's Nathan Zambronio.

He's a Hillsong critic from the Hawksby River region, about an hour or so north of Sydney.

He's watching Natalie's case closely.

He's not alone.

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People in Hillsong, I'm sure, would also be taking an interest.

I think everyone would love to talk to Natalie Moses.

It may be that she's being counseled to just stay mum about this, because if she's got a subjudice matter, it would be highly inappropriate for her to speak to the media, but after that matter is settled, she may be of a mind that she wants to say more or disclose more of that trove of documents to media outlets.

I've certainly tried to reach out to Natalie.

I've called her lawyer, Josh Bornstein, several times.

I've even offered to go for a surf with him at a wave park in Melbourne that I know he goes to sometimes.

He politely declined, but I went for a surf anyway.

I got involved in property development, I got involved in financing and manufacturing in China.

I was building vessels.

This is Alec.

Right now, Alec is in Queensland, and I'm in Melbourne.

We're speaking over a video call.

But the GFC came through, and I had done a \$70 million building in the city, and the GFC came through, and all of a sudden overnight, no one could close their deals when the building had been built.

Alec is wearing round glasses with a thick black rim.

He's wearing a blazer and an open-necked patterned shirt.

He reminds me of the type of man who would never take his jacket off at a lunch, even if it was 45 degrees, unless the MC had said, Gents, it's OK, it's too hot, you can take them off.

So his background might surprise you.

My father died, my father became terminally ill when I was four.

Alec grew up in an Anglican boys' home.

So I was in there between four and 14, then spent four years in foster homes and so forth.

And you know, totally dysfunctional.

As Alec tells me this, I'm thinking, far out, he's come a long way since his childhood.

Because I was still religiously orientated, I went to an Anglican church, and the priest of the church there took me to Calcutta, India.

So when I was 16, my first job was working in Mother Teresa's unit in Calcutta, India.

Then I realised, we are not victims, we are here to serve.

It doesn't matter how broken or how dysfunctional we are, we are here to serve other people.

And serve I did.

He's doing a PhD into White Hillsong and other churches, don't deserve a tax break.

That's my very short version of his 100,000 worth thesis.

And so my PhD, I was born for this, my whole life has amounted to this.

I had a friend who did his thesis.

He was a wreck before he submitted his.

Alec is getting close to pushing sin on that thesis when we're chatting.

It's been a very torrid four years of research because my thesis is on religious financial

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privileges.

The privileges that go with the religious institutions and unpacking and telling that secret story.

How does it happen?

How much is involved?

Why do we do it?

And more so, why do we continue to do this?

Why do we continue to favour religious institutions, particularly churches and religious institutions, over terrible institutions for traditional services?

For the past 12 months, the Australian Charities and Not-for-profits Commission has been looking into Hillsong.

They have the power to strip Hillsong of its generous tax breaks.

We live under the 1601 Elizabethan Act when Queen Elizabeth I made a statute about what is charity and how we're going to fund charity.

What she did was engage funding for church buildings, for municipal development and capital works programs, not for religion itself.

The Charities Commission was looking at Hillsong even before Natalie launched her court case, where we found actually downloaded 40,000 documents detailing the church's financial transactions.

This is just a thought experiment, but what would happen if the watchdog had copies of those documents?

For goodness sake, Hillsong used to teach conferences the millionaire mindset, how to live like a millionaire, how to think like a millionaire.

Alec Bristles, when he recalls the title of Brian Houston's book, that gold-covered paperback, you need more money.

That's his first book, so when that's the manifesto for your new religious adherence, your new members, and it's all about your wealth, your prosperity, and so the wealth that you get, the wealthier I get, and I think, really, how does that relate to Jesus of the Bible, who was there to serve and sacrifice?

Those words are just not used anymore.

It's all about me, my, and I, not about us, we, and ours, and I think the community and society have had a gutful of it.

When Alec was in business, he says he knew a shipbuilder who would wear crumpled clothes and drink beer at the RSL.

In Australia, an RSL is a return services league, where veterans catch up for a drink.

It's the cheapest tap beer in the country.

The shipbuilder wasn't short of cash, but he didn't feel the need to show it off, says Alec.

Whereas these guys are like, sort of, Nouveau, sort of rich, it's celebrity rich, so like, you know, newfound wealth, and let's bring it on, let's wear \$3,000 pairs of shoes and you know, \$5,000 money, watches, and suits, and it's just, yeah, you know the word I want us, I'm thinking of.

Um, I do know the word he's searching for.

He's thinking of a common Australian slang term, wanker.

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Now, I'm sure you know the literal meaning of that term, but in Australia, it's kind of used to describe someone who thinks they're, they're really good.

Even with style, but maybe not substance.

Wanker might seem a little harsh, but Alec isn't the only one with angry words about Hillsong when it comes to money.

You know, we're angered by the money maker that it is, these mega churches, you know, selling merchandise and programs and all this stuff that is meant to empower others and send a message and help people and, you know, pull people out of dark places and set them on a higher rock as such, or give them a better life, I just, I don't buy it.

That's Grace.

You heard from her in episode two.

She was once the next big thing in Hillsong, a shooting star.

