

HILLSONG

ANNUAL REPORT

TWENTY-TEN





A NOTE FROM BRIAN AND BOBBIE HOUSTON

I am more committed than ever to seeing our church growing strong and healthy. The reach and vision for this church continues to get larger and larger and as we are faithful to what God has placed in our hearts and in our hands, I honestly believe He will continue to trust us with more.

In the last 12 months, we have seen phenomenal growth and PRAISE GOD many people are joining the family of God, with great stories of salvation each and every week!

In 2010, we once again saw the heart of this church rise up and work together to bring hope, life and restore dignity to our neighbours, near and far. The generosity that resulted after the Haiti earthquake continued throughout the year across our local and global initiatives; a truly astounding result. At our annual Hillsong Conference, we partnered with the Salvation Army and Mission Beat donating hundreds of hygiene items and blankets for the homeless right here in Australia. In the lead up to Christmas, we launched our first ever STUFF THE BUS campaign aimed at families in our own city who have been doing it tough due to financial hardship. In total, we received 21,972 food items and toys, which were packed and distributed throughout Sydney and Brisbane. As a result, people received practical assistance through these tangible expressions of love.

Our first ever Chapel Album was recorded in 2010, another testimony to the life and longevity of Hillsong Music and the grace of God over our creative team. Hillsong College, Hillsong Television, Youth and the Hillsong Sisterhood are all stepping up and reaching further than ever before. We are going places we have never been and preparing our hearts for what lies ahead in 2011.

The blessing, atmosphere, growth and momentum that we have been experiencing is something we should never take for granted and our ongoing commitment to unity is critical to our continued health as a church. I truly believe that we have only scratched the surface of what God has for us and that as we continue to stay committed, serve and take personal responsibility for this House, we will see God move like never before.

Our best days are still ahead,

With love
Brian and Bobbie
Senior Pastors

A MESSAGE FROM OUR GENERAL MANAGER

The momentum for our church continued strongly throughout 2010. This was a year where Hillsong Church was able to assist more people on a practical level and see the powerful message of the gospel bring hope through Jesus Christ to many. This could not have been possible without the generosity of the congregation of our church.

The effectiveness of our ministry is very much dependant on having the financial resources to meet the ever growing needs of the various communities that we reach. It was encouraging to see a healthy surplus for the year of \$3,115,739 (2009: \$261,800). There are various reasons for the improvement in results for this year.

The integration of our Hillsong Brisbane Campus took its final steps during the year, with Brisbane operations being accounted for within these results as of 1 September 2010. The properties in Brisbane are still held in a separate entity and are not included in these results. As part of the transition, the operating assets were incorporated into these accounts and contributed to this year's surplus. With the congregation now having grown to over 3,500 people regularly meeting together in our Brisbane weekend services, the Campus has become a vibrant addition to our church family.

The ongoing growth of our church congregation has influenced donations received. Tithes and Offerings increased this year by 11%. Hillsong Foundation giving increased by 13%.

The reach of our worship music continues to increase worldwide, not only through the distribution of our albums but the very popular worship tours that Hillsong United and the Live teams undertake. In 2010, the albums released through Hillsong Music ranked in the top 10 on the iTunes charts in a number of countries including the USA. In Australia, we achieved the number 3 spot on the ARIA charts. Despite strong unit sales, the margins we achieve on album sales continues to decline due to the strengthening Australian dollar and the progressive shift from CD sales to digital downloads. We anticipate our worship resources will have a stronger impact in the

USA in coming years as a result of entering into an agreement in 2010 with our newly appointed distributors, EMI Christian Music Group. This, along with the launch of Hillsong Church New York City in February 2011, provides exciting opportunities for us to broaden our ministry in the United States going forward.

Hillsong International Leadership College experienced a 7% increase in student numbers in 2010 with the total number of full-time students now exceeding 1,000. This reflects the quality of the courses offered and the fact that students can gain valuable practical training in church life which supplements their studies.

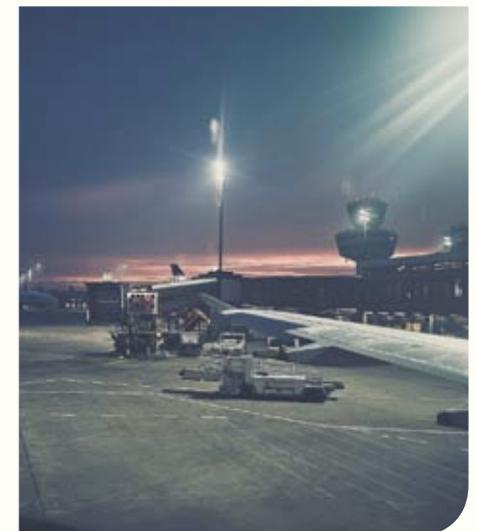
Securing additional facilities continues to be one of our biggest challenges. Growth in our congregation and college has resulted in an acute need for additional facilities in the inner city of Sydney. A development application was submitted to Council for premises in Alexandria and we are prayerfully waiting for Council's decision.

Hillsong Television enables our church to spread the gospel message to households in 180 countries across the globe. South Africa was recently added to our broadcast territories and now has 600,000 regular weekly viewers of the program. We are in contact with thousands of viewers each week through the website, letters and phone calls; with many people making decisions to follow Jesus Christ.

Our church, Hillsong Church, is healthy and continues to make a valuable contribution to our local and global communities that we serve. The attached report outlines the many ways we helped and brought the tangible love of Jesus Christ to people during the course of 2010.

I present to you our 2010 annual results for our Australian operations.

George Aghajanian
General Manager



THE CHURCH THAT I SEE

"...lives are changed forever and potential is fulfilled through the power of His Word."

