

# **SINGAPORE RECREATION CLUB**

*(Reg. No. UEN S61SS0053G)*

## **FINANCIAL STATEMENT**

*For the financial year ended 31 December 2025*

**Audit Alliance LLP**

**Public Accountants and Chartered Accountants Singapore**

# **SINGAPORE RECREATION CLUB**

(Reg. No. UEN S61SS0053G)

## **FINANCIAL STATEMENT**

For the financial year ended 31 December 2025

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**SINGAPORE RECREATION CLUB**  
(Reg. No. UEN S61SS0053G)

**STATEMENT BY MANAGEMENT COMMITTEE**  
for the financial year ended 31 December 2025

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In accordance with a resolution of the Management Committee and in the opinion of the Management Committee,

- (a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in funds and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the financial position of Singapore Recreation Club (the “Club”) as at 31 December 2025 and of the financial performance, changes in funds and cash flows of the Club for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

On behalf of the Management Committee,



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**Chang Yeh Hong**  
President



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**Wee U-Jin**  
Finance Member

Singapore, 23 MAR 2026

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF  
SINGAPORE RECREATION CLUB**

(Reg. No. UEN S61SS0053G)

for the financial year ended 31 December 2025

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**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Singapore Recreation Club (the “Club”), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of Societies Act 1966 (the “Act”) and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Club as at 31 December 2025 and of the financial performance, changes in equity and cash flows of the Club for the year ended on that date.
- (b) the membership and its number of members of the Club as at 31 December 2025 as shown in Note 35 are prepared in accordance with the books and records of membership.

**Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Club in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SINGAPORE RECREATION CLUB**

(Reg. No. UEN S61SS0053G)

for the financial year ended 31 December 2025

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**Other Information**

Management Committee is responsible for the other information. The other information comprises the information included in the annual report and Statement by Management Committee set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management Committee for the Financial Statements**

Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to dissolve the Club or to cease operations, or has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Club's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SINGAPORE RECREATION CLUB**

(Reg. No. UEN S61SS0053G)

for the financial year ended 31 December 2025

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**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management committee.
- Conclude on the appropriateness of management committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SINGAPORE RECREATION CLUB**

(Reg. No. UEN S61SS0053G)

for the financial year ended 31 December 2025

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**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Club have been properly kept in accordance with the provisions of the Act.



**Audit Alliance LLP**

Public Accountants and Chartered Accountants

Singapore, 23 MAR 2026

**SINGAPORE RECREATION CLUB**  
(Reg. No. UEN S61SS0053G)

**STATEMENT OF FINANCIAL POSITION**  
*as at 31 December 2025*

	Note	2025 S\$	2024 S\$
<b>ASSETS</b>			
<b>Non-current</b>			
Property, plant and equipment	4	25,499,883	23,285,705
Right-of-use assets	5	2,309,281	2,391,756
Fixed deposits	6	35,900	35,900
		<u>27,845,064</u>	<u>25,713,361</u>
<b>Current</b>			
Inventories	7	315,539	184,896
Members' receivables	8	1,697,168	2,033,506
Other receivables	9	1,373,443	1,094,943
Fixed deposits	6	16,037,000	16,410,460
Cash and cash equivalents	10	3,710,351	1,427,614
		<u>23,133,501</u>	<u>21,151,419</u>
<b>Total assets</b>		<u>50,978,565</u>	<u>46,864,780</u>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds</b>			
Accumulated fund		13,001,136	13,171,092
Fixed Capital Fund	11	5,136,778	5,332,177
Club Maintenance Fund	12	547,830	547,830
Sports Section Fund	13	503,856	433,508
Sports Promotional Fund	13	60,980	58,576
Development Fund	14	430,870	773
		<u>19,681,450</u>	<u>19,543,956</u>
<b>Liabilities</b>			
<b>Current</b>			
Trade payables		1,137,258	654,699
Other payables	15	2,426,291	2,023,783
Contract liabilities	16	806,392	871,648
Lease liabilities	17	206,742	130,178
Deferred Income	18	4,313,886	-
Members' application monies		1,969	1,969
Refundable deposits	19	1,539,945	1,653,450
Tax payable	20	109,455	109,185
<b>Non-currents</b>			
Contract liabilities	16	18,593,238	19,597,386
Lease liabilities	17	2,161,939	2,278,526
		<u>31,297,115</u>	<u>27,320,824</u>
<b>Total funds and liabilities</b>		<u>50,978,565</u>	<u>46,864,780</u>

*The accompanying accounting policies and explanatory notes form an integral part of financial statements.*

**SINGAPORE RECREATION CLUB**  
(Reg. No. UEN S61SS0053G)

**STATEMENT OF COMPREHENSIVE INCOME**  
*for the financial year ended 31 December 2025*

	Note	2025 S\$	2024 S\$
<b>Revenue from members (Non-operating income)</b>			
Subscription fee		5,288,304	5,626,963
Transfer fees		786,948	1,244,824
Conversion fees		3,000	18,000
Entrance fees		861,908	4,500
Land lease renewal special levy		399,263	398,937
		<u>7,339,423</u>	<u>7,293,224</u>
<b>Revenue from operations</b>			
Contribution from fruit machines (net)	21	-	86,688
Food and beverages	22	10,061,359	9,558,028
Interest income		407,925	392,879
Car-park income		192,520	210,360
Minimum spending subscription		294,214	293,545
Miscellaneous income	23	1,337,013	1,260,668
		<u>12,293,031</u>	<u>11,802,168</u>
<b>Total revenue</b>		<u>19,632,454</u>	<u>19,095,392</u>
<b>Operating expenditure</b>			
Food and beverages – cost of sales	22	(3,708,781)	(3,408,873)
Staff costs	24	(8,074,249)	(8,019,332)
Other overhead expenditure	25	(6,595,902)	(6,204,888)
Finance cost	26	(101,757)	(36,345)
		<u>(18,480,689)</u>	<u>(17,669,438)</u>
<b>Surplus before depreciation</b>		1,151,765	1,425,954
Depreciation charge arise from clubhouse		(195,399)	(195,399)
Depreciation charge on right-of-use assets		(184,528)	(65,004)
Other depreciation charge		(1,019,122)	(1,127,985)
<b>(Deficit)/Surplus before tax</b>		(247,284)	37,566
Income tax expense	27	(118,071)	(87,745)
<b>Deficit after tax</b>		(365,355)	(50,179)
Other comprehensive income		-	-
<b>Total comprehensive deficit for the year</b>		<u>(365,355)</u>	<u>(50,179)</u>
<b>Deficit attributable to:</b>			
Accumulated funds		(169,956)	145,220
Fixed Capital Fund		(195,399)	(195,399)
		<u>(365,355)</u>	<u>(50,179)</u>

