



ANNUAL GENERAL MEETING 2017

SICC's 53rd Annual General Meeting (AGM) was held on 29 September 2017 at the Island Grand Ballroom. A total of 276 Principal Members attended the AGM.

In his opening address, President Dr Alex Ooi updated members on key club matters, mainly the Bukit & Island Land Lease, redevelopment of Bukit Freehold Land, redevelopment of Island Golf Courses, the Bukit Buggy Track and Improvement Works and the club's financial report.

The following is the opening address by President Dr Alex Ooi at the AGM:

OPENING ADDRESS - PRESENTED BY PRESIDENT DR ALEX OOI

Good evening dear fellow members and welcome to this Annual General Meeting to mark the end of yet another GC term, and not just a year.

It is a humbling, very long, two years serving as President.

Nonetheless I am happy to have had this opportunity to further the interests of our club. There will always be differences in opinions, and my apologies if I have unintentionally offended anyone.

The annual report, already distributed to all members, chronicles significant events, accomplishments in this year and our improved financial health.

Allow me to add as well, the distinct accomplishment of opening two new outlets in the club – the Island Bar which has in the first year of our two-year term, been very successful and opened at a very low cost. And also, OKA, the Japanese restaurant, and Windows on Bukit. We hope that they will also take off and give members a wider choice of outlets in the Club.

Despite an unpleasant Extraordinary General Meeting on 6 April 2017, the Bukit Town Club iteration 1f - 5-acre Woods, worked on for over 3 years, was accepted as an option (minus the proposed Fallback Option), to be voted upon when alternatives are ready.

Bukit Course improvements works, with retention of the

characteristics of Hole 17 and construction of the buggy track were completed. As for Island Golf Redevelopment, possible options were presented whilst we await resolution of the various encumbrances.

Looking ahead, we face many challenges as a club, such as the renewal of our land lease, catering for our needs via judicious use of our freehold land and optimising golf re-development. These will likely be the biggest decisions members will have to grapple with in the Club's history.

It will not be easy but if we do stand together, putting personal differences aside, we can create an even better Club for ourselves and a better future for the future generations. Also, kindly permit me to ask members to give Management the necessary space to perform and to always observe basic decorum.





COVERSTORY

In closing, I would like to thank our Club Chairman and Deputy Chairman for their guidance and the General and various Sub-Committees for lending their relevant and respective expertise.

I would also like now to ask all of you to show a round of applause in recognition of Management and the hard work of all our Club staff. They are the backbone of our Club. Treat them with civility and enjoy what they present to us.

Last but not least, to all of you members and also on the behalf of the GC, a big thank you for your support of our Club over the past two years.

Let us now look forward to a pleasant evening and of course, the election results.
Thank you very much.

I would like now to call upon our General Manager to take us through the Agenda.

MANAGEMENT'S UPDATE ON KEY CLUB MATTERS - PRESENTED BY GENERAL MANAGER (GM) DESMOND TAY

BUKIT LAND LEASE

The Memorandum of Agreement between the Club and its Trustees, on one part, and the Labour Movement on the other part was signed on 29 April 2016. The Club is still awaiting the results of the Land Transport Authority (LTA)'s Cross Island Line feasibility study which is expected to be completed at the end of 2018, before it can be issued its lease.



ISLAND LAND LEASE

Having liaised with SLA/URA/NParks recently, the Club has been advised that it will need to undertake the construction of the public access along the reservoir edge (next to Holes 15 and 16 of New Course) by 2025.

The Club's lease would be renewed once the Building Agreement for the construction of this public access has

been signed by SICC and NParks. The Club has just received the Building Agreement and is working with its lawyers on the draft.

REDEVELOPMENT OF BUKIT FREEHOLD LAND

Following the 6 April 2017 Bukit Town Club Extraordinary General Meeting when a proposal to delay voting in order to develop alternatives to BTC carried, a Planning and Redevelopment Committee Two (PRC2) was constituted to find alternatives to the BTC option "5 Acre Woods".

PRC 2's scope of work entails:

- Producing alternative options to the Bukit Town Club Redevelopment Option 1F "5 Acre Woods" Design;
- Overseeing the construction, renovation and redevelopment of the Clubhouse on SICC's freehold land at the Bukit Location based on the final option chosen by Members; and
- Recommending, and if approved, overseeing the construction, renovation and expansion of physical facilities at various clubhouses at the Island Location as deemed necessary to complement the non-golfing facilities at the Bukit Location.

PRC 2 is currently exploring all options available and will present the various options to members, when ready.

