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# CITY NEWS WEEKLY

SPECIAL EDITION

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CN FILE PHOTO

Co-defendants Tan Ye Peng (left) with John Lam.

## THE WORD OF THEIR TESTIMONY

The final three defendants in the City Harvest trial showed the same frame of mind and maintained the same stand as their co-accused.

By **THE CITY NEWS TEAM**

It took 138 days in court to hear the evidence of the six defendants in the trial involving City Harvest's leaders: senior pastor Kong Hee, former treasurer and secretary of the church board John Lam, finance manager Sharon Tan, former fund manager Chew Eng Han, deputy senior pastor Tan Ye Peng and accountant Serina Wee. The court has also heard the

evidence of 14 prosecution witnesses, and three defense witnesses.

The different defendants are accused of conspiring to commit criminal breach of trust by channeling the church's funds to pay for the Crossover Project through sham bonds, and of falsifying accounts.

Key points raised by Chew, Tan Ye Peng and Wee between January and May

this year were familiar ground for those following the case since hearings began on May 15, 2013: the bonds were genuine investments; the auditors and lawyers had been furnished with the purpose and pertinent facts regarding the bonds; the accused fully expected the bonds to be redeemed based on sales projections of the

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CITY HARVEST CHURCH

Thank You

for standing together in prayer and unity.

Let us continue to be strong and steadfast as we journey down this road together in Christ.



## SPECIAL EDITION

The Word Of Their Testimony (cont'd from Page 1).

US album; and the Advance Rental License Agreement and the Special Opportunities Fund were genuine investments with real obligations tied to them and not a case of the church using its own money to recoup its investments.

*City News Weekly* reviews the defense's main arguments.

### BONDS WERE NOT "SHAM"

The Crossover Project had its inception in Asia, namely Taiwan, Hong Kong, Malaysia and Indonesia. It was when an opportunity to expand to the US came knocking end-2006, that more money was needed to finance Ho's debut English album.

The court heard that after an attempt to secure funding from a bank fell through, Tan Ye Peng proposed a loan to Xtron from CHC's building fund.

Chew, who founded CHC's investment manager, AMAC Capital Partners arrived at the idea of the church buying bonds from Xtron. It was then his responsibility to structure the terms of the first Xtron bond (and the subsequent Amended Bond Subscription Agreement) and the Firna bond.

The prosecution argued that these bonds were sham transactions; they have attempted to show that the terms were unilaterally decided by the accused, that Kong and Tan "controlled" Xtron (using it as a "conduit" to channel church funds out), and that the accused persons "knew" the bonds would not be recoverable upon maturity. In addition, the bonds were alleged to be an unauthorized use of the building fund.

The defendants' continually maintained their position that the bonds were genuine investments, given that the church received between four-and-a-half and seven percent returns on the funds invested. The church was also entitled to invest surplus funds in the building fund under its constitution. In addition, all financial transactions had been approved by the board, as well as the Xtron directors.

As with Kong's testimony, the plan to invest the building funds into Xtron had been made known to the then-managing partner of audit firm Baker Tilly Foong Daw Ching, and the bond agreement subsequently drafted by CHC's lawyers. At no point did these professionals say that any of the transactions were illegal or improper, the defendants pointed out.

Chew, who structured the bonds, defended their legality. In challenging the prosecution's case that the Xtron and Firna bond investments were an unauthorized use of the church's building fund, Chew reasoned that the party who had the right to determine if any usage was authorized was the church board. Since 2002, the board had given approval for transactions needed to enable the Crossover Project and, later, the building search, the court heard.



Tan Ye Peng (left) with his lawyer SC N Sreenivasan.

CN FILE PHOTO

### OBLIGATIONS TO REPAY BONDS WERE REAL

Another point the prosecution tried to establish was that there was no real obligation on the part of Xtron to repay CHC, hence the bonds were sham. The defendants were the ones discussing how to provide Xtron with funds to redeem the bonds, the prosecution said.

Their defense was that they were, as a church family, helping Indonesian businessman Wahyu Hanafi, the underwriter of the whole Crossover Project, to shoulder the burden of coming up with such a large outlay of cash within a relatively short period. Throughout the hearing, the court heard from multiple parties, including Hanafi himself, that he had expressed his desire to finance the Crossover Project since 2002.