The Church that I see is a Church of influence. A Church so large in size that the city and nation cannot ignore it. A Church growing so quickly that buildings struggle to contain the increase.

I see a Church whose heartfelt praise and worship touches Heaven and changes earth; worship which influences the praises of people throughout the earth, exalting Christ with powerful songs of faith and hope.

I see a Church whose altars are constantly filled with repentant sinners responding to Christ's call to salvation.

Yes, the Church that I see is so dependent on the Holy Spirit that nothing will stop it nor stand against it; a Church whose people are unified, praying and full of God's Spirit.

The Church that I see has a message so clear that lives are changed forever and potential is fulfilled through the power of His Word; a message beamed to the peoples of the earth through their television screens.

I see a Church so compassionate that people are drawn from impossible situations into a loving and friendly circle of hope, where answers are found and acceptance is given.

I see a people so Kingdom-minded that they will count whatever the cost and pay whatever the price to see revival sweep this land.

The Church that I see is a Church so committed to raising, training and empowering a leadership generation to reap the end-time harvest that all its ministries are consumed with this goal.

I see a Church whose head is Jesus, whose help is the Holy Spirit and whose focus is the Great Commission.

YES, THE CHURCH THAT I SEE COULD WELL BE OUR CHURCH - HILLSONG CHURCH.



HILLSONG CITYCARE

Support / Partnership / Outreach

Hillsong CityCare is a church based, not-for-profit organisation providing support, partnership and outreach. We are committed to supporting people in need, aligning ourselves with strategic partnerships and mobilising people in our church through our outreach initiatives. We deliver a range of community services throughout Sydney and Brisbane, working collaboratively with government and non-government organisations.

HILLSONG CITYCARE SERVICE CENTRES

Child Care Centre / Health and Medical / Hillsong Youth Services / Community Centres – Mount Gravatt in Brisbane, Waterloo, Baulkham Hills and Minchinbury in Sydney

PROGRAMS

Emergency Relief / Counselling / Drug and Alcohol Support / Street Teams + Street Beat Teams for the homeless + Nursing Homes + Justice Projects / Mentoring + Shine + Strength / Strengthening Families / Prisons and Detention Centre programs

IN TWO THOUSAND AND TEN

On average each week Hillsong CityCare made over 1660 contacts with people in need, with the help of over 550 volunteers.

At our annual Hillsong Conference in July we partnered with the Salvation Army and Mission Beat to collect 267 pairs of shoes, 178 blankets and 185 towels for the homeless in our city.

Our Hillsong Youth Services were able to engage with hundreds of young people through our partnership with the Police, Council, Westpoint Blacktown and other community organisations. Our team assisted these youth to participate in retail courses and employment workshops. We were able to help mentor them, host multicultural events and showcases. This outreach has seen the crime rate drop in the surrounding areas of Westpoint Blacktown.

“Stuff The Bus” was launched at our Album Recording in November for Christmas; a local initiative aiming to meet the needs of people in our very own community, during what can be a tough season for many families. By partnering with Cure our Kids, Sydney Children’s Hospital, The Salvation Army, Prison Fellowship, Macquarie Community College, Macarthur Diversity Services, Mona Vale Hospital and also through our own programs we were able to ‘stuff a bus’ with 21,972 items, totaling 798 food hampers and 4413 toys. In addition to this, across every weekend, people within our church brought non-perishable food items that were packed and distributed to many people in our community experiencing financial hardship and in need of emergency assistance.

Several justice projects were completed during 2010 with the help of our church. We were able to help renovate a homeless shelter. We painted the inside of the building, fixed the bathrooms, had the carpets professionally cleaned and installed new curtains and a brand new kitchen. We have built great partnerships with the City of Sydney Council Homeless Unit, with teams going out weekly into our city.

Street Teams had a phenomenal impact across 16 suburbs in Sydney and Brisbane. It was encouraging to see hundreds of families supported and helped practically.



HILLSONG MUSIC

"Hillsong Music has always been an expression from the heart and soul of this House. The songs that have come from this church and been sung all over the world are a testimony to God's grace in our church and over the lives of our creative team, that pour so much of themselves into each and every project..."