*The accompanying accounting policies and explanatory notes form an integral part of financial statements.*

**SINGAPORE RECREATION CLUB**

(Reg. No. UEN S61SS0053G)

**STATEMENT OF CHANGES IN FUNDS**

for the financial year ended 31 December 2025

	<b>Accumulated funds</b> S\$	<b>Fixed Capital Fund</b> S\$	<b>Club Maintenance Fund</b> S\$	<b>Sports Section Fund</b> S\$	<b>Sports Promotional Fund</b> S\$	<b>Development Fund</b> S\$	<b>Total</b> S\$
Balance at 1 January 2024	13,025,872	5,527,576	547,830	398,602	59,400	773	19,560,053
Total comprehensive deficit for the year	(50,179)	-	-	-	-	-	(50,179)
Transfer of depreciation charge	195,399	(195,399)	-	-	-	-	-
	145,220	(195,399)	-	-	-	-	(50,179)
Contribution of funds	-	-	-	613,962	15,000	-	628,962
Funds utilised	-	-	-	(579,056)	(15,824)	-	(594,880)
Balance at 31 December 2024	13,171,092	5,332,177	547,830	433,508	58,576	773	19,543,956
Total comprehensive deficit for the year	(365,355)	-	-	-	-	-	(365,355)
Transfer of depreciation charge	195,399	(195,399)	-	-	-	-	-
	(169,956)	(195,399)	-	-	-	-	(365,355)
Contribution of funds	-	-	-	600,047	13,698	430,097	1,043,842
Funds utilised	-	-	-	(529,699)	(11,294)	-	(540,993)
Balance at 31 December 2025	<b>13,001,136</b>	<b>5,136,778</b>	<b>547,830</b>	<b>503,856</b>	<b>60,980</b>	<b>430,870</b>	<b>19,681,450</b>

*The accompanying accounting policies and explanatory notes form an integral part of financial statements.*

**SINGAPORE RECREATION CLUB**  
(Reg. No. UEN S61SS0053G)

**STATEMENT OF CASH FLOWS**  
*for the financial year ended 31 December 2025*

	2025 S\$	2024 S\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (deficit)/surplus before tax	(247,284)	37,566
Adjustments for:		
Allowance for impairment on members' receivables	184,327	43,077
Allowance for impairment on other receivables	(4,526)	19,944
Bad debts recovered	(54,651)	(23,764)
Contribution to Sports Section Fund	600,047	613,962
Contribution to Sports Promotional Fund	13,698	15,000
Contribution to Development Fund	430,097	-
Depreciation of property, plant and equipment	1,214,521	1,323,384
Depreciation of right of use assets	184,528	65,004
Interest expenses	101,757	36,345
Interest on fixed deposits	(407,925)	(392,879)
(Gained)/loss on disposal of property, plant and equipment	(16,697)	1,726
Utilisation of Sports Promotional Fund	(11,294)	(15,824)
Utilisation of Sports Section Fund	(529,699)	(579,056)
<b>Surplus before working capital changes</b>	<b>1,456,899</b>	<b>1,144,485</b>
Decrease/(increase) in amount due from members	206,662	(842,546)
Increase in other receivables	(273,974)	(222,046)
(Increase)/decrease in inventories	(130,643)	140,131
Increase in trade and other payables and contract liabilities	4,129,549	8,622,644
Decrease in refundable deposits	(113,505)	(193,566)
Decrease in fixed deposits pledged as security	-	172,005
<b>Cash generated from operations</b>	<b>5,274,988</b>	<b>8,821,107</b>
Income tax paid	(117,801)	(121,367)
<b>Net cash flows from operating activities</b>	<b>5,157,187</b>	<b>8,699,740</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sales proceed for property, plant and equipment	16,700	6,000
Purchase of property, plant and equipment	(3,428,702)	(1,657,795)
Increase in fixed deposits	-	(105,594)
Interest received on fixed deposits and current accounts	407,925	392,879
<b>Net cash flows used in investing activities</b>	<b>(3,004,077)</b>	<b>(1,364,510)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(243,833)	(85,751)
<b>Net cash flows used in financing activities</b>	<b>(243,833)</b>	<b>(85,751)</b>
Net increase in cash and cash equivalents	1,909,277	7,249,479
Cash and cash equivalents at beginning of year	17,838,074	10,588,595
<b>Cash and cash equivalents at end of year</b>	<b>19,747,351</b>	<b>17,838,074</b>

*The accompanying accounting policies and explanatory notes form an integral part of financial statements.*

**SINGAPORE RECREATION CLUB**  
(Reg. No. UEN S61SS0053G)

**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2025

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These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

**1. GENERAL INFORMATION**

The Club is registered under the Societies Act 1966 and domiciled in Singapore.

The registered office and principal place of activities is located at B Connaught Drive, Singapore 179682.

The principal activities of the Club are those relating to promote the interest of the Club members, provide recreational activities and other activities for the welfare and well-being of its members.

**2. MATERIAL ACCOUNTING POLICY INFORMATION**

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with the Societies Act and Financial Reporting Standards in Singapore (“FRS”). The financial statements have been prepared on the historical cost basis except as disclosed in the material accounting policy information below.

The financial statements are presented in Singapore Dollars (“SGD” or “\$”) and all values are rounded to the nearest one-dollar unless otherwise stated.