In her defense, Wee maintained that the obligation under the Xtron bonds was real and the Xtron directors, including Hanafi, were the ones bearing that responsibility. She explained that her co-defendants were involved in planning ways to repay the bonds because they were involved in the Crossover Project. She added that the intention was to repay the bonds with album sales proceeds, which unfortunately did not happen due to unexpected delays with the album production.

All six accused persons testified that the promise to underwrite the Crossover Project was made good, and the church ultimately received all its principal sums invested with interest.

The defendants also testified that they did not believe that the financial transactions the church entered into were sham or illegal. Email evidence showed the accused, namely Wee, asking auditor Foong Daw Ching if there was any breach in

governance and if the bonds were legal. Foong's reply was that everything the church leadership did had to benefit the church and its members. Wee explained that Foong was a very senior auditor who specialized in auditing churches and charity organizations and therefore the six trusted and relied on his advice.

### THE ISSUE OF "CONTROL"

The prosecution tried to show that the defendants gave the auditors the false impression that CHC did not control Xtron. The prosecution's theory was that Wee obtained the signatures of the Xtron directors on the company's board meeting minutes to show the auditors that the directors themselves were in control of all financial transactions. The prosecution suggested it was actually Kong and Tan Ye Peng who controlled and made decisions for Xtron.

Under cross-examination, Tan explained that when the Xtron directors signed the first \$13m Xtron bond subscription agreement, they were agreeing on the amount that could be spent, i.e. the budget for the project would be \$13m. Beyond that, they left the managing of the drawdown schedule to the Crossover team who would make operational decisions for the project. It was, after all, a CHC mission—it was only apt for Kong and Tan as the church's leaders to coordinate its execution.

The prosecutor suggested that Tan and his co-accused were manipulating the flow of funds between Xtron and CHC via retainer fees and rental rates, for the sole purpose of supporting Xtron financially; Xtron was merely a "conduit" to execute their conspiracy.

Tan disagreed with this suggestion, pointing out that the church board had

to approve the amounts, and Xtron's staff had to agree to the cost of services in order to maintain operational sustainability. Every dollar paid to Xtron had to be justified with a real, legitimate service provided, he said. The prosecution accused Tan of merely creating "cover stories" as a justification to channel funds to Xtron, ensuring that it had money to pay the bond interest due to the church.

Why was it wrong to help safeguard an investment after one has made it, Tan asked.

### WALKING A "GREY AREA"

One key piece of evidence that the prosecution has shown numerous times in court was an email written by Wee, which contained advice apparently given by Foong that had been deemed "improper" by the auditor himself when he was on the stand.

In the email, the court saw that Foong had told the accused not to minute down everything during meetings so as not to "paint the picture" that CHC controlled Xtron. When he was on the stand in 2013, Foong claimed that he gave no such advice; he said that he would not have told anyone to do any "improper" thing by suggesting that the accused misrepresent the relationship CHC had with Xtron.

Wee, like the other defendants, refuted Foong's testimony. She told the court that the then-managing director of Baker Tilly had in fact told the accused to record meeting minutes such that the two entities were kept at arm's length. Wee testified that she did not feel Foong's advice had been improper, and has disagreed with the prosecution's claim that this was merely an extrapolation of what Foong had said, in order to justify the accused parties' efforts at maintaining the ap-



## SPECIAL EDITION



CN FILE PHOTO

Former Xtron accountant Serina Wee (right).

pearance of separation between CHC and Xtron.

Chew, who had been present when Foong allegedly gave the advice, testified that the auditor had “coached” the CHC parties on the proper and legal ways to do things while achieving the church’s aim of being discreet.

Foong considered the issue of control subjective and “grey”, and had advised them not to go around saying CHC had full control of Xtron, Chew recalled, adding that Foong advised them to try to walk within the gap and not breach the rules.

While there was always a desire on the part of the church leadership to keep things discreet from the public at large, the defendants did not hide anything from the auditors, the court heard. Foong was the first party to know about the bonds before they were transacted, said Chew.

Like his co-accused, Tan testified that he never thought the transactions were inappropriate because Foong, whom he respected and trusted as a fellow Christian and an elder of another church, had been consulted. Additionally, fund manager Chew was a financially savvy investment professional who had checked all their investment plans with lawyer Christina Ng.