- Brian Houston, Senior Pastor, Hillsong Church

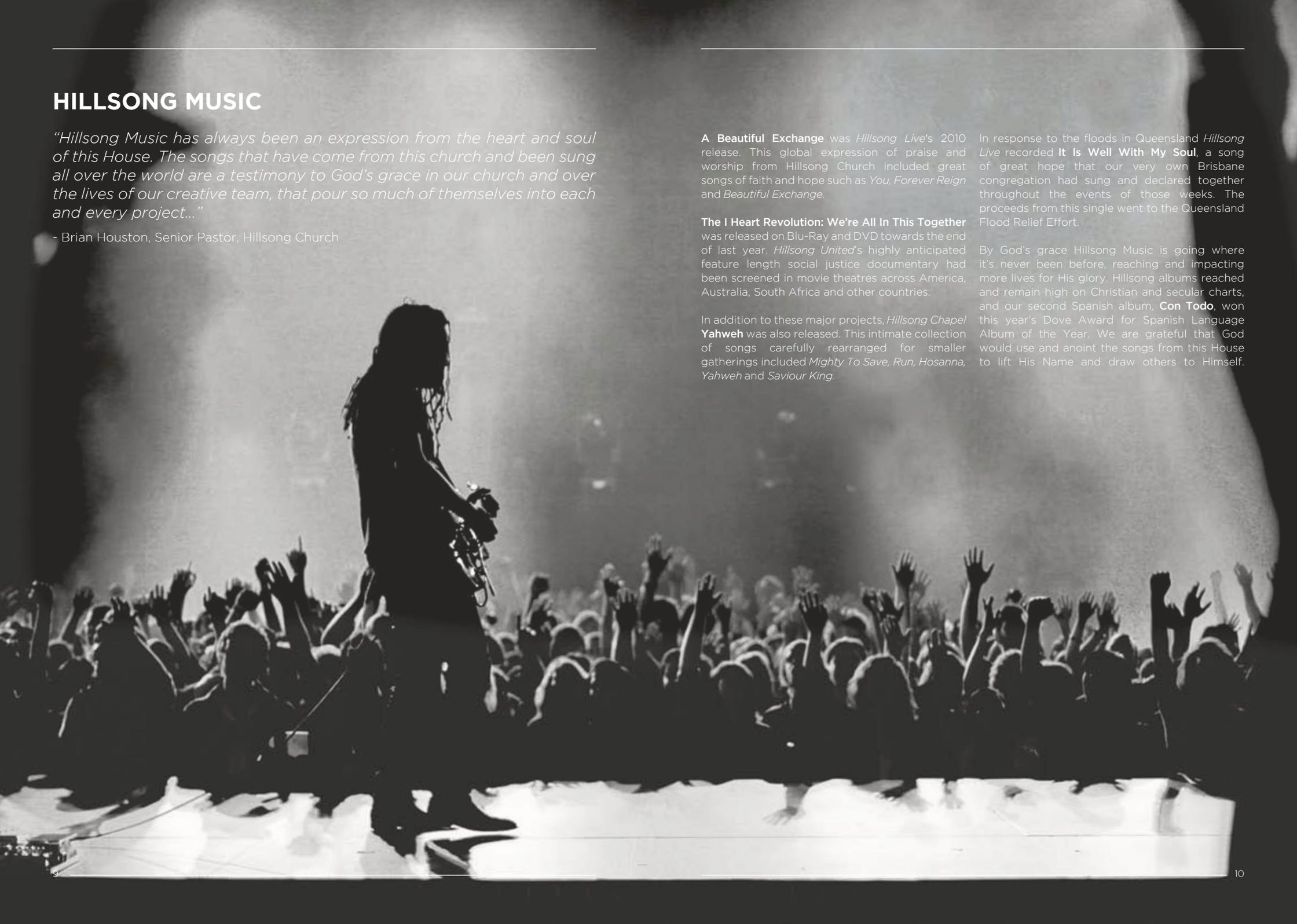
A Beautiful Exchange was *Hillsong Live's* 2010 release. This global expression of praise and worship from Hillsong Church included great songs of faith and hope such as *You, Forever Reign* and *Beautiful Exchange*.

The I Heart Revolution: We're All In This Together was released on Blu-Ray and DVD towards the end of last year. *Hillsong United's* highly anticipated feature length social justice documentary had been screened in movie theatres across America, Australia, South Africa and other countries.

In addition to these major projects, *Hillsong Chapel Yahweh* was also released. This intimate collection of songs carefully rearranged for smaller gatherings included *Mighty To Save, Run, Hosanna, Yahweh* and *Saviour King*.

In response to the floods in Queensland *Hillsong Live* recorded **It Is Well With My Soul**, a song of great hope that our very own Brisbane congregation had sung and declared together throughout the events of those weeks. The proceeds from this single went to the Queensland Flood Relief Effort.

By God's grace Hillsong Music is going where it's never been before, reaching and impacting more lives for His glory. Hillsong albums reached and remain high on Christian and secular charts, and our second Spanish album, **Con Todo**, won this year's Dove Award for Spanish Language Album of the Year. We are grateful that God would use and anoint the songs from this House to lift His Name and draw others to Himself.





GENERATIONS

We have had a fantastic 2010 in **Hillsong Kids**. Each week our devoted team of leaders connect with children and families to see them grow in their relationship with God and each other. Our teams of volunteers are stronger than ever before, in fact in some campuses we have seen a 30-40% growth in the number of awesome volunteers ministering to our beautiful children; seeking to create the best possible church experience for them to encounter God. There's nothing more powerful than seeing our kids passionately worshipping their Saviour.

We were able to minister to many children in our local communities throughout 2010 with 85 scripture classes being taught weekly in schools across Brisbane and Sydney; reaching over 1900 children per week! Our team has seen great opportunities to present the love of Christ to these children who might not otherwise attend a church or hear the message of Jesus.

Another great highlight of 2010 was the recording of our first ever preschool praise and worship project "Life with Jesus". Recorded at Kidsfest in the October school holidays, hundreds of preschoolers worshipped with songs written especially for them. We have had incredible feedback from families who are blessed by having this resource to play at home and in the car, hearing their youngest ones singing praise to God. We're so excited for what God has in store for the children and families of our church and for our children's ministry in 2011.

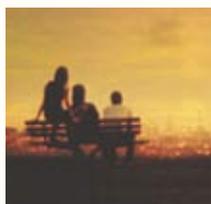
Hillsong Kids and Hillsong Youth... championing children and young people.

Hillsong Youth had an incredible year across Sydney and Brisbane, seeing 1,690 young people making decisions for Jesus. Throughout the year we had over 8,500 students in attendance at our youth events such as JAM, Encounter, Uprising and Summer Camps.

A definite highlight for us was seeing our young people rallying together to generously raise over \$10,000 for a Justice Project at our Encounter Conference, with the money raised going towards fighting human trafficking with A21. It was such an encouragement to watch the next generation mobilised in generosity for an injustice that moved their hearts.

Our age-group programs continue to faithfully meet week to week, in addition to seeing teams in schools and universities across Sydney and Brisbane. It's our ongoing passion to champion students as well as young men and women to grow, be inspired and live out their God-given purpose.

It's been an incredible year and we are believing for the next one to be even better!!!



HILLSONG INTERNATIONAL LEADERSHIP COLLEGE

Equipping you for your future.