**2.2 Adoption of new and amended standards and interpretations**

The accounting policies adopted are consistent with those of the previous financial year except that in current financial year, the Club has adopted all the new and amended standards which are relevant to the Club and are effective for annual financial period beginning on 1 January 2025. The adoption of these standards did not have any material effect on the financial statements of the Club.

**2.3 Standards issued but not yet effective**

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements. The Committee expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

**2.4 Functional and foreign currency**

The Committee has determined the currency of the primary economic environment in which the Club operates i.e. functional currency, to be SGD.

**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2025

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**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.5 Functional and foreign currency (continued)**

**Foreign currency transactions**

Transactions in foreign currencies are measured in the functional currency and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the rate of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

**2.6 Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Club and the cost of the item can be measured reliably.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Clubhouse	- Remaining lease life (30 years from 2022)
Building improvements	- 5 years or remaining lease life
Esplanade Ballroom	- 5 years
Furniture, equipment and machines	- 4 to 5 years
Computer and peripherals	- 4 to 5 years
Renovation and retrofitting	- 5 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

For acquisition and disposals of property, plant and equipment, depreciation is provided in the month of acquisition and no depreciation is provided in the month of disposal.

Property, plant and equipment with individual cost of \$1,000 and below are expensed in the profit or loss in the year of purchase.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.6 Property, plant and equipment**

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

**2.7 Financial instruments**

**(a) Financial assets**

**Initial recognition and measurement**

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Club measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Members receivables are measured at the amount of consideration to which the Club expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

**Subsequent measurement**

The Club’s debt instruments mainly comprise of fixed deposits, members’ receivable, other receivables and cash and cash equivalents. These debt instruments are subsequently measured at amortised cost.

**Amortised cost**

Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.7 Financial instruments (continued)**

**(a) Financial assets (continued)**

**Derecognition**

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

**(b) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are recognised when, and only when, the Club becomes a party to the contractual provisions of the financial instrument. The Club determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

**Subsequent measurement**

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

**Derecognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

**(c) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.8 Impairment of financial assets**

The Club recognises a loss allowance for expected credit losses (“ECL”) on its members’ receivables using the simplified approach (lifetime ECL) in calculating ECLs. The expected credit losses on these financial assets are estimated using a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

The Club considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Club may also consider a financial asset to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Club. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**2.9 Contract balances**

*Contract liabilities*

A contract liability is the obligation to transfer goods or services to a member for which the Club has received consideration (or an amount of consideration is due) from the member. If a member pays consideration before the Club transfers goods or services to the member, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Club performs under the contract.

**2.10 Impairment of non-financial assets**

The Club assesses at each reporting date whether there is an indication that a non-financial asset, may be impaired. If any such an indication exists, or when annual impairment testing for an asset is required, the Club makes an estimate of the asset’s recoverable amount.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generation unit to which the asset belongs.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.11 Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

Consumable stocks and stores – weighted average basis

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

The amount of any write-down of inventories to net realisable value and all losses of inventories shall be recognised as an expense in the period the write-down or loss occurs.

The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurred.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.12 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank, and fixed deposits.

**2.13 Trade and other payables**

Trade and other payables are non-interest bearing and trade payables are normally settled on 30 to 60 days' terms while other payables have an average term of six months.

**2.14 Provisions**

Provisions are recognised when the Club has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.15 Employee benefits**

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Club pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Club makes contributions to the Central Provident Fund (“CPF”) scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

**2.16 Leases**

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(a) As lessee

The Club applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Club recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

*Right-of-use assets*

The Club recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Equipment - 5 years

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.17 Leases (continued)**

**(a) As lessee (continued)**

*Right-of-use assets (continued)*

If ownership of the leased asset transfers to the Club at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

*Lease liabilities*

At the commencement date of the lease, the Club recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Club and payments of penalties for terminating the lease, if the lease term reflects the Club exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Club shall use its incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

*Short term and low value leases*

The Club applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.18 Contingencies**

A contingent liability is:

- (a) a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event or events not wholly within the control of the Club, or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Club.

**2.19 Revenue**

Revenue is measured based on the consideration to which the Club expects to be entitled in exchange for transferring promised goods or services to a member, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Club satisfies a performance obligation by transferring a promised good or service to the member, which is when the member obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

**(a) Revenue from food and beverage**

Revenue from food and beverage operations is recognised upon the point of sale of food and beverage to members and customers. Revenue represents the value of food and beverage, net of discounts and goods and services tax.

**(b) Rental income**

Rental income arising from the Club's property is recognised on a straight-line basis over the lease term on ongoing leases.

**(c) Interest income**

Interest income is recognised using the effective interest method.

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**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.19 Revenue (continued)**

**(d) Subscription fees**

Subscription fees are recognised when they are due for payment.

**(e) Entrance and transfer fees**

The entrance and transfer fees are recognised in full in the financial year in which new members are admitted or transferred.

**(f) Fruit machines income**

Gross taking from fruit machines is recognised on receipt basis.

**2.20 Taxes**

**(a) Current income tax**

The Club's income tax is subject to provision of section 11(1) of the Singapore Income Tax Act. It is deemed not to carry on business if at least half of its gross receipts in revenue account are from its members, and such revenue is not subject to tax.

Any other sources of income derived from dealing with non-members are taxable.

The income tax rate applicable is on the effective rate in Part B of Second Schedules of the Act, which is limited to corporate income tax of 17%.

**(b) Goods and services tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax ("GST") except:

- Where the goods and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of goods and services tax included.

The net amount of goods and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**2.21 Related parties**

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Club if that person:
  - (i) Has control or joint control over the Club;
  - (ii) Has significant influence over the Club; or
  - (iii) Is a member of the key management personnel of the Club or of a parent of the Club.
  