#### WERE THE BONDS RECOVERABLE?

When Chew was on the stand, the prosecution reiterated its position that when the accused entered into the Xtron bonds in 2007, they did not believe that the bonds would be redeemable upon maturity in 2009. This was an indication that the bonds were not genuine, said the prosecution.

In an email from Wee to Tan Ye Peng, Wee said that the cashflow projection based on album sales of 200,000 units

showed that Xtron would not be able to repay the bonds upon maturity. On the stand, the accountant explained that the 200,000 figure was a case of scenario planning, and that it was the church’s style to plan for a worst case scenario.

Subsequently, Justin Herz, Sun Ho’s manager in the US, had given the defendants a cashflow projection based on sales of 1.5m units of the Crossover album. With this figure, Xtron would be able to repay the bonds owed to CHC.

Chew also told the court that he had full confidence in the success of the album and the ability for Xtron and, later, Firna to repay the bonds using album proceeds.

#### THE STORY BEHIND THE “ROUND-TRIPPING” OF CHURCH FUNDS

The prosecution claimed that the entire series of bond redemption transactions—the

ARLA and SOF—which involved Xtron, Firna, Ultimate Assets, AMAC and the church, was designed to “hide the trail of funds” and “obscure” the fact that it was really the church’s own money that had been used to repay itself.

In response, the defendants’ position was that the church effected an early redemption of both the Xtron and Firna bonds to address audit issues raised by auditor Sim Guan Seng; the bonds were unquoted and had a convertibility feature which led to valuation issues.

It was put to the defendants that they were trying to clear the bonds because questions raised by Sim would lead to impairment issues and further scrutiny of the Xtron bonds by the auditors. The prosecutor’s theory is that this scrutiny of the bonds would eventually lead to



CN FILE PHOTO

Former fund manager Chew Eng Han.

the discovery of the sham nature of the bonds. Wee disagreed with this hypothesis, stating that she did what the church board wanted to in order to address the audit issues. She added that the financial report of the current year already showed an impairment on the bonds. The auditors knew about this so there was no scrutiny of the bonds to be con-

cerned over.

When Sim was on the stand, he had testified of his knowledge that the ARLA would result in the redemption of the Xtron bonds in CHC’s books, and he had no issue with it. However, he disagreed with the defense’s recollection that he had told CHC finance manager Sharon Tan that he wanted the bonds off the books.

The prosecution called these transactions sham as well. Tan disagreed with this, as did the other defendants, pointing out that the SOF tranches in question were principal-guaranteed investments which had been returned to CHC in full with interest.

Although Xtron had used part of the ARLA to buy up the bonds, Tan explained that it was still obligated to provide the corresponding value CHC had paid, which in this case was the use of venue for a pre-agreed length of time. Xtron, on its part, would service this obligation with the expected revenue that was to come from the US album sales. In essence, AMAC and Xtron were legally bound to compensate CHC for what it had paid.

In addition, the prosecution charged that the retrospective manner in which the interest rate of the SOF was set showed that the SOF investments were not genuine investments and that these were not commercially motivated transactions.

Chew responded that an investment is defined by the expected returns and not the process or structure by which it is carried out. He also added that he had never claimed the SOF investments were commercially motivated, but were done

**The defendants’ position is that the bonds were genuine investments, given that the church received between 4½ and 7 percent returns on the funds invested. The church was also entitled to invest surplus funds in the building fund under its Constitution. In addition, all financial transactions had been approved by the board, as well as the Xtron directors.**

because he understood Sim had wanted the bonds off the books.

#### NO FALSIFICATION OF ACCOUNTS; TRANSACTIONS RECORDED ACCORDING TO TRUE NATURE

Wee disagreed with the prosecution that she and her co-defendants had falsified the entries of the SOF and the ARLA in the church accounts. She said that they had been recorded according to their true nature as investments and rental; the offset of Xtron bonds using the advance rental was only on an interim basis.

The prosecution had produced an email in which Wee told her staff that the amount of advance rental was based on an “arbitrary figure”. Earlier, in her evidence-in-chief, Wee explained that what she had meant was that the figure was an estimate and not arbitrary, as in random.