Hillsong College exists to provide Bible-based ministry training within Hillsong Church's culture, ethos and practice that equips leaders with competence to challenge pervading world views and to impact every sphere of life with the Christian message.

Within Hillsong College are four main areas of ministry:

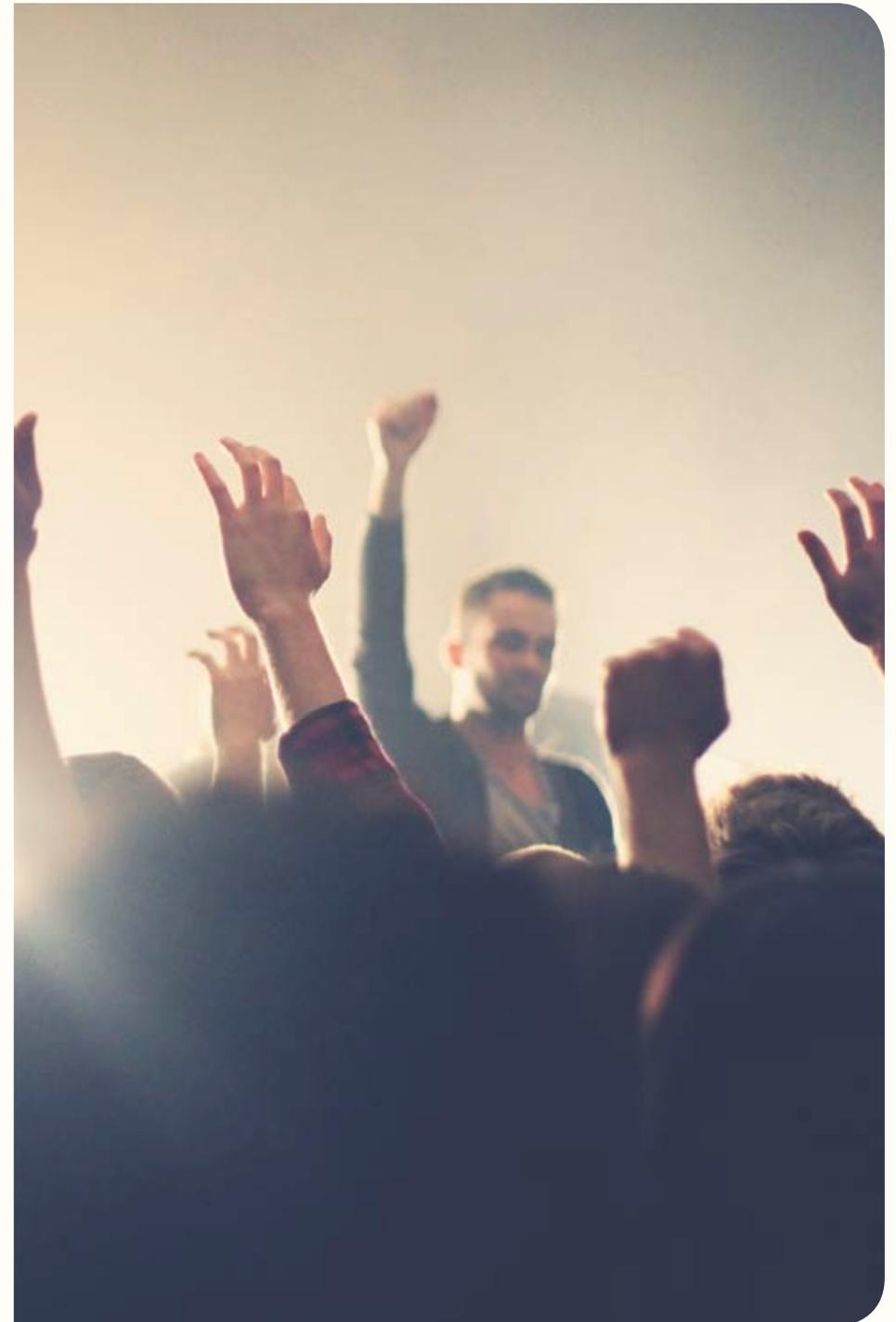
- 1/ Full time college program - located at Hills and City Campus (starting Brisbane Campus in 2012)**
- 2/ Evening College - located at Hills, City, South-West and Brisbane Campus**
- 3/ Performing Arts Academy - located at Hills Campus**
- 4/ Extension College program - located in Australia, New Zealand, USA, Canada and UK**

In 2010 we re-launched our Evening College, with over 550 students choosing to develop themselves further one night a week - giving us a total of 3,010 people being trained within the life of Hillsong College.

Students gathered from all over the world, representing over 70 different nationalities training in our full time college. Our Certificate, Diploma and Advanced Diploma of Ministry. These are designed to give solid, practical and life-changing training for successful leadership in a wide range of ministries and occupations. Students can study Pastoral Leadership, Worship Music, TV and Media or Dance - with the added benefit to further customise their studies by specialising in a Pathway (eg Youth, Kids, Social Justice, Community Action, Pastoral Care, Young Adults, Church Ministry, Worship Music, and Production). We also host a degree program on our campus for those desiring to undertake further study.

Tania Braun - My Hillsong College experience

"I arrived at Hillsong College in 2005 a timid and insecure girl. I loved God with all of my heart, and knew that He could do anything, and yet, I found it hard to believe that I was able to play any significant part in building His Kingdom. Sitting under teaching and preaching that believed not only in God, but also in my potential, changed the view I had of myself. Looking back I can see how God used the environment of Hillsong College to set me up to fulfil the dreams that were in my heart. I genuinely thank God for bringing me to a place that believes in Him and believes in the potential in people."





I-HEART

You aren't alone in wanting to make a difference. There are lots of us, passionate to do something to help. Yes, the world is a mess but the Good News is that it can get better. All it takes is a little more unity and love. So, "I-HEART" exists to help more people; help more people.