- (b) An entity is related to the Club if any of the following conditions applies:
  - a. The entity and the Club are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - c. Both entities are joint ventures of the same third party;
  - d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - e. The entity is a post-employment benefit plan for the benefit of employees of either the Club or an entity related to the Club. If the Club is itself such a plan, the sponsoring employers are also related to the Club;
  - f. The entity is controlled or jointly controlled by a person identified in (a);
  - g. A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

### **3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of the Club's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

#### **3.1 Judgement made in applying accounting policies**

There were no material judgements made by management in the process of applying the Club's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

#### **3.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Club based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Club. Such changes are reflected in the assumptions when they occur.

##### **(a) Useful lives of property, plant and equipment**

The cost of property, plant and equipment is depreciated on a straight-line basis over the property, plant and equipment's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within 4 to 30 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the property, plant and equipment at the end of each reporting period is disclosed in Note 4 to the financial statements.

##### **(b) Calculation of expected credit loss ("ECL")**

When measuring ECL, the Club uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

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**4. PROPERTY, PLANT AND EQUIPMENT**

	Clubhouse S\$	Building improvement S\$	Furniture, equipment and machines S\$	Computers and peripherals S\$	Renovation and retrofitting S\$	Esplanade Ballroom S\$	Renovation in progress S\$	Total S\$
<b>Cost:</b>								
At 1 January 2024	65,887,093	2,414,584	4,906,962	962,040	2,715,825	845,624	-	77,732,128
Additions	173,007	-	512,305	52,065	253,955	-	666,464	1,657,796
Written off	(400)	(101,903)	(869,880)	(22,828)	(8,260)	-	-	(1,003,271)
At 31 December 2024 and 1 January 2025	66,059,700	2,312,681	4,549,387	991,277	2,961,520	845,624	666,464	78,386,653
Additions	<b>861,345</b>	<b>3,250</b>	<b>175,290</b>	<b>127,651</b>	<b>335,857</b>	-	<b>1,925,309</b>	<b>3,428,702</b>
Reclassification	-	-	<b>10,077</b>	<b>77,940</b>	<b>295,731</b>	-	<b>(383,748)</b>	-
Written off/Disposal	-	-	<b>(169,302)</b>	-	-	-	-	<b>(169,302)</b>
At 31 December 2025	<b>66,921,045</b>	<b>2,315,931</b>	<b>4,565,452</b>	<b>1,196,868</b>	<b>3,593,108</b>	<b>845,624</b>	<b>2,208,025</b>	<b>81,646,053</b>
<b>Accumulated depreciation:</b>								
At 1 January 2024	43,783,081	2,197,222	4,491,249	852,971	2,612,617	835,968	-	54,773,108
Charge for the year	963,081	64,599	197,250	45,478	49,192	3,784	-	1,323,384
Written off	(399)	(101,893)	(864,580)	(22,752)	(5,920)	-	-	(995,544)
At 31 December 2024 and 1 January 2025	44,745,763	2,159,928	3,823,919	875,697	2,655,889	839,752	-	55,100,948
Charge for the year	<b>859,281</b>	<b>58,544</b>	<b>161,029</b>	<b>62,982</b>	<b>68,976</b>	<b>3,709</b>	-	<b>1,214,521</b>
Written off/Disposal	-	-	<b>(169,299)</b>	-	-	-	-	<b>(169,299)</b>
At 31 December 2025	<b>45,605,044</b>	<b>2,218,472</b>	<b>3,815,649</b>	<b>938,679</b>	<b>2,724,865</b>	<b>843,461</b>	-	<b>56,146,170</b>
<b>Net carrying amount:</b>								
At 31 December 2024	21,316,937	152,753	725,468	115,580	305,631	5,872	666,464	23,285,705
At 31 December 2025	<b>21,316,001</b>	<b>97,459</b>	<b>749,803</b>	<b>258,189</b>	<b>868,243</b>	<b>2,163</b>	<b>2,208,025</b>	<b>25,499,883</b>

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**4. PROPERTY, PLANT AND EQUIPMENT (continued)**

*Depreciation*

The depreciation charge for the year is arrived as follows:

	<b>2025</b>	<b>2024</b>
	S\$	S\$
<u>Statement of Comprehensive Income</u>		
Depreciation of clubhouse attributable to fixed capital fund	195,399	195,399
Other depreciation charge	1,019,122	1,127,985
	<u>1,214,521</u>	<u>1,323,384</u>

The Club properties are constructed on a plot of leasehold state land with tenure of 30 years registered in the name of the trustees of the Club. The clubhouse located at B Connaught Drive, Singapore 179689, comprise development costs and land premises. Land premium was paid to the Land Authority office for a 30 years lease with effect from 27 January 2022, with a remaining lease term of 28 years.

**5. RIGHT-OF-USE ASSETS**

*Leases (as a lessee)*

	<b>Equipment</b>
	S\$
<b>Cost:</b>	
At 1 January 2024	51,731
Additions	2,420,548
At 31 December 2024	<u>2,472,279</u>
Additions	<b>102,053</b>
At 31 December 2025	<u><b>2,574,332</b></u>
<b>Accumulated depreciation:</b>	
At 1 January 2024	15,519
Charge for the year	65,004
At 31 December 2024	<u>80,523</u>
Charge for the year	<b>184,528</b>
At 31 December 2025	<u><b>265,051</b></u>
<b>Net carrying amount:</b>	
At 31 December 2024	<u>2,391,756</u>
At 31 December 2025	<u><b>2,309,281</b></u>

The Club leases include photocopier machines and chilled water equipment. The average lease term is 5 to 15 (2024: 5 to 15 years) years.

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**5. RIGHT-OF-USE ASSETS (continued)**

The maturity analysis of lease liabilities is presented in Note 17.

	<b>2025</b>	<b>2024</b>
	S\$	S\$
(i) <u>Amounts recognised in profit and loss</u>		
Depreciation expense on right-of-use assets	<b>184,528</b>	65,004
Interest expense on lease liabilities	<b>101,757</b>	36,345
	<b><u>286,285</u></b>	<u>101,349</u>

(ii) Total cash outflow

The Club had total cash flow for all the leases of \$243,833 (2024: \$85,751) in 2025.

