

MINUTES OF 135th ANNUAL GENERAL MEETING OF THE SINGAPORE RECREATION CLUB HELD ON SATURDAY 29th APRIL 2023 AT 2.00PM AT THE SINGAPORE RECREATION CLUB, B CONNAUGHT DRIVE, SINGAPORE 179682

PRESENT

MANAGEMENT COMMITTEE MEMBERS

Mr Chang Yeh Hong	President, Chairman of AGM
Mr Eric Tan Huat Lim	Vice President
Mr Wee U-Jin	Finance Member
Mr Clarence Chong Shao Tang	Committee Member
Mr Dayal Odhermal Khemlani	Committee Member
Mr Jagindar Singh	Committee Member
Mr Netto Leslie	Committee Member
Mr Tan Lam Siong	Committee Member

ABSENT

Mr Thomas Tay Hwee Hong	GCB Chairman
Mr Ajitpal Singh	Committee Member
Mr Ranjit Singh	Committee Member

IN ATTENDANCE

Mr Tay Kuan Yong Desmond	General Manager/Secretary
Mr Andrew Lim	External Auditor

ATTENDANCE

As at 2:00pm, 190 voting members were present. The minimum quorum of 150 members as stipulated by the Constitution, Rule 35(e) has been met.

PRELIMINARIES

President Mr Chang Yeh Hong (“Mr Chang”) granted permission to Mr Desmond Tay (“Mr Tay”) to proceed with the AGM proceedings in the capacity of General Manager and Secretary of the Club, in accordance with Rule 35(e), which provided that all proceedings at the General Meeting shall be regulated by the Chairman or anyone authorised by him.

With the meeting quorum met, the meeting was called to order at 2:00 pm by Mr Tay, who welcomed members to the 135th Annual General Meeting (“AGM”).

The Notice of Meeting stating the Agenda, Voting Procedures and Standing Orders, was sent out to members on 10 April 2023. In the interest of time, these were taken to have been read and understood.

Agenda 1

TO ADOPT THE STANDING ORDERS FOR THE MEETING

1.1 The Standing Orders for the meeting were presented and adopted:

Proposer : R Prabhu Menon (89562)
Seconder : Steven Lum (88805)

Agenda 2

PRESIDENT'S ADDRESS

- 2.1 In his address, Mr Chang shared that in the year since the new Management Committee (MC) took office in May 2022, one of the major challenges faced then was the depletion of the Club's cash reserves needed to sustain its operations.
- 2.2 After paying for the land lease premium, the cash balance was \$6.49 million. The Club was running at a loss of \$3.7 million the year before. By extrapolation, the cash would be fully depleted in 21 months.

Financial Situation

- 2.3 To curb the cash drain and contain the losses, the MC adopted a "Balanced Budget Strategy" in the way programmes and events were run.
- 2.4 Cost containment measures were put in place to reduce the wastages and leakages that were inherent in past operations.
- 2.5 With improved contributions from F&B and higher receipts from members, the Club's cash position as of the last financial year ended higher with \$10.48 million, with yearly losses cut from \$3.7 million to \$628,000.

Transformation Plan

- 2.6 A stable cash position now allows for fulfilling the vision and mission of transformation the Club into the Club of Choice in town, within the historically iconic Padang location.
- 2.7 In thanking members for their contribution towards the land lease renewal, Mr Chang shared an overview of the Transformation Plan:
- Improving members' experience with an enhanced Club's image and a rejuvenated Club's façade;

- Appealing to senior and young members with new facilities and amenities for sports and social activities;
- Redesigning the use of space by reconfiguration and relocation of features that do not add value to the panoramic view of the Padang; and
- Adding a digital dimension to members' services so that they are able to engage and transact with the Club conveniently and meaningfully.

2.8 The complete transformation blueprint is being conceptualised and developed, and will be shared with members once finalised.

Two Immediate Areas for Improvement

2.9 Two areas have been identified as critically in need of improvement:

- **Air-conditioning Chiller Replacement:** The MC is evaluating a "Zero Cost Chiller System" where a contractor would be appointed to replace the chillers and the Club would only pay for the usage monthly. This will save the need for a capital outlay of \$2 million.
- **Lift Upgrade:** A resolution seeking a budget of \$402,000 has been proposed in this AGM so that the lifts may be upgraded to improve the safety and convenience of members. The resolution has been reviewed and proposed by the Transformation Task Force and the Tender Review Committee, with full support from the MC.