The prosecution put to Wee that the portion of the ARLA used to set off Xtron bonds was a sham because it was never intended for rental. Wee disagreed, stating that there were genuine legal obligations tied to the ARLA. The prosecution went on to say that, in addition, the recording of those transactions as advance rental was false, done so to defraud the auditors. Wee, along with the other co-accused, testified that the transactions were recorded according to their true nature and that there was never any intention to defraud the auditors.

#### HAS THE PROSECUTION SUPPORTED ITS CASE?

Before leading his client Tan Ye Peng through his examination-in-chief, senior counsel N Sreenivasan brought the court back to the charges against the six in an hour-long summation of the case up to that point.

He highlighted several points against the prosecution’s case, among them, that the prosecution had stated they did not accept the evidence of some of their own witness—therefore they were making their case not because of but in spite of their own witnesses’ testimonies. Sreenivasan also noted that the prosecution had been adding new slants to their allegations as the defense case progressed.

The senior counsel also pointed out that CBT is a crime that involves loss of property of a victim, but in this case, the Crossover Project was a mission of the church, there was no complaint, there was no victim, and therefore the CBT charges should be dropped.

Chew, Tan and Wee all told the court that they had acted in good faith throughout the exercise to fund the Crossover album, believing they were serving a purpose and mission set by God. Despite their predicament, each expressed satisfaction at the evangelistic success achieved through the Crossover Project.

*Oral submissions from both prosecution and defense will be heard in September.*



## SPECIAL EDITION

# A Series Of Unfortunate Events

One thing led to another. Two pressing needs culminated at the same time. We take a look back at how both the Crossover Project and property search dovetailed, resulting in a funding crunch.

By **THE CITY NEWS TEAM**

## CROSSOVER PROJECT

Work on album containing Sun Ho's previous singles plus new songs begins with Justin Herz.

Justin Herz decides to rope in Wyclef Jean. Sun tours with Wyclef; gets good reaction. Wyclef decides to re-record album; moves launch to 2009.

**ALBUM DELAY**

Sun is appointed Music Ambassador for Beijing Olympics.

Fee negotiations with Wyclef falls through.

Sun's management transfers to Ultimate Assets,

Sun re-writes and re-records album with new producer Johnny Wright. She needs to undergo two major surgeries for colic adhesion.

**ALBUM DELAY**

Plans to launch album, *Causing A Ruckus*, become concrete. Summer promotional radio and club tour planned for Jun 15. Album launch planned for Aug 17.

## 2005-2006

US album funded by sponsors of Xtron, Sun's artiste management company.

## 2007

Album expenses begin to increase. Other sources of funding sought; bank loan interest too high. AMAC invests into Xtron with CHC funds. First Xtron bonds worth \$13m transacted.

## 2008

With album delay, proceeds cannot come back within 2 years for Xtron to repay church. ABSA is drawn up to extend repayment to 10 years. Additional \$8.5m from CHC to pay loan for Riverwalk purchase. When Sun changes management, Firna issues \$11m bonds to CHC via AMAC.

## 2009

Advance rental license agreement (ARLA) signed between CHC and Xtron, availing \$65m to Xtron for rental of Singapore Expo for church. Auditor's concern leads to redemption of Xtron & Firna bonds

## 2010

ARLA is rescinded when CHC successfully buys a stake into Suntec. Xtron returns CHC \$40.5m (inclusive of interest) On May 31, CAD commences investigation into CHC.

**ALBUM DELAY**

## SEARCH FOR NEW BUILDING

City Harvest Church embarks on Arise & Build for a new building in the marketplace.

Xtron is appointed proxy for CHC to bid for commercial property.

Xtron purchases Riverwalk, rents premises to CHC.

Search for new building for CHC sees consideration of over 30 locations.



Property search narrows down to Suntec and Capitol Building.



In January, CHC purchases stake in Suntec for over \$90m. No longer a need for ARLA.





## SPECIAL EDITION



CN FILE PHOTO

Sun Ho took the stand as a defense witness on May 19.

# Sun Came Up

When Sun Ho took the stand last month, her testimony served to answer questions that have surfaced throughout the City Harvest trial.

By **THE CITY NEWS TEAM**

Sun Ho, wife of senior pastor Kong Hee and co-founder of the church has been at the center of the City Harvest trial, but until middle of May this year, nothing had been heard from her about what really happened in the US where she spent five years preparing the US Crossover album.