**6. FIXED DEPOSITS**

Fixed deposits are placed for varying periods of between 5 to 6 months (2024: 4 to 12 months) depending on the immediate cash requirements of the Club and earn interests at the respective deposit rates. The interest rates of fixed deposits ranged from 1.14% to 2.85% (2024: 2.80% to 3.55%) per annum.

Included in the amount are fixed deposits that have been pledged to a bank as security amounting to \$35,900 (2024: \$35,900) issued on behalf of the Club to third parties in the normal course of the Club operations.

**7. INVENTORIES**

	<b>2025</b>	<b>2024</b>
	S\$	S\$
Food and beverage stocks	<b>272,469</b>	154,247
Sundry stocks	<b>26,574</b>	23,663
Coupons	<b>2,720</b>	1,596
Bowling shoes	<b>4,493</b>	5,184
Playing cards	<b>563</b>	206
Raincoat	<b>8,720</b>	-
	<b><u>315,539</u></b>	<u>184,896</u>
Statement of comprehensive income:		
Inventories recognised as an expense in cost of sales	<b><u>3,708,781</u></b>	<u>3,408,873</u>

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**8. MEMBERS' RECEIVABLES**

	2025 S\$	2024 S\$
Members' receivables	2,115,946	2,322,608
Less: Allowance for expected credit losses	<u>(418,778)</u>	<u>(289,102)</u>
	<u><b>1,697,168</b></u>	<u><b>2,033,506</b></u>

Members' receivables are non-interest bearing and are generally on 30 days payment terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

*Receivables that are impaired*

The table below shows the movement in lifetime ECL that has been recognised for members' receivables in accordance with the simplified approach.

	Lifetime ECL credit impaired S\$
Balance as at 1 January 2024	269,789
Amount recovered	(23,764)
Allowance for expected credit loss	43,077
Balance as at 31 December 2024	<u>289,102</u>
Amount recovered	<b>(54,651)</b>
Allowance for expected credit loss	<b>184,327</b>
Balance as at 31 December 2025	<u><b>418,778</b></u>

The Club uses an allowance matrix to measure the ECLs of members' receivables.

The following table provides information about the exposure to credit risk and ECLs for members' receivables as at 31 December 2025:

	Expected credit loss rate %	Gross carrying amount S\$	Lifetime ECL S\$	Credit impaired
<b>2025</b>				
Current (not past due)	0.49	1,559,576	(7,593)	Yes
1 to 30 days past due	6.42	105,198	(6,756)	Yes
31 to 60 days past due	27.01	24,683	(6,668)	Yes
61 to 90 days past due	49.47	12,098	(5,985)	Yes
More than 91 days past due	94.54	414,391	(391,776)	Yes
		<u><b>2,115,946</b></u>	<u><b>(418,778)</b></u>	

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**8. MEMBERS' RECEIVABLES (continued)**

	<b>Expected credit loss rate %</b>	<b>Gross carrying amount S\$</b>	<b>Lifetime ECL S\$</b>	<b>Credit impaired</b>
<b>2024</b>				
Current (not past due)	1.40	1,479,353	(20,711)	Yes
1 to 30 days past due	3.50	216,374	(7,573)	Yes
31 to 60 days past due	11.00	44,794	(4,927)	Yes
61 to 90 days past due	24.00	21,388	(5,133)	Yes
More than 91 days past due	44.72	560,699	(250,758)	Yes
		<u>2,322,608</u>	<u>(289,102)</u>	

**9. OTHER RECEIVABLES**

	<b>2025 S\$</b>	<b>2024 S\$</b>
<b>Financial assets</b>		
Deposits	176,819	155,689
Interest receivables	70,313	205,487
Other receivables	961,857	530,176
	<u>1,208,989</u>	<u>891,352</u>
<b>Non-financial asset</b>		
Prepayments	164,454	203,591
	<u>1,373,443</u>	<u>1,094,943</u>

**10. CASH AND CASH EQUIVALENTS**

Cash at bank earns interest at floating rates based on daily bank deposits rate.

**11. FIXED CAPITAL FUND**

	<b>2025 S\$</b>	<b>2024 S\$</b>
Balance at beginning of year	5,332,177	5,527,576
Depreciation	(195,399)	(195,399)
Balance at end of year	<u>5,136,778</u>	<u>5,332,177</u>

Fixed Capital Fund represent amounts transferred out of the Development Fund for the development of the clubhouse.

The annual depreciation of the clubhouse's building was charged against the fund as a reduction of this fund stated in the statements of funds.

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**12. CLUB MAINTENANCE FUND**

Club Maintenance Fund are funds set aside for major mechanical and electrical repair and maintenance works in the club house.

**13. SPORTS SECTION / SPORTS PROMOTIONAL FUND**

	<b>2025</b>	<b>2024</b>
	S\$	S\$
<b>Sports Section Fund</b>		
Balance at beginning of year	<b>433,508</b>	398,602
Fund raised	<b>600,047</b>	621,422
Funds utilised	<b>(529,699)</b>	(586,516)
Balance at end of year	<b><u>503,856</u></b>	<u>433,508</u>
<b>Sports Promotional Fund</b>		
Balance at beginning of year	<b>58,576</b>	59,400
Fund raised	<b>13,698</b>	15,000
Fund utilised	<b>(11,294)</b>	(15,824)
Balance at end of year	<b><u>60,980</u></b>	<u>58,576</u>

The Sports Section Fund and Sports Promotional Fund comprise of funds raised and disbursed for the purposes of sporting events organised by the Club.

**14. Development Fund**

	<b>2025</b>	<b>2024</b>
	S\$	S\$
Balance at beginning of year	<b>773</b>	773
Fund raised	<b>430,097</b>	-
Balance at end of year	<b><u>430,870</u></b>	<u>773</u>

Development Fund are funds set aside for major repair and future land lease renewal purposes.