We believe that love cannot be measured, only demonstrated. Following the global launch of Hillsong UNITED's film, *The I Heart Revolution*; *We're All in This Together*, in 2010 through inspiration and raising awareness, I-HEART connected thousands of everyday people to avenues and opportunities - both local and global - to do something extraordinary in helping someone else. Because we love; we help. **And I-HEART makes helping EASIER.**

With Hillsong UNITED on tour in the U.S, I-HEART facilitated its first 'This Means Love Food Drive', collecting over \$10,000 worth of food when national food bank inventories were dangerously low. Through local partnerships in each city, worshipers were able to unite in voice and heart in meeting the needs of people in their city.

At I-HEART.ORG people are sharing practical ways in which they are helping people, while also pooling their resources to love others by meeting their needs.

At Hillsong Conference in Sydney, hundreds of towels and shoes were collected to be distributed to the local homeless population. In addition, through partnership, delegate generosity and online donations we were able to help:

- 277 street children in Mumbai were clothed through Vision Rescue, providing protection from the vulnerability of nakedness
- Life saving equipment will be purchased in Uganda to process blood, so doctors can correctly diagnose and correctly treat 15,000 people per year through Watoto
- 174 locally produced desks and chairs were given to "untouchable" Dailit students in India, literally lifting them off the floor to learn with dignity through Operation Mobilization.
- And 13 women will be represented in court to prosecute their traffickers, creating precedent, altering whole national justice systems to protect human rights through A21.

While these results would be difficult to achieve in isolation, with your help, the I-HEART film has become more than an inspiring call to action. Using social media and international gatherings of the Church, because of grace, unity and partnership, I-HEART has become a movement of people helping people; making a significant difference to the lives of thousands.

We're all in this together. **Together we are better.**

I-HEART.ORG

- 2196 families with one month of life saving food through World Vision Australia and the UN Food Programme
- 2 water projects will be built, servicing two whole communities in Africa through Charity Water
- 5 houses will be rebuilt in Bangladesh after a natural disaster through Compassion Australia

CONFERENCES

Our conferences exist to champion the cause of the local church across the globe. Each year, our selfless volunteers welcome and serve thousands of guests who travel far and wide to be inspired, empowered and equipped in their walk of faith.

Hillsong Conference

Thousands gather from across the globe and from every denomination but the mandate for Hillsong Conference remains the same, "to empower the local church". This is a leadership conference to celebrate the church at large. It would not be possible without the commitment of thousands of volunteers who diligently and passionately serve to create the atmosphere of faith, expectancy and love that Hillsong Conference works hard to deliver. Where we go each year is not where we have been before.

The theme for Hillsong Conference 2010 was framed by the scripture in Isaiah 61. The Spirit of the Lord is upon all of us to proclaim the good news, declare freedom for the captives and comfort the brokenhearted. We unite at conference and then scatter to outwork all that was imparted. Churches, ministries, dreams and visions are birthed out of this gathering, and we never take for granted the work God does in each delegate and guest. Hillsong Conference is a highlight for our church to host as we seek to see HIS Kingdom be established across the earth.

Colour Conference

She comes in colours everywhere... she's like a rainbow... she is Sisterhood... WE are Sisterhood!

"Colour your World" Women's Conference is designed to place value upon humanity and to empower women from all walks of life to be all they can be. Under the "I AM SISTERHOOD" banner women gathered in the Sydney Entertainment Centre and in our very own and very full Hills campus to lift up the name of Jesus. Women gather to glean from the Word and to be inspired and equipped for the fight against injustice. Prayer Maps were launched and thousands of women committed to praying for one of the many countries that are affected by the global crime of human trafficking. The influence our prayer and corporate faith has made across the globe is seen as good reports come in from the initiatives we partner with. Women and children across the earth are given a hope through our response to the need. We are an army of women who go from strength to strength each year and increasingly take ground in our own lives and abroad for the Kingdom of our Heavenly Father. The gift this year so beautifully and practically represented what we are about - FREEDOM! We will walk, mobilise and take action for freedom as the Spirit of the Lord is upon us to do so!

The gorgeous Cape Town ladies jumped on board this year and joined Sydney, London and Kiev for their first ever Colour Your World Conference held over one day. The girls were so hungry we had to schedule to run it for a second day! The message was taught, caught and now they too are running with it!

The ballerinas, dancing lights, giant poppies and confetti may have gone to sleep but the message and mandate of COLOUR continues to burn within the heart of every woman.



Hillsong 2010

21,597 delegates

79 countries

19 denominations

Colour 2010

15,395 delegates

38 countries

19 denominations

Mens 2010

3,825 delegates

18 countries

19 denominations



REACH AND INFLUENCE

“Our partnership with the Hillsong Leadership Network has enabled church leaders to interface with the key team of Hillsong Church, and many other Network leaders globally. The contribution to our church and team has been of great value.”

- Pastor from QLD, Australia.

Hillsong Television

Hillsong TV airs in over 180 countries every single week. In 2010, the ministry of Hillsong TV impacted many lives for the Kingdom of God. We received nearly 10,000 calls from around the world; and over half of these were prayer requests; with many people making decisions for Christ over the phone. We were also excited to continue to broaden our coverage this year with many stations from around the world offering to host the show at little or no cost to us. Hillsong TV also began providing the Discovery New Christians Course to viewers who made decisions for Christ because of the program. Many callers now watch Hillsong TV from countries where the name of Jesus may not otherwise be proclaimed. We often hear viewers express the fact that they are unable to attend a local church, so the support, teaching and encouragement they receive through the ministry is immeasurable.

Hillsong Leadership Network

The Hillsong Leadership Network is currently made up of over 500 churches, ministries and individuals from around the world. It seeks to connect, encourage and invest in these leaders from various denominations and communities.