The Club's 140th Anniversary

2.10 In celebration of the Club's 140th Anniversary, the occasion has been coined the "Emerald Odyssey". "Emerald" represents the picturesque Padang field, while "Odyssey" symbolises the Club's illustrious journey.

2.11 To commemorate this important milestone in the Club's history, a series of exciting events, activities, a Gala dinner and a large-scale carnival have been planned for the year.

Appreciation and Gratitude

2.12 Mr Chang took the opportunity to express his appreciation to the MC members for their tireless effort, commitment and passion in making SRC a better place in town. It is a place where members could seek solace and enjoyment, in harmony and great camaraderie.

2.13 He thanked the Club's sponsors, partners and supporters for their generous and invaluable contributions towards the Club's success.

2.14 He also thanked Club members for their unwavering support, patience, understanding and encouragement during the past year as the MC worked to improve the Club's financial position.

Looking Forward

- 2.15 In closing, Mr Chang expressed excitement that the Padang has been officially designated as the 75th National Monument of Singapore on 9 August 2022. The Padang Civic Ensemble, of which the Club is a part, has been identified as a potential candidate for Singapore's next UNESCO World Heritage site.
- 2.16 He underscored that this is a remarkable honour testament to the Club's importance in the Padang. As members of the Padang community, the Club has a custodian role to play in upholding this esteemed piece of Singapore's history, and contribute to its preservation for the benefit of future generations.
- 2.17 Mr Chang urged members to cherish and celebrate the historical and cultural importance of the Padang, and to make history together for the next 30 years.

E-Voting

- 2.18 President declared the opening of E-voting platform as he ended his address.
- 2.19 Mr Tay reminded members that the platform will close at 4.30pm and to vote according to procedures.

Agenda 3

FINANCE MEMBER'S REPORT

Impact of Land Premium Payment on Club's Funds

- 3.1 In his report, Finance Member, Mr Wee shared the Club's financial performance for the year 2022.
- 3.2 The Land Lease Renewal exercise was completed on 27 January 2022. The total cost of land premium was \$17.7 million, of which, \$11.5 million came from members and \$6.2 million from the Club's cash reserves. As not all members contributed to the premium, and in line with the Constitution, a total of \$0.45 million was charged to members' accounts.
- 3.3 After accounting for \$6.2 million land premium payment and taking into consideration \$0.9 million of net cash generated from Operations, the reserves was reduced by \$5.3 million.
- 3.4 The Year 2022 ended with a deficit of \$0.628 million, down from \$3.721 million for the Year 2021, representing an improvement of \$3.093 million. This is partly due to the fact that the new extended land lease would now be depreciated over 30 years; and partly due to Operations.

Main Revenue Movement Year 2022 versus Year 2021

- 3.5 Total revenue increased by 44% from \$11.9 million versus \$8.3 million in 2021, with sources from Members and Operations.
- 3.6 Membership Revenue, in the form of subscription fee increase and transfer fees from sale of memberships, contributed \$6.5 million; and
- 3.7 Operations Revenue contributed \$5.4 million from:
- F&B, which ended with a gross margin of \$3.275 million post-COVID, up by 160% from \$1.249 million in 2021;
 - Miscellaneous income, mainly the Singapore Formula One race, which generated an income of \$0.7 million in F&B and miscellaneous receipts; and
 - The Land Lease Renewal Special Levy, the amount of \$0.365 million was treated with a revenue recognition principle in accordance with accounting guidelines, to reflect members' enjoyment over the new tenure.

Operating Expenditure

- 3.8 Main Operating expenses include Staff Costs, Casual Labour, Contract Services, Repair and Maintenance, Utilities and AGM expenses.
- Labour supply and costs were aggravated by COVID-19. The Club's staff costs increased by \$0.696 million to \$5.978 million, up from \$5.282 million in Year 2021. This was justified by an increase of \$2.804 million in F&B gross revenue.
 - The utilities expense increased in 2021 due to a surge in energy prices. In April 2022 when energy rates started to normalise, the Club was able to secure a more reasonably priced supplier, Geneco (\$0.26 per Kwh for year). Energy prices are expected to remain high going forward and the cost will need continuous management.
 - Casual labour was needed to support F&B events when quality full-time employees were not available.