REDEVELOPMENT OF ISLAND GOLF COURSES

The Golf Redevelopment Vision is that the golf courses at the Island location be transformed to match the best in Singapore and the region. The total CAPEX for golf redevelopment is \$60 million.

The targeted timeline is as follows:

- June 2017 - Completion of BBT and BCIW
- June 2019 - Completion of New Course/Millennium Course Redevelopment
- June 2021 - Completion of Island Course Redevelopment

The overall objective is to ensure that by the end of 2021, when the land lease of Sime Course expires, there will be three buggy courses with two sand-based courses to meet the golfing traffic.



BUKIT BUGGY TRACK AND IMPROVEMENT WORKS

After about eight months of construction and improvement works, the buggy-tracked Bukit Course was re-opened on 27 July 2017. The buggy tracked Bukit Course provides capacity and senior-friendly facilities for play during the proposed redevelopment works on the Island-location golf courses. These enhancement works are integral parts of our overall programme of transformation to raise the quality of the Club's golf courses and to enable Bukit to support heavier golfing traffic during the phased closure of our Island-location golf courses.

The cost of Bukit Buggy Track project is \$1,938,171.90, below the budget of \$2,100,000. The cost of the Bukit Course Improvement Works is \$1,328,949.99, below the budget of \$1,551,000.

FINANCIAL PERFORMANCE FY 2016/2017

The Club recorded an operating deficit of \$2.9 million compared to an operating deficit of \$3.811 million in the previous financial year. The amount was 21.2% better than the budgeted operating deficit of \$3.3 million.

The Club recorded a non-operating surplus of \$9.9 million as compared to a non-operating deficit of \$15.2 million in the previous financial year, an increase of \$25.1 million. This was mainly due to a higher gain of \$23.5 million in investment income.



Overall, the Club recorded a net surplus of \$12.7 million compared to a deficit of \$12.7 million a financial year ago. This represents an improvement of \$25.4 million. Total funds (cash and investments) at 30 June 2017 were \$433.3 million, compared with \$412.1 million a financial year ago. Of the total funds, \$293.7 million is being designated for lease renewal.

APPROVALS FOR AGENDA ITEMS

Item 1 – To adopt the Annual Report and the Approved Statement of Accounts and Balance Sheet for the FY 2016/2017

Dr Chew Beng Keng (C0241) congratulated GM for a good job in reducing the operating deficit of the Club. To Dr Chew's query on details of "Other Expenses" on Page 102 in the Annual Report, GM replied that the breakdown of the expenses are available on Page 74 & 75 of the Annual Report, which includes the costs of golf course maintenance and club house maintenance.

Mr Philip Tay (T0026) also commended GM on his good job in reducing the operating deficit of the Club. He

The reasons for developing fresh options for Island Golf Redevelopment are as follows:

- The GM27 conceptual design encroaches into 4.3 hectares of nature reserve
- This requires a Biodiversity Impact Assessment amounting to \$700,000 and the approval for the usage of 4.3 hectares of nature reserve is not assured
- The Club would need to construct a Public Park Connector along the reservoir edge by 2025
- The Club would need to ensure an efficient water management and rainwater harvesting system.

There are 4 options for the Island Golf Course Redevelopment:

Option A

(3x9, 27-Hole Configuration) with additional 4.3 hectares of nature reserve

Option B

(3x9, 27-Hole Configuration) without additional 4.3 hectares of nature reserve

Option C

(18-Hole + Millennium 6, 24-Hole Configuration)

Option D

(A&A to the existing New and Millennium Courses)

The current challenges at Island (Old) Course include the following:

- Cross Island Line Routing may impact several holes. LTA can only confirm the exact routing by late 2018.
- Public Utilities Board (PUB) Buried Pipelines and other conditions - 6 holes would be affected if GolfPlan's 2011 design is adopted.
- PUB may require reinstatement of existing topography after 2040 which would indicate potential major reinstatement cost.
- TOL land encroaches onto to Hole 16.
- The upgrading of Island Course is dependent on the final decisions to be released in 2018 by LTA on its preferred routing of the Cross-Island MRT Line as well as the available budget.



wanted to know what steps had been taken in this regard to reduce the Club's operating deficit.

In response, Treasurer Mr Kenneth Koh shared that as stated in the Annual Report, the Club has a persistent structural net operating deficit due to the disparity between cost of Club services provided and membership subscription contribution. Treasurer pointed out that there is a conflicting purpose between opening up of the Club to public and generating expenses or maintaining exclusivity. He explained that if operating expenses in the long term are higher than the members' subscriptions, then this structural deficit would need to be covered by increasing the subscription fees, opening up the facilities to public use or the use of Club reserves, if stated by members. Treasurer added that the Club had been trying to reduce costs for the past years and cautioned that cutting down more staff and reducing the maintenance would compromise the service standards.