In February 2010 we launched the brand new initiative ‘Open House’; a two day intensive where we opened the doors of Hillsong Church to our Network members.

Some of our key team shared on topics ranging from Church Management, Running a Campus and Communicating Effectively; to Events, Ministry Age Groups, Aid and Development and more. These pastors also joined us for some key events in the life of our church such as our Hillsong Creative ‘Elevate’ night, our Friday night Youth Services and our annual Vision Sunday presentation across the weekend. A great deal of wonderful feedback was received from these two days and our Network Pastors are eagerly anticipating the next ‘Open House’ opportunity.

During the months of August and September the Leadership Network also hosted a series of 10 Webinars streamed live via the network website. Many Network Pastors from across the globe logged in to join us for these information sessions presented by many of our departments such as Street Teams, Sisterhood, Youth, TV and Production and more. These have proved to be a great avenue of communication and resource to Network members and further webinars are being planned for the future.

The Leadership Network is committed to investing in Church leaders, to see real and eternal impact in our communities, cities and nations.

HILLSONG AID AND DEVELOPMENT / LIFE AID AUSTRALIA

1. Our Objectives

- To alleviate poverty without bias regardless of gender, political affiliation, religious belief, culture or age.
- To build the capacity of individuals and communities through sustainable development and education.
- To empower communities to continue developing autonomously thus increasing their capacity to care for their most vulnerable groups.

Hillsong Aid and Development currently undertakes Australian based charitable initiatives under their existing tax endorsement as a DGR pending the successful application to be endorsed through the Overseas Aid Gift Deduction Scheme.

2. Our Responses to Significant Events

a. Pakistan (July 2010) - ACC World Relief

Heavy monsoon rains hit the nation of Pakistan in July 2010. Nearly 2000 people were killed and as many as 20 million people affected by the waters that damaged and destroyed over 2000 villages. In response to the floods, our congregation generously gave \$49,498 toward the relief and aid of Pakistani villages, while Hillsong Aid and Development partnered with ACC International Relief to distribute aid to areas in the southern province of Punjab. Onsite teams worked with local village leaders to package and distribute food, provide shelter and clothing to the homeless, supply clean drinking water and to assist with the medical needs of the community.

b. Haiti (January 2010) - Compassion

On January 12, 2010, Haiti's capital, Port-au-Prince was devastated by a 7.0 magnitude earthquake, leaving 230,000 people dead, 300,000 injured and an estimated 1 million homeless. As a church, we partnered with Compassion Haiti to give \$186,997 toward their ongoing work in the midst of the devastation. Worldwide, Compassion raised just over 28 million dollars to support both short-term and long-term objectives for aid and recovery in Haiti. These donations provided transitional shelters for children and families, mobile clinics, hygiene kits, emergency food kits, hospital supplies, Hepatitis A and Tetanus vaccines, water-treatment systems and on-going trauma counselling for Haitian people. Although the work is far from over, Hillsong Church made a difference in rebuilding the broken walls of Haiti.

3. Ongoing support for various projects through the Hillsong Foundation/Life Aid Australia

Summary: In 2010, through the generous giving of our church, the Hillsong Foundation/Life Aid Australia was able to give more than \$1.4 million towards ongoing work in 16 humanitarian projects around the world. These projects represent more than a dozen nations and thousands of men, women and children who will receive practical life support such as food, clothing, shelter, medical aid and education. These projects, whether large or small, ultimately translate into countless souls who have been touched by the hands and feet of Jesus, which is the Body of Christ - the Church. We may never know the full extent of the fruit that comes from these projects but we are spurred on by the need to reach these people with the love of Jesus.





Some of these projects include:

a. Tembaletu: We are in the exciting first stage of building three dorms at Tembaletu that will allow accommodation for 40 kids initially. As a church, we have given \$526,500 toward the building of Tembaletu in 2010, and in addition, the local Western Cape government from 2014 will help to cover the budget for the ongoing costs up to that point. We are continuing to look at ways of funding this school and looking after the kids, as well as continuing to build accommodation because of the very great need. Tembaletu is the only school for physically disabled Xhosa-speaking people in the Western Cape - an area of literally millions - and because it's the only school that allows kids with physical disabilities to be educated, the potential of these children going to university, getting a degree and a great job is so far from what they ever thought was possible until we as a church became involved.

b. Vision Rescue: Under the leadership of Biju Thampy, Vision Rescue has operated in Mumbai since 2003 providing education, food, health care and the Gospel to the city's poorest people. In 2010 alone, our church contributed \$100,000 towards the running of Vision Rescue's day-to-day programs. The buses that Vision Rescue drive, the medical mobile unit and the dental mobile unit have all come from either Hillsong Church or from people inside of Hillsong Church. In addition, the Colour Sisterhood has donated a kitchen which currently provides 1100 meals every day, with the future capacity to feed 5000 people. Beyond providing food and healthcare, Vision Rescue also employs people from disadvantaged communities helping to break the cycle of poverty. As we partner together, we can continue to make a huge difference in this nation, one by one.

c. Watoto: The unfolding story of Watoto is for the orphaned children and vulnerable women of war-torn Uganda. Watoto is in a stronger position than it ever has been before to rescue an individual, raise that individual as a leader so that they in turn will rebuild their nation. In 2010, we gave \$30,000 to Watoto and we are passionate about continuing our partnership with Gary and Marilyn Skinner as they expand the Watoto model into South Africa.

d. The A21 Campaign: When it comes to the fight against human trafficking, The A21 Campaign is committed to abolishing this injustice in the 21st century. They exist to prevent people from being trafficked, protect and support those who have been trafficked, prosecute traffickers and partner with law enforcement and community service personnel to provide a comprehensive front against trafficking. At our 2010 Men's Conference, the men of our church and the larger conference community put a stake in the ground of \$161,313 to fight against this organised criminal industry.

e. Teen Challenge Australia: The ministry of Teen Challenge continues to be one that is close to our heart with many within our local community having benefited from this outstanding ministry. ONE80TC exists to support, give direction to and love men needing help to break the chains of addiction and other life-controlling addictions. In 2010, as a church we gave \$150,000 to the work of Teen Challenge Australia.