Looking Ahead

- 3.9 With the renewed 30-year land lease and the Padang being gazetted as a national heritage monument, the Club has begun a review on improving the aged Clubhouse with an intent to improve the property. While the financial progress in 2022 has placed the Club in the right direction, more needs to be done.
- 3.10 The aim is to continuously upgrade and improve, through digitalisation of the Club's services and activities, so as to achieve process enhancements and better service quality to members.

- 3.11 Mr Wee thanked all members for their contribution to the land lease renewal and their patience during the transition, and members of MC and all Club staff for their support, as the Club continues to strengthen its financial position, on a journey of transformation with a sustained presence in the Padang.

Agenda 4

TO CONFIRM AND ADOPT THE MINUTES OF THE PREVIOUS TWO MEETINGS

- 4.1 134th Annual General Meeting held on 30 April 2022 (SAT)

Proposer : Michael Yap Chee Keong (82358)
Secunder : Mike Soon Chin Chee (88601)

- 4.2 1st Extraordinary General Meeting under the 126th Management Committee held on 2 July 2022 (SAT)

Proposer : R Prabhu Menon (89562)
Secunder : Mike Soon Chin Chee (88601)

Only members present at the respective meeting may propose and second the minutes.

Minutes of the two meetings have been confirmed and adopted.

Agenda 5

MATTERS ARISING FROM THE MINUTES OF WHICH SEVEN (7) CLEAR DAYS' NOTICE HAS BEEN GIVEN IN WRITING TO THE GENERAL MANAGER/SECRETARY

No letters were received pertaining to matters arising from the minutes of the previous meeting as at the closing date of 21 April 2023 (FRI), 6pm.

Agenda 6

TO RECEIVE THE ANNUAL REPORT AND PASS THE ACCOUNTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2022

- 6.1 Two letters were received from Mr Tan Kay Seng (80987) as of 25 April 2023. These letters have been addressed via email on 28 April 2023, prior to the AGM.
- 6.2 Taking his stand in response to the Club's reply, Mr Tan expressed concern over the thin 0.98% margin from F&B, which generated a net profit of \$53,000, when the full-year revenue was \$5.478 million. He asked if the result was considered satisfactory and if more could be done.
- In response, Mr Tay noted that this performance was a turnaround considering the fact that F&B has been suffering from deficits yearly over past years: (\$1.4 million) for 2021,

(\$900,000) for 2020, and pre-COVID, it was (\$500,000) in 2019. Now that the F&B has achieved a breakeven, he was certain that more could be achieved in time to come.

- In support, Mr Wee added that as a Club, in hoping to increase profits, it is also important to maintain a reasonable balance between the Club's profitability and members' enjoyment.

Agenda 7

TO APPOINT EXTERNAL AUDITORS FOR THE ENSUING YEAR

7.1 The Management Committee recommended that HLB Atrede LLP be appointed as the Club's external auditors for Financial Year 2023.

Proposer : Napoleon Koh (86321)
Secunder : Rengarajooob (80661)

Agenda 8

TO DECIDE ON ANY RESOLUTION WHICH MAY BE DULY SUBMITTED TO THE MEETING AS PROVIDED UNDER THE RULES OF THE CLUB

8.1 In accordance with the Club's Constitution Rule 35(b), the Club received a total of eleven (11) Resolutions on 14 April 2023 (FRI). However, four (4) Resolutions did not meet the threshold for presentation to the AGM and were thus not tabled.

8.2 Seven (7) Resolutions were presented.

RESOLUTION 1: CONSEQUENTIAL AMENDMENT OF RULE 5(A)VIII OF THE CONSTITUTION

5. MEMBERSHIP

Reason for Change/Comments

Consequential Amendments of Rule 5 (a) (8)

8) The spouse of an Ordinary Member may apply for a Family membership.
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Proposer : Mr Leslie Netto (xxxxx)
Secunder : Mr Gurdip Singh (xxxxx)

RESOLUTION 2: DELETION OF RULE 6 V) TO IX) AND CONSEQUENTIAL RENUMBERING OF RULE 6 X) TO VIII) OF THE CONSTITUTION

6. ORDINARY (TRANSFERABLE)/LADY (TRANSFERABLE) MEMBERSHIP

Reason for Change/Comments
<p>Deletion of Rule 6 (5) to (9) and Consequential Renumbering of Rule 6 (10) to (13)</p> <p>The practice of nominee has been discontinued. It is not legally enforceable. Existing Rule 6 (5) to (9) are deleted.</p> <p>Consequential re-numbering of Clauses 6 (10) to (13) following the deletion of Rule 6 (5) to (9).</p>