Grace was one of the first people to start taking photos of Hillsong concerts.

Right in center, she took some amazing shots.

They were used around the world.

She was also involved in youth leadership.

Some say she could have been a pastor, a successful preacher.

People who are privileged, who are born into some family or best buddies or pay the most money towards the foundation people, whatever they call it, Bill Kingdom builders, and they all were the top dogs.

Now Grace's star has faded.

She's left Hillsong.

And yes, she's angry about it.

Maybe that colors her memory.

But what she remembers is injustice.

Looking back, she says the big donors, they call them Kingdom builders, were given special treatment.

There was only a few people who were very educated, who were probably blindsided by friendship and manipulative friendship, and they're the ones that probably lost out the most because their integrity was lost.

All this doesn't sound very Christian.

Matthew 19:24 says, it's easier for a camel to go through the eye of a needle than for someone who is rich to enter the kingdom of God.

Which brings me back to where we started this episode.

The idea that everyone in Hillsong has to pay a tithe or 10% of their income, what people call the first fruits.

I still find it hard to understand how people can afford to hand over 10% of their income before tax or even after tax.

Think of the hit to you and your family.

Get your holidays, your kids' school fees, and then think of the hit to someone who's just making ends meet as it is, juggling gas and electricity bills with their donations to the church.

And there will be people like that in the congregation at Hillsong.

In many cases, the people who are giving can't put food in their fridge.

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This is Nathan Zambronio, the Hillsong critic from the Hawkesbury River.
And are living from paycheck to paycheck, and yet they're induced to give sacrificially beyond their ability because they believe the theology that's been told to them that, you know, you have to give into the kingdom to get the blessing back.
And this is before we even consider Hillsong's other revenue streams.
The church has real estate assets across the world.
Brian once boasts in the newspaper article that he donates all of his wages back to the church.
He told a journalist his real income is in property development.
The church is also believed to make millions through music sales and merchandise.
There's also Hillsong College, which offers fee help places.
That means students can get a government loan to pay off their courses later.
Hillsong really is a sophisticated business model.
But playing devil's advocate, um, so what?
Is that really a problem, like Natalie and Alec and Nathan and Grace seem to think it is?
There's a lot of media and it's kind of always so negative about Hillsong.
It almost works the opposite when you're there because you're like, well, it's not that bad.
Peter's a former Hillsong College teacher.
He's one of the people on that list of names I've been working through.
He's a devoted dad and still a dedicated Christian, even though he's left Hillsong.
It took me a while to convince him to chat.
Peter says the Greeks have it wrong.
He cautions me, saying that if this podcast is too negative, it won't cut through at all with the people at Hillsong.
And I can see a lot of good.
Um, and so you see, you know, for instance, guys who are in the drug rehab program, 180 T.C.
There's I was talking to someone at the beginning of the year and he said, if I didn't go to that program, I would be dead now.
And he said, my brother, he left the program because he was taking drugs and so which broke one of the rules.
And then three weeks later, he died with an overdose and he goes, they basically saved my life.
Peter says Hillsong also gives a lot to world vision.
That's the charity that has those harrowing TV ads of children starving in Africa.
It's the same charity behind the 40 hour famine.
That was huge when I was a teenager.
It works like this.
You don't eat for 40 hours to raise money for malnourished kids.
The campaign is still running.
The money it raises goes towards the 45 million people in the world still at risk of famine.
This year, some of it will go to Ghana, which is enduring its worst drought in 40 years.

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And there's a lot of transformation stories of people who basically, you know, they might have had some addictions or they might have, you know, their life is out of control or something like that.

And then they come to a place with community, there's hope, it's, you know, there's a vision and it's, you know, it's quite a good positive energy.

Like they don't speak doom and gloom or, you know, hell and brimfire.

They speak encouraging, uplifting messages.

And so, you know, there's a lot of negativity in the world and to go somewhere and feel good when you come home, it's nice.

There are two sides.

Hillsong's critics who say it's making millions from honest believers and Hillsong's faithful who says it uses the money to do good works.

Who's to say who's right?

Well, one judge is going to be the charity regulator.

The Australian Charities and Not-for-Provets Commission, which is looking at Hillsong's tax-free status.

Officially, the watchdog will not comment.

Bizarrely, they won't even acknowledge they're conducting an investigation.

The federal government minister, who is in charge of the watchdog, also declined to comment.

But if, or when, the watchdog makes its ruling, they could take a big bite out of Hillsong.

If the church loses its tax-free status, that could cost it millions.

It might make it harder for Hillsong's leaders to afford their Gucci clothing.

On the flip side, maybe they'll find it easy to slip through the eye of the needle when they move into the next world.

Because speak to anyone who's still in Hillsong, and that's what's at stake here, the prospect of salvation.

That's something I would start to get my head around when I joined Hillsong in person for one of its services in Melbourne.

But even there, I found something damning.

They allowed that to happen to me, knowing everything else that I was going through.

And they still treated me, who was essentially a victim of sexual harassment and bullying, like that at the most horrific time of a person's life.

That's next time on Faith On Trial.

Faith On Trial is a true crime Australia production.

For more on this story, visit faithontrial.com.au.