THE COLOUR SISTERHOOD

The Colour Sisterhood represents a company of down to earth, everyday women who desire to make a difference & make the world a better place - in essence it is seeking to place value upon humanity, a story of unity & alliance.

GLOBAL

On a global level, some highlights include the gathering of the SISTERHOOD to come alongside Watoto in providing practical items for their Baby Watoto homes. A total of 8783 brand new items were sent in to us ranging from clothes, knits of all varieties, blankets, bibs and toys to soothers, milk bottles, medication and medical equipment. These items were shipped to Watoto at the end of last year and were safely received and distributed by Watoto earlier this month.

Across the year, we raised a total of \$333,543 to go towards Living Hope's facial reconstruction program which is designed to help restore dignity to those women who had been physically brutalized by the LRA. So far, 11 surgeries have been performed with many more lined up for this year.

We were also able to help in sponsoring HIV positive mothers through the Living Hope program and seen girls rescued from human trafficking through the A21 program.

LOCAL

On a local level, our Sisterhood gatherings at each campus continued to be the strength of Sisterhood and helped facilitate all our community endeavours. Here are a few selected highlights from our Hillsong Sisterhood during 2010.

Pink Ribbon:

In October, we hosted a Pink Ribbon morning in Sydney & Brisbane, with over 1300 women gathering to raise awareness & support for women experiencing breast cancer, with special guest speaker Kylea Tink from the McGrath Foundation.

Be the Change:

Be the Change is always a highlight in our Sisterhood calendar as we roll up our sleeves to bring kindness and practical help to all kinds of people. Through these mornings we continue to establish ongoing relationships with our local community. Here's a snapshot of Be the Change in our campuses during 2010...

- Hills Campus has an ongoing relationship with Cure Our Kids. On a weekly basis we hold craft mornings (beading, face painting & scrapbooking) in the Chemotherapy Clinic. Once a month we host a de-stressing massage afternoon for the parents whose children are in the oncology ward.
- City Campus hosted community morning teas in Redfern with live music and pamper. We also made lunches for kids in local primary schools.
- Brisbane Campus blessed mums of children with disabilities from a local school with an extravagant high-tea and pampering by a massage therapist.
- South West made healthy snacks and main meals for a local teenage girl's shelter. At Christmas we decorated the girl's shelter, and provided a decorated Christmas tree and gifts for the girls.

Bras for Uganda:

Just from our local Sisterhood alone, we collected 379 beautiful brand new bras to give to women in Uganda through The Colour Sisterhood.

Prayer Map Extension:

This year we increased the reach of our prayer map to include those nations that were formally part of the Soviet Union. Because of our Sisterhood connection in Hillsong Kiev - as a global Hillsong Sisterhood we committed to praying for the women of these nations.

Report on the Summary Financial Report

We have audited the accompanying summarised financial report of The Activities of Hillsong Church Australia ('Hillsong Church Australia') which comprises of those related entities specified in Note 1, comprising the summary balance sheet as at 31 December 2010, the summary statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and related notes, which was derived from the combined financial report of Hillsong Church Australia for the year ended 31 December 2010. We expressed an unmodified auditor's opinion on that combined financial report in our auditor's report dated 19 May 2011.

Common Directors' Responsibility for the Summarised Financial Report

The directors of each of the related entities comprising Hillsong Church Australia's (the 'common directors') of Hillsong Church Australia are responsible for the preparation and presentation of the summarised financial report in accordance with accounting policies described in Note 1 to the summarised financial report.

Auditor's Responsibility

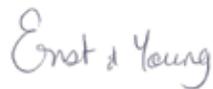
Our responsibility is to express an opinion on the summarised financial report based on our procedures, which were conducted in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements.

Opinion

In our opinion, the information reported in the summarised financial report is consistent, in all material respects, with the combined financial report from which it was derived. For a better understanding of the scope of our audit, this auditor's report should be read in conjunction with our audit report on the combined financial report.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the summarised financial report which describes the basis of accounting. The summarised financial report is prepared to assist the common directors of the related parties specified in Note 1 to provide financial information to their members. As a result the summarised financial report may not be suitable for another purpose.



Ernst & Young

Sydney
19 May 2011

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under Professional Standards Legislation

FINANCIAL AND GOVERNANCE

The Activities of Hillsong Church Australia Notes to the summary financial statements

1. Basis of preparation

The summary financial statements are derived from the combined financial report of The Activities of Hillsong Church Australia for the year ended 31 December 2010. This report presents the aggregation of the entities which undertake the religious, educational, welfare and development activities of those related entities comprising The Activities of Hillsong Church Australia, being:

**Hillsong Church Ltd
Hillsong Foundation Trust
Hillsong CityCare Ltd
Hillsong Media and Performing Arts Inc
Hillsong Aid and Development Ltd
HCLC Ltd (formerly Hills Christian Life Centre Ltd)
Hillsong Limited
Life Aid Australia Ltd (New in 2010. Prior year figures have been restated for comparative purposes.)**

Hillsong Youth Services Inc, which has been included in the prior year figures, discontinued its operations as at 31 December 2009.

The operations of Garden City Christian Church Ltd and Garden City Community Care Ltd in Brisbane were transferred to Hillsong Church Ltd and Hillsong CityCare Ltd on 1 September 2010 and 1 October 2010 respectively. As the transfer of operations did not occur until 2010, the prior year figures have not been restated for comparative purposes.