Proposer : Mr Leslie Netto (xxxxx)
Secunder : Mr Gurdip Singh (xxxxx)

RESOLUTION 3: EDITORIAL AMENDMENT OF RULE 12 (B) I), DELETION OF RULE 12 (B) II AND CONSEQUENTIAL RENUMBERING OF RULE 12 (B) II) TO V) OF THE CONSTITUTION

12 (b) TERM (NON-TRANSFERABLE) MEMBERSHIP

Reason for Change/Comments
<p>Editorial Amendment of Rule 12 (b) (1), Deletion of Rule 12 (b) (2) and Consequential Renumbering of Rule 12 (b) (2) to (5)</p> <p>Editorial amendment of Rule 12 (b) (1) – from Family (Lady) to Family (Lady / Gentleman)</p> <p>Deletion of Rule 12 (b) (2), allows Term (Non-Transferable) membership to be held by Singaporeans and non-Singaporeans.</p> <p>Consequential re-numbering following the deletion of Rule 12 (b) (3) to (5).</p>

Proposer : Mr Leslie Netto (xxxxx)
Secunder : Mr Gurdip Singh (xxxxx)

RESOLUTION 4: AMENDMENTS AND ADDITIONS TO RULE 14 OF THE CONSTITUTION

14 VETERAN MEMBERSHIP

Reason for Change/Comments
<p>Amendments to point (a) and Additions to point (b), (c), (d) and (e)</p>

Proposer : Mr Leslie Netto (xxxxx)
Secunder : Mr Gurdip Singh (xxxxx)

RESOLUTION 5: AMENDMENTS TO RULE 25(A) OF THE CONSTITUTION

25. RESIGNATIONS

Reason for Change/Comments
Amendment To facilitate buy back scheme for membership, for those who wish to resign their membership. Allows the Committee to decide on fees to be set.

Proposer : Mr Leslie Netto (xxxxx)
Seconded : Mr Gurdip Singh (xxxxx)

RESOLUTION 6: AMENDMENTS AND ADDITIONS TO RULE 37 OF THE CONSTITUTION

37. CLUB FUNDS

Reason for Change/Comments
Expanded Rule to Include Additional Rule 37 (b) and (c). Additional Rule 37 (b) and (c) to limit the Club's exposure in legal cases.

Proposer : Mr Leslie Netto (xxxxx)
Seconded : Mr Gurdip Singh (xxxxx)

The proposed resolutions 1 to 6 require changes to the Constitution, thereby requiring at least a two-third majority (66.67%) voting in favour for them to be passed.

In the interest of time, Mr Tay asked that the full resolutions be taken as read by members:

Proposer : Mr Leonard Lau (90077)
Seconded : Mike Soon Chin Chee (88601)

RESOLUTION 7: UPGRADING OF 2 PASSENGER LIFTS & 1 SERVICE LIFT (RULE 37)

The General Body at this Annual General Meeting of the Singapore Recreation Club hereby considers and resolves that the Management Committee be authorised to expend funds up to a maximum sum of \$402,000.00 for the upgrade of two passenger lifts and one service lift.

Proposer : Mr Lee Chow Shiong (xxxxx)
Seconded : Mr Sim Jiexiang Davian (xxxxx)

This proposed resolution requires a simple majority (at least 50.1%) voting in favour for it to be passed.

Agenda 9

TO TRANSACT ANY BUSINESS OF WHICH SEVEN (7) CLEAR DAYS' NOTICE HAS BEEN GIVEN IN WRITING TO THE GM/SECRETARY

One (1) letter was received from Mr Jaswant Singh s/o Pritam Singh as at the closing date 21 April 2023 (FRI). Mr Singh's letter has been addressed via email on 25 April 2023, prior to the AGM. Mr Singh was not present at the meeting.

Closing

As at the closing time of the AGM, attendance for the AGM is 242 members.

Members are reminded that the e-voting platform would close at 4.30pm. Results would be announced immediately once the counting has been concluded and certified by the auditor.

With no matters to discuss, the meeting was adjourned.

The End