

## QPI's Testimony re Financials

I have been accused by Pastor Twynham of:

1. Being the treasurer of PE Tabernacle for the last 30 years
2. Being his tax advisor

I can categorically say that I never was the treasurer and never was the Pastor's tax advisor. Concerning tax advice, I am not a tax professional and I am in no position to provide such information. Pastor Twynham had a tax advisor, Tax Wise, to advise him on tax matters. He had an obligation to declare any undisclosed income that was not reflected on the financials. I've never been Pastor's tax advisor. I've never advised him on any tax issues because I am not a tax professional. That field is too specialized for me even to think and hope to engage in.

Regarding being the treasurer of the church, I never was the treasurer of the church. The only time that we, the trustees, started to handle the income was from 01 June 2012, this year. The only monies that I ever handled and had access to, were funds that was made available to us by Pastor in the form of building fund for building maintenance and projects, or in the form of money for detergents. That was the only monies that we actually handled from a trustee's point of view. Never did we ever in the past, prior to 01 June 2012, handle any church funds. Pastor Twynham has been handling those funds for almost 30 years now and Bro Harry, Bro John and most of the deacons and most of the trustees, knew that. On Sundays when the tithes and offerings were collected, those monies were stuffed into a little bag and then Bro Harry Van Rooyen (deacon) or in his absence, Bro John Adriaanse (deacon) would take this little bag and put it into Pastor's car. Pastor then counted all of that money alone at home. He wrote down was collected in little booklets. The financial records are in his own handwriting, not my handwriting.

Those financials were recorded in an A5 type booklet, and we've got photostat copies of those entries. My involvement with those little booklets was to capture it in the form of a spreadsheet, in order to make the information more meaningful. The information in these little booklets was done on a weekly basis and was very difficult to try and retrieve information in this format. I therefore decided to capture this information in the form of an Excel spreadsheet (see **Annexure J1**). From the spreadsheet, every year, I would write a letter to SARS, indicating Pastor's salary for the year based on the entries (see **Annexure J2**). Any other income in the form of holiday pay, as was indicated in the financial records, was declared to SARS as a bonus. I captured the information up until about mid 2005. Before that, I captured all of that information in the form of a spreadsheet. This year, with our constitution writing process we had at church, we were informed by SARS that we have to submit financials by the end of June 2012 (see **Annexure J3**). As a Public Benefit Organization we've never submitted financial statements to SARS. So during this constitution writing process, the trustees decided we must capture the information that was not captured by myself, from 2005 right up to 2011. The reason why I did not capture it, was because I informed Pastor that I was too busy and I just couldn't capture all the information because it was too tedious and time consuming and at that stage I did not have enough free time, being a part-time chemistry lecturer. On Saturday, 02 June 2012 all the trustees spent the full day at church capturing the information from the booklets from 2005 right up to 2011.

Each trustee was assigned a year to capture this information. After capturing the information, it was forwarded to our Accounting Officer (AO), Richard Johannes of Johannes Business Services CC, of Cape Town. When he perused the captured information, they found it difficult to reconcile the captured entries with all our bank statements. They then decided that they would rather compile the financials directly from the bank statements, line for line. What was obvious during the capturing exercise us, was that some income and the expenses did not match up. At times there were huge expenses with a lower income with no corresponding withdrawal from any bank account to cover the extra expenses. It therefore proved to me that there must have been some other extra income somewhere.

Sometimes the difference between the expense and the income was huge, indicating to me there must have been another account somewhere or money was hoarded somewhere. Pastor was never questioned about this because there was no opportunity to do so. We only started capturing this financials from the year 2005 to 2011. In the year 2006 there was an income of R210 000 which Pastor could not remember where it came from when questioned by myself and the AO. But in that very same week, he took R130 000 for himself. For that same year he took an extra R60 000. In total therefore, he took R180 000 for the year of 2006. This income was never declared to SARS. Now why, didn't I know about it? The reason was that I did not have the booklets in my possession. Whenever Pastor needed the letter for his tax advisor indicating his salary, he would phone me, saying that he needed this letter. I would then enquire about his weekly wage and any holiday pay taken. Based on this information, I then drew up a letter, signed it and hand it to pastor. Never at any stage did Pastor mention to me about this extra R130 000 that he took - I only saw that this year when we captured the financials together with the other trustees.

So Pastor handled the tithes and the offerings. The offerings he would give to Bro Harry, the deacon. There was never any accurate record kept of the offerings given to Bro Harry, no record was kept whatsoever. Bro Harry never kept any records, so we've got no idea how much offerings came in. The Pastor would count the tithes alone. When did he count it and how long it took I don't know. During our money counting exercise, in the months of June and July 2012, it took two brethren almost two hours to verify the money that came in. One can only imagine how long it would take one person, time that could have been devoted to studying the Word of God - instead time was wasted counting money. The treasurer or the trustees is supposed to handle the funds as per the old Constitution.

This is something that we wanted to change with the constitution writing process and I think that is what caused Pastor to be so vehemently opposed to this new way of doing things, because all of a sudden the money is taken out of his hands and no longer has he got unfettered access to this money. One can understand Pastor's position as well, for handling the money for so long, and now all of a sudden you're no longer have control over these funds, especially when you can just take whatever you want.