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**15. OTHER PAYABLES**

	2025 S\$	2024 S\$
<b>Financial liabilities</b>		
Accruals	1,052,482	1,620,632
Staff welfare payables	139,357	120,434
Sundry payables	1,234,452	282,717
	<u>2,426,291</u>	<u>2,023,783</u>

**16. CONTRACT LIABILITIES**

	2025 S\$	2024 S\$
<b>Current:</b>		
Advance billings to members <sup>(i)</sup>	407,722	472,978
Amounts received in advance from member <sup>(ii)</sup>	398,670	398,670
	<u>806,392</u>	<u>871,648</u>
<b>Non-current:</b>		
Special levy from member <sup>(iii)</sup>	8,591,717	9,201,145
Amounts received in advance from member <sup>(ii)</sup>	10,001,521	10,396,241
	<u>18,593,238</u>	<u>19,597,386</u>
<b>Total</b>	<u>19,399,630</u>	<u>20,469,034</u>

(i) Revenue is recognised when subscription fees are due for payment. The membership subscription fees billed one month in advance by the Club is recognised as a contract liability until the subscription fees are due.

(ii) The amounts were received in advance from members towards their share of the Lease Renewal Premium. Revenue relating to the advance received is recognised over the period of lease renewal of 30 years. A contract liability is recognised when the amount is billed/received and it is released over the lease period.

(iii) At the Club's EOGM held in March 2024, a resolution was passed and the Management Committee was authorised to spend up to \$16.6 Million for the Club's (A&A works) Transformation Project. These are the Funds charged to the members net of F&B credit consumptions.

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**17. LEASE LIABILITIES**

	2025 S\$	2024 S\$
Analysed as:		
Current	206,742	130,178
Non-current	<u>2,161,939</u>	<u>2,278,526</u>
	<u><b>2,368,681</b></u>	<u><b>2,408,704</b></u>
Maturity analysis:		
Year 1	252,352	229,740
Year 2	246,352	229,740
Year 3	240,352	223,740
More than 3 years	<u>2,351,539</u>	<u>2,539,129</u>
	<u><b>3,090,595</b></u>	<u><b>3,222,349</b></u>
Less: Unearned interest	<u>(721,914)</u>	<u>(813,645)</u>
	<u><b>2,368,681</b></u>	<u><b>2,408,704</b></u>

The Club does not face a significant liquidity risk with regard to its lease liabilities.

A reconciliation of liabilities arising from financing activities is as follows:

	1.1.2025	Cash flows	Non-cash changes			31.12.2025
	S\$	S\$	Accretion of interest S\$	Addition S\$	Lease expired S\$	S\$
Lease liabilities	<u>2,408,704</u>	<u>(243,833)</u>	<u>101,757</u>	<u>102,053</u>	-	<u><b>2,368,681</b></u>
	1.1.2024	Cash flows	Non-cash changes			31.12.2024
	S\$	S\$	Accretion of interest S\$	Addition S\$	Lease expired S\$	S\$
Lease liabilities	<u>37,562</u>	<u>(85,751)</u>	<u>36,345</u>	<u>2,420,548</u>	-	<u><b>2,408,704</b></u>

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**18. DEFERRED INCOME**

	2025 S\$	2024 S\$
SG60 F&B credit	<u>4,313,886</u>	<u>-</u>

**19. REFUNDABLE DEPOSITS**

	2025 S\$	2024 S\$
Application deposits from members	500	5,550
Bar and restaurant deposits from members	<u>1,539,445</u>	<u>1,647,900</u>
	<u>1,539,945</u>	<u>1,653,450</u>

**20. TAX PAYABLE**

	2025 S\$	2024 S\$
Balance at beginning of year	109,185	142,807
Current year's tax expense	115,071	124,064
Income tax paid	(117,801)	(121,367)
Under/(Over) provision in of prior years	3,000	(36,319)
Balance at end of year	<u>109,455</u>	<u>109,185</u>

**21. CONTRIBUTION FROM FRUIT MACHINES**

	2025 S\$	2024 S\$
Gross takings	-	1,978,594
Expenses:		
Government tax	-	(463,929)
Pay-outs	-	(1,238,640)
Audit fees	-	(4,100)
Refreshments and snacks	-	(212)
Repairs and maintenance	-	(12,120)
Salaries and related expenses	-	(172,905)
	<u>-</u>	<u>(1,891,906)</u>
	<u>-</u>	<u>86,688</u>

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**22. FOOD AND BEVERAGES**

	2025 S\$	2024 S\$
<b>Revenue</b>		
– Food	6,872,580	6,771,174
– Beverage	<u>3,188,779</u>	<u>2,786,854</u>
	<u><b>10,061,359</b></u>	<u><b>9,558,028</b></u>
<b>Cost of sales</b>		
– Food	(2,312,805)	(2,214,580)
– Beverage	<u>(1,395,976)</u>	<u>(1,194,293)</u>
	<u><b>(3,708,781)</b></u>	<u><b>(3,408,873)</b></u>
Total surplus	<u><b>6,352,578</b></u>	<u><b>6,149,155</b></u>

**23. MISCELLANEOUS INCOME**

	2025 S\$	2024 S\$
Administration fees for transfer of membership	71,152	96,854
Booking fees	59,307	74,345
Formula One events	324,339	369,701
Locker fees	13,383	13,637
Miscellaneous income	539,919	393,358
Other food and beverage sales	137,698	89,513
Rental income from mobile station	3,000	3,000
Rental of field and multipurpose court	179,977	197,696
Swimming lessons	<u>8,238</u>	<u>22,564</u>
	<u><b>1,337,013</b></u>	<u><b>1,260,668</b></u>

**24. STAFF COSTS**

	2025 S\$	2024 S\$
Salaries and other related costs	6,751,535	6,680,239
Central Provident Fund contributions	735,299	691,329
Skills development fund and other levies	290,290	322,691
Staff welfare expense	293,456	316,773
Uniforms	<u>3,669</u>	<u>8,300</u>
	<u><b>8,074,249</b></u>	<u><b>8,019,332</b></u>

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**25. OTHER OVERHEAD EXPENDITURE**