Throughout the trial, which began hearings on May 15, 2013, the court heard

repeatedly that Ho was the singer who fronted the Crossover Project, a mission of the church that employed secular music to spread the Gospel. It also heard from all six defendants that funding was kept discreet to protect the evangelistic mission of the Crossover Project.

Little wonder that when accused person Chew Eng Han called Ho to the stand as his witness on May 19, 2015, the media and curious members of the public packed the court room.

## HOW THE CROSSOVER BEGAN

Ho told the court how her husband had a burden for the young people in Asia, particularly Taiwan, who preferred pop

culture to church. In 2002, Ho received a prophecy that she would have opportunity to sing to millions and lead them to Christ. Following the success of her "pop" performance at International Pastors' School that year, she launched her music career in Taiwan.

The court heard that the Crossover Project served three purposes: to use contemporary music to reach out to youth and bring them to Christ, to encourage Christian artists to share their faith and lastly, to engage culture and expand CHC's humanitarian efforts.

In 2003, American minister Robin Harfouche gave Ho's Mandarin album to producer Justin Herz, who helped with the production of one of Ho's Mandarin albums. He was, at the same time, looking for an Asian artist to break into the US and was keen to promote Ho. When Herz roped in producer Peter Rafaelson to write an English song for her, that marked the start of the US Crossover. Ho released five US dance singles, three of which topped the American Billboard Dance charts.

Ho told the court that she had great faith in the US album. "I have the faith in God, because first of all, this door, we didn't look for it. It was open for us ... we believe that it's a door that God has opened for us," Ho said. She also said she was "very impressed by the credentials of Justin Herz", and that she believed in Wyclef Jean's ability to make the album commercially successful in the US, given his track record breaking Shakira into America.

Ho was not alone in her faith; the church had prayed for her and commissioned her for the Asian Crossover in 2002 and the US Crossover in 2004. "I know that they have faith in God and this mission," she told the court.

## WHY WAS THE ALBUM DELAYED?

The six defendants are accused of channeling church funds to pay for the Crossover Project. In their defense, they explained to the court that the funds went into genuine investments into Ho's management companies, and had real legal obligations. The proceeds of Ho's English album were meant to repay the investments as early as 2007, but its launch was repeatedly delayed.

The first version of the album had been completed by 2007, but Herz decided to bring Jean in to fine-tune it. Jean featured Ho in his 2007 album *Carnival II* as a guest artist. Ho went on tour in America and Europe with Jean and based on the positive reaction they received, Jean pro-

posed rewriting the album, pushing its launch to 2009. The court also heard that from 2007 to 2008, Ho was named ambassador of music for the 2008 Beijing Olympic Song Fest, travelling across China to encourage university students to submit compositions for the Olympics.

In late 2008, Jean's fee proved to be prohibitive, and their collaboration ended. Herz then roped in co-producer Johnny Wright to work on the album. In early 2009, Ho had to undergo two major surgeries for colic adhesion. This pushed the deadline further back. By March 2010, the album was nearly complete, Ho told the court. She was rehearsing and preparing to go on pre-launch tour starting Jun 15, 2010. The album was slated to launch on Aug 17, 2010.

The Commercial Affairs Department launched its investigation of the City Harvest leaders on May 31, 2010.

## WHY DID SHE NOT LAUNCH THE ALBUM?

When asked by Chew why she did not adhere to his suggestion to return to US for the album launch, Ho told the court that it had, in fact, been her intention to do so. The album was ready, and she seriously considered returning to the US for the launch.

"But, your Honour, I'm also a wife, and my husband, he's been alleged of wrongdoing, and my son was having a lot of emotional meltdowns because of innocent classmates asking him is his father in jail already," Ho explained.

"I just don't know as a wife, as a mother, is it the right thing for me to leave my husband and not stand by him to go through this period of time and also to bring his son away from him, your Honour? And if something really happened to Kong, honestly, your Honour, I don't know can I manage to take care of my son alone with the burden of the Crossover Project on my shoulder? I don't know whether can I go on performing as if nothing has happened, your Honour."

Ho also told the court that as co-founder of City Harvest Church, her concern was for the church and she wanted to be there to answer members' questions. On top of all that, Ho was on bail at the time; she was only released from bail in 2013.