On 9 July 2012 Pastor told a full trustee board of trustees that he did not declare all the income in order to avoid tax. In June of this year, Pastor also admitted to me and the AO that he did not declare all the income, but never mentioned the reason. If one doesn't disclose all the income on the financial records, it means you are falsifying the books. The impression is created that a smaller amount came in than what was actually collected. This was one of my allegations against Pastor. If a R100 comes in, and you write R50, that is falsification of the financial records. This is what the Pastor did, thus making him dishonest. It's a criminal offense not to disclose income in order

to avoid tax. Tax avoidance in our country, South Africa, is a criminal offense and as a trustee we have a duty to report such an offense. The trustees, as common law fiduciary officials, have a duty to report such irregularities. And that's exactly what I did. I reported it to SARS Criminal Investigations on 13 August 2012.

First I reported the matter to the elders and the deacons, like the scriptures require. This was on 22 July 2012. If there's an allegation against an elder, it must be tested and tried by fellow elders. And in our church, we have got procedures based on the Word of God to handle allegations against an elder, of which the pastor is one. The allegations were presented in the form of a preliminary enquiry to the elders and to the deacons. I presented the financial findings to substantiate my claim that Pastor falsified the books, that he did not declare income in order to avoid tax.

The other allegation relates to Pastor's disrespect towards the Leadership board. He would cancel AGM's, without consulting the Leadership. I must declare that the trust between the Leadership board and Pastor has completely broken down. It will almost take a miracle to try and re-establish that trust that existed before these allegations.

I presented to the elders and the deacons financial information they requested to see. I informed them about the two occasions that the pastor admitted not disclosing some income. The deacons and elders were convinced, based on the preliminary evidence presented, that there was a *prima facie* case against Pastor Twynham and they approached him based on that. Bro Twynham has been ducking and diving for no less than 5 occasions. He never wanted to come to this enquiry like the scriptures demanded. The scriptures are quite clear, if there is an allegation against an elder, he must be investigated, there must be two witnesses which must be tested and tried. These witnesses were tested and tried, evidence was presented. The next step according to the scriptures was for the Pastor to stay at home and these allegations were supposed to be brought before the congregation for a final decision. That never happened. Before there was any enquiry, Pastor Twynham announced these allegations from the pulpit on Sunday 29 July 2012.

When he made that announcement, the persons that knew about the allegations was myself, Bro George Thomas and Bro Ross Jacobs as the elders, Bro John Adriaanse and Bro Joel Felix as the deacons. The trustees, as common law fiduciaries, were made aware of the allegation via email. Bro George also showed the allegation to Bro Harry Van Rooyen, chairman of the deacon board. The only other person that was fully aware, because he was given a copy, was Pastor Twynham. So it was only those people mentioned that knew at that stage, about the allegation. Not even other members of this Leadership board knew about that allegation. So when Pastor announced it that day, what his reasons were, I don't know. I cannot comment on that. But when he made the announcement, there was still no investigation. So Pastor was totally unscriptural in announcing that to the church. He did not obey the scriptures.

What is it that I wanted from this enquiry? All I wanted, according to the Addendum to my complaint (see **Annexure K2**), was for Pastor Twynham to admit and to fully disclose the extent of this non-disclosure of income.

Secondly, I wanted Pastor Twynham to come clean and declare this income to SARS. That's the right way to do it, because the scriptures demand that we have to give to Caesar what belongs to Caesar. To me it is quite obvious that Pastor Twynham is no longer obeying God because he does not want to come clean.

Thirdly, I wanted the pastor to resign as a fiduciary officer of this church, being a public benefit organization.

Fourthly I insisted that Pastor must no longer handle any church funds of the church, because if you are shown to falsify financial records, if you are shown not to declare all the income, how can somebody like that be trusted? Pastor Twynham was totally non-trustable with the income of the church.

So my motive and objective was pure, I didn't want to report Pastor Twynham to the authorities, the scripture is quite clear what we must do. We must investigate this matter in-house with the view of seeking remedial action. There was a way out for the Pastor. The accounting officer even offered to help Pastor free of charge, to redo his tax returns, but he flatly refused to let the AO assist him. So when the pastor, on Sunday 5 August 2012, dispelled all of these allegations, he was the jury, judge and prosecutor. He was everything in this investigation, except to allow due process to be followed. On this day he accused the trustee and deacon board of slandering and defaming his name. He accused us of spreading or declaring financial information that was of a confidential nature (an audio clip is available). On this day, Pastor Twynham tried to dissolve the deacon and the trustee board. This is totally unscriptural and unconstitutional.

The Pastor is not the head over the church, to rule over it. He's the head of the church, to only have oversight of it. The scriptures declare "Who has made you Lord over God's heritage?" A Pastor is not supposed to be a ruler over God's heritage. He's supposed to lead them, not rule them.

I have reported Pastor Twynham to SARS Criminal Investigation for avoidance of tax and falsification of accounting records. We have tried everything in our power to meet with the Pastor, but he flatly refused. On the day when he tried to dissolve the deacon and trustee board, we approached him again and he said he doesn't want to talk to us. We've tried everything to get him to the table. And if a man is lawless, there's only way to deal with him, it's with the law. Did I lay a charge against him? No I did not. Did I take my brother to the law? No, I did not. I did what I had to do in reporting the matter to the authorities.



**Q.P. Isaacs**

03 September 2012