	2025 S\$	2024 S\$
Advertising fee	2,100	6,900
AGM and EGM expenses	46,195	49,632
Allowance for impairment on Members' receivables	184,327	43,077
Allowance for impairment on receivables	(4,526)	19,944
Audit fees – current year	9,210	9,210
Bad debts recovered	(54,651)	(23,764)
Bank charges	18,948	22,693
Carnival	11,972	72,331
Casual labour	556,120	561,029
Cleaning and toiletries	33,819	40,782
Club decoration	8,548	9,793
Computer expenses	1,607	6,078
Consultancy fee	1,600	4,600
Contract services	1,513,203	1,533,002
Credit card commission	319,633	260,225
Decorations and flower	2,662	2,880
Entertainment and meetings	59,299	46,282
Food and beverage supplies	116,550	113,062
Food tasting	5,383	5,360
Function	3,940	27,001
General expenses	137,701	125,033
Ground maintenance	(6,043)	141,146
Insurance	158,062	162,296
Kiddies corner expenses	156	32
Laundry	120,280	76,747
Legal and professional fees	20,940	17,380
License fees	39,152	74,323
Live band	190,243	149,182
(Gained)/Loss on disposal of property, plant and equipment	(16,697)	1,726
Maintenance of system	78,388	82,892
Marketing and promotion	30,582	5,527
Members' birthday vouchers	98,892	70,340
Members' incentives	142,213	6,748
New membership card	-	405
Newspaper	2,076	2,260
Plants and tree pruning	-	150
Postage	28,594	34,010
Printing and stationery	40,514	51,400
Property tax	454,400	453,200
Recreation activities	77,155	6,760
Rental of field	375	3,116
Carried forward	<u>4,432,922</u>	<u>4,274,790</u>

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**25. OTHER OVERHEAD EXPENDITURE (continued)**

	<b>2025</b>	<b>2024</b>
	S\$	S\$
Brought forward	4,432,922	4,274,790
Repairs and maintenance	289,623	278,014
Replacement – glassware	16,328	42,942
SG60 expense	483,301	-
Social activities	53,110	56,473
Sports expenses	67,779	63,361
Subscription payable	113,922	96,354
Telephone and fax	17,360	19,386
Travelling and transport expenses	52,432	47,859
Utilities	1,069,125	1,325,709
	<u>6,595,902</u>	<u>6,204,888</u>

**26. FINANCE COST**

	<b>2025</b>	<b>2024</b>
	S\$	S\$
Interest expense on lease liabilities	<u>101,757</u>	<u>36,345</u>

**27. INCOME TAX EXPENSE**

**(a) Major components of income tax expense**

The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

	<b>2025</b>	<b>2024</b>
	S\$	S\$
Statement of comprehensive income:		
Current tax	115,071	124,064
Under/(Over) provision in prior years	3,000	(36,319)
	<u>118,071</u>	<u>87,745</u>

Revenue from members for the financial year is exempted from tax under Section 11(1) of the Singapore Income Tax Act. The income tax expenses in 2025 and 2024 relate to the income tax payable on income generated from rental, interest income and other income received from non-members.

The current income tax is determined by applying the statutory rate of income tax to all rental and interest income for the financial year.

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**27. INCOME TAX EXPENSE (continued)**

**(b) Relationship between tax expense and accounting profit**

The reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2025 and 2024 are as follows:

	<b>2025</b>	<b>2024</b>
	S\$	S\$
(Deficit)/Surplus before tax	<u>(247,284)</u>	<u>37,566</u>
Tax benefit on (deficit)/surplus before tax at 17%	<b>(42,038)</b>	6,386
Adjustments:		
Non-deductible expenses	<b>3,346,268</b>	3,306,515
Non-taxable income	<b>(3,086,659)</b>	(3,121,944)
Tax exemptions	<b>(102,500)</b>	(102,500)
Under/(Over) provision in prior years	<b>3,000</b>	(36,319)
Over-provision of taxation in current year not recognised	-	<u>35,607</u>
Total tax expense	<u><b>118,071</b></u>	<u>87,745</u>

**28. RELATED PARTY DISCLOSURES**

In addition to those related party information disclosed elsewhere in the financial statements, significant transactions between the Club and related parties that took place at terms agreed between the parties during the financial year are as follows:

Key management personnel of the Club are those persons having the authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Club. The Head of Departments of the Club and the general management of the Club are considered as key management personnel of the Club.

	<b>2025</b>	<b>2024</b>
	S\$	S\$
Short-term employee benefits	<b>968,119</b>	1,020,766
Central Provident Fund contributions	<u><b>122,516</b></u>	<u>125,610</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
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**29. COMMITMENTS**

**Capital commitments**

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements in respect of property plant and equipment amounted to \$10,465,920 (2024: \$835,849).

**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

The Club is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, credit risk and liquidity risk. The Club's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Club. The Committee reviews and agrees on policies and procedures for the management of these risks in accordance to the Club's Constitution guidelines. There has been no change to the Club's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Club's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

**(a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Club's financial instruments will fluctuate because of changes in market interest rates.

The Club may only invest in fixed deposits with banks licensed under the Singapore Banking Act or any other financial institutions approved by the Monetary Authority of Singapore.

The Club's exposures to changes in interest rate relate primarily to the short term fixed deposits with banks. However, the interest rate risk exposure to the Club is considered minimal.

***Sensitivity analysis for interest rate risk***

Movements in interest rates will have an impact on the Club's fixed deposit. A change of 50 (2024: 50) basis points (bp) in interest rates at the reporting date would change equity and deficits before tax by \$80,365 (2024: \$82,232). This analysis assumes that all other variables remain constant.

**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

**(b) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Club's exposure to credit risk arises primarily from other debtors. Guidelines on credit terms provided to members are established and continually monitored. For other financial assets including cash and short-term deposits and fixed deposits, the Club minimises credit risk by dealing exclusively with reputable and well-established local and foreign banks, and companies with high credit ratings and no history of defaults.

The Club's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposures. Credit policies with guidelines on credit terms and limits set the basis for risk control. New members are subject to credit evaluation while the Club continues to monitor existing members, especially those with repayment issues. In addition, appropriate allowances are made for probable losses when necessary for identified debtors.