Ms Grace Fung (F0281) congratulated the Treasurer for bringing in a positive investment income such that the Club has a net operating surplus of \$9 million. However, she noted that the year was exceptional with good investment returns and expressed her concern about the Club's financial sustainability after paying the land lease premiums and embarking on redevelopment projects

In response, Treasurer said that the recommendations in the KPMG report had considered the sustainability of the club's finances, land lease premium payments and the impending capital expenditure (CAPEX). He explained that a \$50 increase in overall member subscription fees would cover all the expenses and resolve the operating deficit. Treasurer added that the committee is making efforts to improve the operating deficit but not at the expenses of cutting staff and quality of service.

Sharing the same concern about the club's sustainability was Mr Lee Choon Peng (L0612) who brought up that these proposed CAPEX on redevelopments of golf courses and clubhouse and expenditure and the land lease premiums would greatly deplete the reserves. He asked for the next committee to plan carefully to ensure the Club remains sustainable beyond the time frame in the KPMG report.

Mr Ng Kok Cheng (N0028) wanted to know which F&B outlets are profitable and which are not. He enquired if

shared that he wrote to Club Chairman in May 2017 to recommend an Operational and Methods (O&M) unit be set up in the Management team to streamline operations and reduce deficit. Mr Tay said that Club Chairman replied to his letter that there was no need to set up this O&M unit as the matter was under the purview of the Finance Committee. Mr Tay then

there would be more losses with the upcoming BTC, to which GM replied that the two golf terraces incurred losses every year. GM said it is very difficult for all-day dining cafés to make profits or to even breakeven. GM pointed out that payroll costs is one of the highest expenditure in the two golf terraces, and explained that the non-staff related expenses in F&B operations at about 5% of the revenue is actually lower than that of industry norms.

President sought approval for the adoption of the Annual Report and the Approved Statement of Accounts and Balance Sheet for the FY 2016/2017. Mr Paul Kwek (K1073) Proposed the motion and Mr Vivian Singh (S1653) Seconded it. Thereafter, President sought and received a majority in support of the adoption of the Annual Report and the Approved Statement of Accounts and Balance Sheet for the FY 2016/2017.

Item 2 - To approve the Minutes of the Annual General Meeting held on 30 September 2016

President sought approval for the Minutes of the Annual General Meeting held on 30 September 2016. Mr Ng Kok Cheng Proposed the motion and Mr Lam Zhiqun (L0020) Seconded it. Thereafter, President sought and received a majority in support of the approval for the Minutes of the Annual General Meeting held on 30 September 2016.

Item 3 - To approve the Minutes of the Extraordinary General Meeting held on 20 March 2017 and 6 April 2017



Mr David Sim (S1230) had written to the Club with his amendments and had expressed concern that the KPMG Financial Sustainability Report highlighted a number of 'red flags' which were not widely made known to members, but which he felt members ought to take into consideration before they decide whether to vote for the

\$60 million expenditure. Mr Sim also quoted a number of 'red flags' extracted from the KPMG report under 2.21 for the amendment to minutes.

President sought approval for the amendment to the Extraordinary General Meeting held on 20 March 2017. Mr Liew Leong Wan (L2465) Proposed the motion and Mr Sim Juay Cheow (S1183) Seconded it. Thereafter, President sought and received a majority in support of the amendment to the Extraordinary General Meeting held on 20 March 2017.

President sought approval for the Minutes of the Extraordinary General Meeting held on 20 March 2017 and 6 April 2017. Mr Lam Zhiqun (L0020) Proposed the motion and Mr Michael Aw (A0038) Seconded it. Thereafter, President sought and



received a majority in support of the approval of Minutes of the Extraordinary General Meeting held on 20 March 2017 and 6 April 2017.

Item 4 - Matters arising from the Annual General Meeting held on 30 September 2016 and the Extraordinary General Meetings held on 20 March 2017 and 6 April 2017

There were no matters arising that were raised at the meeting.

Item 5 - To receive the Results of the Election to the Positions in the General Committee specified in Rule 22(b)

ELECTION RESULTS

The election for the 2017/2019 GC saw a total of 24 candidates contending for the various posts; five for the position of President, two each for Club Captain and Treasurer; and 15 for the position of GC member.