The combined financial report has been prepared for distribution to the members of each of the related entities identified above.

The combined financial report complies with the measurement requirements of International Financial Reporting Standards and Australian Accounting Standards, except AASB 127 'Consolidated and Separate Financial Statements'. The combined financial report is not prepared on the basis of the identification of a head entity and the consolidation of all of the entities it controls or controlled during the financial period. The combined financial report comprises the aggregate of the financial statements of those related entities as at and for the period ended 31 December each year which undertake charitable initiatives within the geographic region of Australia identified above.

The common directors of each of the related entities identified above have prepared the financial report in accordance with the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements', AASB 1031 'Materiality' and AASB 1048 'Interpretation and Application of Accounting Standards'. For more detailed information and understanding, these summary financial statements should be read in conjunction with the audited combined financial report.

FINANCIAL AND GOVERNANCE

The Activities of Hillsong Church Australia

Statement of Comprehensive Income

For the year ended 31 December 2010

	2010 (\$)	2009 (\$)
Total revenue	64,164,341	59,564,163
Church related expenditure	(22,144,226)	(20,383,566)
Welfare, missions and overseas aid	(9,944,500)	(10,520,117)
Resources	(4,529,681)	(4,707,818)
Bible College	(6,189,908)	(5,660,599)
Conferences	(6,741,913)	(7,893,057)
Campuses facilities, maintenance and other expenses	(11,622,303)	(10,174,123)
Surplus from operations	2,991,810	224,883
Financial income	123,929	36,917
Surplus available for church and ministry projects	3,115,739	261,800
Other Comprehensive Income	-	-
Total Comprehensive Income for the period	3,115,739	261,800

FINANCIAL AND GOVERNANCE

The Activities of Hillsong Church Australia

Statement of Changes in Equity

For the year ended 31 December 2010

	Settled sum	Retained surplus	Total
	(\$)	(\$)	(\$)
Balance at 1 January 2010	50	8,254,785	8,254,835
Net surplus for the year	-	3,115,739	3,115,739
Balance at 31 December 2010	50	11,370,524	11,370,574
Balance at 1 January 2009, as previously reported	50	7,920,820	7,920,870
Opening balance for Life Aid Australia	-	72,165	72,165
Balance at 1 January 2009, restated	50	7,992,985	7,993,035
Net surplus for the year	-	261,800	261,800
Balance at 31 December 2009	50	8,254,785	8,254,835

FINANCIAL AND GOVERNANCE

The Activities of Hillsong Church Australia

Statement of Financial Position

As at 31 December 2010

	2010 (\$)	2009 (\$)
Current assets		
Cash and cash equivalents	6,956,682	2,876,973
Trade and other receivables	3,651,821	12,838,287
Inventories	610,898	544,247
Other assets	264,027	413,068
Total current assets	11,483,428	16,672,575
Non-current assets		
Other receivables	10,807,878	-
Property, plant and equipment	6,419,677	5,471,471
Total non-current assets	17,227,555	5,471,471
TOTAL ASSETS	28,710,983	22,144,046
Current liabilities		
Bank overdraft	3,253	-
Trade and other payables	6,548,668	5,893,935
Employee benefits	1,652,593	1,410,859
Other	6,380,204	5,794,632
Total current liabilities	14,584,718	13,099,426
Non-current liabilities		
Other payables	1,664,637	-
Employee benefits	1,091,054	789,785
Total non-current liabilities	2,755,691	789,785
TOTAL LIABILITIES	17,340,409	13,889,211
NET ASSETS	11,370,574	8,254,835
Accumulated funds		
Retained surplus	11,370,524	8,254,785
Settled sum	50	50
TOTAL ACCUMULATED FUNDS	11,370,574	8,254,835

FINANCIAL AND GOVERNANCE

The Activities of Hillsong Church Australia

Statement of Cash Flows

For the year ended 31 December 2010

	2010 (\$)	2009 (\$)
Cash flow from operating activities		
Cash receipts in the course of operations	62,229,842	61,042,816
Cash payments to suppliers and employees	(57,740,700)	(59,131,208)
Interest received	123,929	36,917
Net cash provided by operating activities	4,613,071	1,948,525
Cash flow from investing activities		
Acquisition of cash from Garden City Christian Church	288,039	-
Payments for property, plant and equipment	(756,581)	(1,102,905)
Net cash used in investing activities	(468,542)	(1,102,905)
Cash flow from financing activities		
Payment of finance lease liabilities	-	(47,807)
Loans from related parties	1,583,414	976,281
Loans to related parties	(1,452,749)	(2,278,498)
Repayments from related parties	612,319	-
Repayments to related parties	(811,057)	-
Net cash used in financing activities	(68,073)	(1,350,024)
Net increase/(decrease) in cash held	4,076,456	(504,404)
Cash at the beginning of the financial year	2,876,973	3,381,377
Cash at the end of the financial year	6,953,429	2,876,973

CONTACTS

Thus, says the Lord: Heaven is My throne, and Earth is My footstool. What kind of house will you build for Me? And where will my resting place be?

- Isaiah 66:1

Senior Pastors: Ps. Brian and Bobbie Houston

General Manager: George Aghajanian

Lead Pastors: Joel and Julia A'Bell

Hills Campus: 1-5 Solent Circuit, Baulkham Hills

City Campus: Corner Danks and Young St, Waterloo

SouthWest Campus: 5 Watsford Road, Campbelltown

Brisbane Campus: 16 Rover St, Mt Gravatt, QLD

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Hills Chinese

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For weekend service times or further information about our community initiatives, visit:

www.myhillsong.com ph: (02) 8853 5353



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