The Club does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

In order to minimise credit risk, the Club has developed and maintain the Club's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the Club uses other publicly available financial information and the Club's own trading records to rate its major members and other debtors. The Club exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

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**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

**(b) Credit risk (continued)**

The Club's current credit risk grading framework comprises the following categories:

<b>Category</b>	<b>Description</b>	<b>Basis for recognising expected credit losses ("ECL")</b>
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the member is in severe financial difficulty and has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Club's financial assets, as well as maximum exposure to credit risk by credit risk rating grades:

	<b>Note</b>	<b>External credit rating</b>	<b>Internal credit rating</b>	<b>12-month or lifetime ECL</b>	<b>Gross carrying amount S\$</b>	<b>Loss allowance S\$</b>	<b>Net carrying amount S\$</b>
<b>2025</b>							
Members' receivables	8	N.A.	(a)	Lifetime ECL (simplified approach)	<b>2,115,946</b>	<b>(418,778)</b>	<b>1,697,168</b>
Other receivables	9	N.A.	Performing	12m ECL	<b>1,224,407</b>	<b>(15,418)</b>	<b>1,208,989</b>
						<b>434,196</b>	
<b>2024</b>							
Members' receivables	8	N.A.	(a)	Lifetime ECL (simplified approach)	2,322,608	(289,102)	2,033,506
Other receivables	9	N.A.	Performing	12m ECL	911,296	(19,944)	891,352
						<b>309,046</b>	

**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

**(b) Credit risk**

For members' receivables, the Club has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Club determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience analysed in accordance to the past due status of its members, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix (Note 8).

*Exposure to credit risk*

At the end of the reporting period, the Club's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk except a net carrying amount of \$1,697,168 (2024: \$2,033,506) relating to the receivables from members.

*Financial assets that are neither past due nor impaired*

Members' receivables and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Club. Cash and fixed deposits are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

*Financial assets that are either past due or impaired*

Information regarding financial assets that are either past due or impaired is disclosed in Note 8 (Members' receivables).

**(c) Liquidity risk**

Liquidity risk is the risk that the Club will encounter difficulty in meeting financial obligations due to shortage of funds. The Club's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities.

To manage liquidity risk, the Club monitors its net operating cash flow and maintains an adequate level of cash and cash equivalents. Management believes that liquidity risk is minimal as the Club is able to fund its operations from its accumulated surplus.

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**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

**(c) Liquidity risk (continued)**

*Analysis of financial instruments by remaining contractual maturities*

The table below analyses the maturity profile of the Club's financial liabilities at the end of reporting period, based on contractual undiscounted repayment obligations.

	<b>Total</b> S\$	<b>Within one year</b> S\$	<b>Within two to five years</b> S\$	<b>More than five years</b> S\$
<b>2025</b>				
Trade payables	1,137,258	1,137,258	-	-
Other payables	2,426,291	2,426,291	-	-
Lease liabilities	3,090,595	252,352	929,721	1,908,522
Members' application monies	1,969	1,969	-	-
Refundable deposits	1,539,945	1,539,945	-	-
	<u>8,196,058</u>	<u>5,357,815</u>	<u>929,721</u>	<u>1,908,522</u>

	<b>Total</b> S\$	<b>Within one year</b> S\$	<b>Within two to five years</b> S\$	<b>More than five years</b> S\$
<b>2024</b>				
Trade payables	654,699	654,699	-	-
Other payables	2,023,783	2,023,783	-	-
Lease liabilities	3,222,349	229,740	888,960	2,103,649
Members' application monies	1,969	1,969	-	-
Refundable deposits	1,653,450	1,653,450	-	-
	<u>7,556,250</u>	<u>4,563,641</u>	<u>888,960</u>	<u>2,103,649</u>

**31. FAIR VALUE OF ASSETS AND LIABILITIES**

The carrying amount of financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The Club does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

At the end of the reporting period, the Club does not have any other financial instruments carried at fair value.

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**32. FUND MANAGEMENT**

The primary objective of the Club's fund management is to ensure that it maintains a strong credit rating and healthy working ratios in order to support its activities. The Club manages its funds by regularly monitoring its current and expected liquidity requirements. The Club is not subjected to either internally or externally imposed capital requirement.

In accordance with rule 42(b) of the constitution, in the event of the Club being dissolved, all debts and liabilities incurred on behalf of the Club shall be fully discharge and the remaining funds and all proceeds of the properties shall be donated to charitable institution to be decided by the members at the meeting.

**33. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES**

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting period:

	2025	2024
	S\$	S\$
<i>Financial assets at amortised cost</i>		
Members' receivables	1,697,168	2,033,506
Other receivables	1,208,989	891,352
Fixed deposits	16,072,900	16,446,360
Cash and cash equivalents	3,710,351	1,427,614
	<u>22,689,408</u>	<u>20,798,832</u>
<i>Financial liabilities at amortised cost</i>		
Trade payables	1,137,258	654,699
Other payables	2,426,291	2,023,783
Lease liabilities	2,368,681	2,408,704
Members' application monies	1,969	1,969
Refundable deposits	1,539,945	1,653,450
	<u>7,474,144</u>	<u>6,742,605</u>

**34. AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements of the Club for the financial year ended 31 December 2025 were authorised for issuance by the Club's Management Committee on the date of these statements.

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**35. MEMBERSHIP STATUS**

The Club has a total membership of active members as at 31 December 2025. The details of membership are as follows:

<b>Type of Membership</b>	<b>Active membership strength</b>
<b>Voting Members</b>	
Ordinary (Transferable)	4,191
Corporate (Transferable)	68
Ordinary (Non-Transferable)	2
	<hr/>
	4,261
	<hr/>
<b>Non-Voting Members</b>	
Veteran (Non-transferable)	118
Lady (Transferable)	558
Lady (Non-Transferable)	3
Term (Ordinary)	8
Honorary	1
Sporting (NSF, student and national player)	45
Sporting (Working adult)	21
Family Lady/Gentlemen	1,683
Family Junior	170
	<hr/>
	2,607
	<hr/>
<b>Total</b>	<b>6,868</b>
	<hr/>