However, in her mind, launching the US album was never a closed deal, said Ho. "If God is willing, it would be my privilege to complete the Crossover, since we all—not just me—have put so much effort into it."

## WHY KEEP BOND TRANSACTIONS DISCREET?

"... If the church would continue or insist of funding me, then it would have to reveal to the public that the Crossover Project is the mission project of the church ... That's why, after Roland Poon, I believe that the church board and the leadership decided that ... we will allow Wahju to be the main financier for the project ... We don't want the public to perceive me as a gospel singer, because if they perceive me as a gospel singer and that this is a project of the church, then the non-Christians will not be so open to listen to my songs ... Then they will not come to the concerts and will not be able to hear the testimony or have a chance to receive Jesus."

## WERE THE MANDARIN ALBUMS A SUCCESS?

"Usually the tabulation of the sales would be left to the record company and the managers ... But the impression was that the album has sold well. I remember ... must be my first or second record—that in Singapore alone, I was given double platinum ... it would be at least 30,000 copies in Singapore alone for one album. And I remember sometime during my *Gain* album when I was under Warner, they have a press conference [and] the GM mentioned that for that album alone, I sold more than 500,000 copies."



## SPECIAL EDITION

# Intercession By The Faithful Ones

For City Harvest members and friends, battles are won on one's knees. *City News Weekly* talks to some who interceded in prayer during the trial.

By THE CITY NEWS TEAM

"Prayer kept me connected to the trial that was going on, and showed me how God was moving in every tranche in our church," says Joseph Ang, a City Harvest Church pastor. Since court proceedings against the six CHC defendants began in May 2013, church members gathered regularly to stand in the gap and intercede. Ang, who led some prayer meetings, adds that what stood out for him was "the last prayer meeting that I led on May 15, 2015, which happened to be the last one before the open trial ended. What I felt was the love and encouragement of the members for the church leaders and those standing on trial."

In 2015, the churchwide prayer meetings intensified, especially in May as the defense case came to a close. Starting with the first prayer meeting on Aug 26, 2010, a total of 82 prayer meetings were held at various locations, including

CHC's Jurong West church, YMCA and New Charis Mission, with 300 members packing the hall at the final meeting on May 15, 2015. At each prayer meeting, members had personal prayer time before praying through prayer lists. This was followed by a short time of praise and worship, and corporate prayer for the trial, the church and the leaders.

Ang said, "During that May 15 prayer meeting, we entered into a strong flow of the presence of God and ministered to those who felt trapped in particular situations. One of those members present saw me this week in church and told me she had a breakthrough in the situation she was praying over. Praise the Lord!"

Although the churchwide evening prayer meetings were held after office hours, many devoted their evenings to standing together in prayer, rushing



CN FILE PHOTO

One of many prayer meetings held throughout the trial.

down after work or school to be there. School of Theology student Vincent Lau, 24, echoed the hearts of many who went. "I want to stand in the gap because the church is my family. When your family is going through difficult times, the right thing to do is to head back home, be there and stand together with your family members. Praying is doing what I can to be there to support my family."

Ong Shuixian, 26, a client services manager expressed similar sentiments. "Tithing my time in the house of God is always one thing I feel privileged to do. People say it is not easy to commit so much to a church going through a trial, but if it's easy, then what's the point of doing it? Likewise, if my family is going through a tough season, I would grit my teeth and stay together with them—that's what truly matters."

She recalled the sharing by Tan Yah Lan, another CHC pastor, about staying faithful even when the answers to one's prayers are delayed. "I felt God speak to me clearly to stay patient and unwavering. I remember going home that night and excitedly texting my cell group members about the revelation that God was looking for sacrificial hearts, and He found us—He found the church."

Prayers came not just from believers in the local church. Rev Dr Albert V Jebanayagam, pastor of Canaan Fellowship International Church in Sri Lanka and a longtime friend of CHC, said his church had been interceding since 2010. "Throughout the past five years since the investigation began, a team of five active prayer warriors from our church have been praying several hours daily, up to eight hours each day. We constantly touched base with the local prayer warriors in CHC. We also formed a network with pastors, members who truly cared and loved the leaders of CHC. Because of these prayers our church, as a whole, has drawn closer to God."

The motivation behind such faithful intercession is "our personal love for Pastor Kong—our church was involved with him from the inception of CHC. [This expresses] our gratitude to CHC for all their love and support," he said.

"As a member and a pastor of CHC, I made the decision to journey together through this trial with the defendants," said Ang, with a reminder to all who have joined in the intercessory prayer meetings. "Indeed, all things are working for good as we continue to pray through till the very end!"

"[We] made a decision to journey through this trial with the defendants. Indeed, all things are working for good as we continue to pray through till the very end!"

~ Joseph Ang, CHC pastor

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## SPECIAL EDITION

# Heard In Court

Key exchanges and statements from court proceedings this year.

By **THE CITY NEWS TEAM**



**Senior Counsel for Tan Ye Peng, N Sreenivasan gave an opening statement on Apr 23, summarizing the key defense points.**

## THE “ODD” PROSECUTION’S CASE

“So we now have a very odd situation where the prosecution says it has made out its case not because of the evidence of its witnesses but in spite of the evidence of its witnesses.”

## THE DEFENDANTS’ FRAME OF MIND

“According to the prosecution, they are constantly talking about something which was a sham and which they knew to be a sham ... Are they spending all this time talking about something that doesn’t exist? If they knew it was a sham, there’s very little to discuss. You don’t need to discuss projections. You don’t need to discuss availability of funds to pay back. You don’t need to first put a two-year repayment remit and then change it to ten years.”

## THEY SOUGHT ADVICE FROM AUDITORS

“Foong Daw Ching being called

turned out to be a blessing, because it shows us the truth of the matter. It shows us that the accused persons were trying to do the right thing, trying to get approvals and disclosed all information that they thought was relevant at the material time.”

## CRIMINAL BREACH OF TRUST REQUIRES WRONGFUL LOSS OR WRONGFUL GAIN

“Your Honour, criminal breach of trust is generally a crime with a victim ... As a crime against property, it must be a crime against the property of someone. It is not like vandalism, which is state property ... We have not had any prosecution witness from the church alleging that the church is a victim. So we have this amazing situation where we have CBT, which is not a victimless crime, but no victim ...

“Your Honour...if you recall *Les Misérables*, when Jean Valjean was caught with the silverware, the bishop says, “I gave it to him”, and notwithstanding the views of Inspector Javert and the police, Jean Valjean was let off. If I do not say I suffered a wrongful loss or that you had a wrongful gain at my expense, can there be wrongful loss?

“The prosecution’s case: this is not a case of wrongful gain; it is just a case of wrongful loss ... So we now have a very interesting question: if monies of CHC are used for Crossover, which is, by the prosecution’s admission, an objective of the church, where do we land on the question of wrongful loss or intent to cause wrongful loss? If we look at the prosecution’s necessary unambiguous concession ... then basically you are saying, ‘You have used church money for one purpose for another’. That’s the highest their case can go. It can’t go higher than that any more.

“But if we come back to basics, that a criminal breach of trust case is about loss of property from the victim ... and we leave all the fancy thinking and all the complicated arguments, then it is quite clear: there’s no offence in this case.”

## MONEY WENT BACK TO THE CHURCH

“Even before the raid, a decision had been made to cancel the advance rental agreement and for money to go back. The first \$5 million went back before the raid, and the full amount with interest went back in October 2010. So the fact that they did a transaction, the prosecution will argue, ‘How are you going to pay back the bonds in two years?’ We have one simple answer. When my client and the other church leaders believed that they could generate and, if need be, return the money, it was not a pious hope, because the proof of the pudding is in the eating; they did it. They thought they could do it, they knew they could do it, but, most importantly, they did it.”

## THE ALBUM WOULD HAVE BROUGHT THE CHURCH INTO GLOBAL MISSIONS

**Tan Ye Peng during examination-in-chief, Mar 25:**

“I just want to say that when the church has done all these investments, the monies have all come back and the monies have been used for Suntec. Every single cent is accounted for, plus interest. And ... I know that I’ve gone through this five years, it’s very tough on me, but every time I think that the church is now using Suntec, enjoying the premises every weekend, your Honour, I feel that that is the vision, the goal that I have carried for so many years, I’m just glad that it came to pass.

“The only sad thing is the album couldn’t be launched, because of the investigation. If it was launched in August 2010, then the church would have gone into global missions, which is the other objective that we have, and that would be what I have given my life during that ten years for, your Honour, to do the work of God.”

## THE CROSSOVER AND PROPERTY SEARCH GAVE CHEW A SENSE OF PURPOSE

**Chew Eng Han’s evidence-in-chief on Jan 29:**

“Your Honour, this is the Crossover Project. Despite my condition, I put my heart and soul into the land and the Crossover, because I thought these were the two most important things for City Harvest Church. I went on to say: ‘It helped give me a sense of purpose and remind me that God was still using me. And that kept me going for Him and helped my faith stay strong despite the absence of any visible breakthrough.’

“Your Honour, all these years, 2007, 2008, 2009, I never thought I was in a conspiracy. I thought God was using me. When I did the land and when I did the Crossover, it gave me a sense of purpose. It reminded me that God was still using me for his Kingdom. I never had bad intentions, to cause loss to the church.”

## SOUGHT ADVICE FROM THE LAWYERS AND AUDITORS

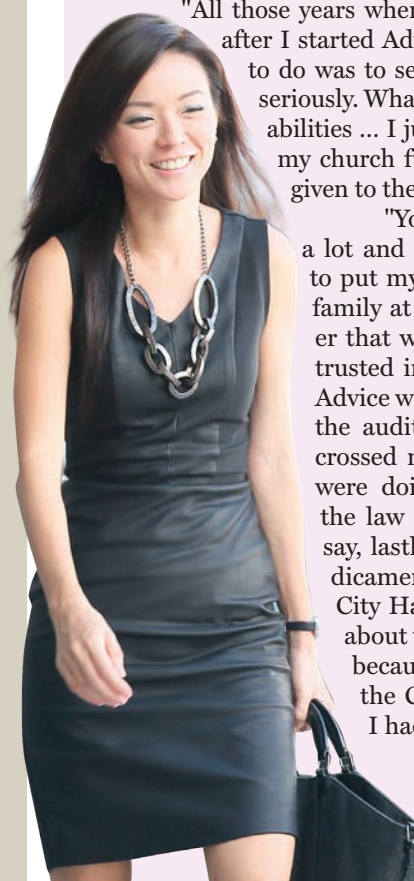
**Serina Wee during examination-in-chief on Apr 28.**

“All those years when I was a church staff, and even after I started Advante, my company, all I wanted to do was to serve God ... And I took my work seriously. Whatever I did, I did to the best of my abilities ... I just wanted to play a part, to help my church fulfill the call of God that he has given to the church.

“Your Honour, I love my church a lot and I would not do anything illegal to put myself, my leaders and my church family at risk. I felt assured that whatever that was done was above board and I trusted in Eng Han’s financial expertise. Advice was sought from the lawyers, from the auditors at various points. It never crossed my mind that whatever that we were doing could possibly be violating the law ... Your Honour, I just want to say, lastly, that I will not be in this predicament today if not for the vision of City Harvest Church, but when I think about the many lives that were touched because of City Harvest, because of the Crossover, I’m just thankful that I had a part to play in it.”

CN FILE PHOTO

**Serina Wee said her motivation had always been to serve God.**





CITY HARVEST CHURCH

## UPCOMING EVENTS 2015

SAT 5 P.M. • SUN 10 A.M.

SUNTEC SINGAPORE  
LEVEL 6 • HALLS 601-604

6-7 TAN YE PENG

13-14 BABY DEDICATION  
& MEMBERSHIP19-21 FATHER'S DAY  
WEEKEND

CHINESE LEADERSHIP &amp; REVIVAL SEMINAR

27-28 GOSPEL  
WEEKEND

3-5 EMERGE



11-12 BAYLESS CONLEY



18-19 TAN YE PENG

25-26 BISHOP  
DALE BRONNERJULY 24 MEN'S MEETING  
FRI 8 P.M. • 1 JURONG WEST ST. 91

REVIVAL

CAST THE NET ... AND YOU SHALL FIND.  
JOHN 21:6


FRI 8 P.M.  
1 JURONG WEST ST. 91  
SAT 5 P.M. • SUN 10 A.M.  
SUNTEC SINGAPORE

JULY  
3-5

\*Accurate as at print. For more information or updates on the events, contact Evelyn Tan at (65) 6737-6266 or visit chc.org.sg.