Mr Andrew Low was voted President, while Mr Ivan Chua was voted Club Captain and Mr Paul Kwek was voted the new Treasurer. The new GC members are: Ms Marilyn Lum, Mr Yukimasa Hashimoto, Mr Tan Ah Lye, Mr Han Fook Kwang, Dr Howe Wen Li, Mr Peter Koh and Mr Thomas Lee.



Item 6 - To appoint Deloitte & Touche LLP as the Auditors for the Club for FY 2017/2018 President sought approval for the appointment of Deloitte & Touche LLP as the Auditors for the Club for FY 2017/2018.

Mr P Suppiah (S0544) Proposed the motion and Mr Shaun Chan (C0841) Seconded it. Thereafter, President sought and received a majority in support of the appointment of Deloitte & Touche LLP as the Auditors for the Club for FY 2017/2018.



Item 7 – To review or discuss any matter of which seven (7) clear days' notice has been given to the General Manager

GM proceeded to deal with the 13 AOB items submitted prior to the AGM.

				
THE SINGAPORE ISLAND COUNTRY CLUB				
RESULTS OF ELECTION TO THE POSITIONS IN THE GENERAL COMMITTEE 2017/2019				
	Position	Name	M'ship Number	Number of Votes Cast
1	PRESIDENT	ANDREW LOW CHEE KEONG	L1062	716
2	CLUB CAPTAIN	IVAN CHUA KIM BOON	C2377	912
3	TREASURER	PAUL KWEK PONG HWEE	K1073	807
4	GENERAL COMMITTEE MEMBER	MARILYN LUM WEN KAY	L2706	734
5	GENERAL COMMITTEE MEMBER	YUKIMASA HASHIMOTO	H0821	677
6	GENERAL COMMITTEE MEMBER	TAN AH LYE	T1888	659
7	GENERAL COMMITTEE MEMBER	HAN FOOK KWANG	H1033	651
8	GENERAL COMMITTEE MEMBER	HOWE WEN LI	H1300	631
9	GENERAL COMMITTEE MEMBER	PETER KOH HOCK GUAN	K1000	617
10	GENERAL COMMITTEE MEMBER	THOMAS LEE KUEN YIP	L0081	564
BY ORDER OF THE GENERAL COMMITTEE				
 DESMOND TAY General Manager				
29 September 2017				



Letter No. 1 - Proposed deletion of Rule 22(e), and pending the amendment to the constitution above, a newly elected GC shall not nominate anyone pursuant to Rule 22(e)



Mr Lee Choon Peng Proposed the motion and Mr Lai Chong Meng (L1896) Seconded it.

Mr Lee read out the contents of the letter.

GC member Mr Radakrishnan clarified that the original idea of this provision was to provide an avenue for the GC to bring in expertise to fill skill gaps. However, he noted that the provision had not been properly used over the last few years and that the provision had not served its purpose. Mr Rada expressed that he supported the amendment.

President asked if members favoured a show of hands or a secret ballot for the voting. Mrs Margaret De Luna (D0339) Proposed a show of hands and Mr Yeo See Meng (Y1034) Seconded it.

Thereafter, President sought and received a majority (191 votes for, and 3 votes against) for the motion - Proposed deletion of Rule 22(e), and



pending the amendment to the constitution above, a newly elected GC shall not nominate anyone pursuant to Rule 22(e).

President declared the resolution carried.

Letter No. 2 – Proposed amendment to Rule 6 of the Club's Constitution be amended by the addition of Rule 6(d) which states that "A member's spouse and children below the age of 21 shall not be allowed to hold office in any committee of the Club."

Mr Andrew Yeo (Y0936) shared that under the Constitution, spouses and children are not answerable to the GC, and questioned on what grounds they can represent members in the Sub-Committees.

In his letter, Mr Yeo also indicated that recent events had given rise to questions and unhappiness over the interpretation of the status, rights and privileges of members' spouses and children under the Club's Constitution, and in particular, whether members' spouses (and children) should be allowed to hold office.

Ms Natalia Tan (T1099) brought up that the wording of Rule 6(d) should be changed, as it had appeared as though it only excluded spouses under 21, to which President clarified that the below 21 years of age was meant for the children and suggested to put a comma after the word "spouse".

Mr Liew Yeng Chee (L2566) suggested that for greater clarity of the amendment, it can just be stated that non Principal Members cannot be members of any Sub-Committees of the Club.

GC member Mr Goh Ho Wee shared that there were currently about 18 Sub-Committees with over 100 Sub-Committee members. He added that there were about four spouse members in the Sub-Committees so the provision to appoint spouses in Sub-Committees had not been abused. Mr Goh felt that if the motion is passed, members may be denying themselves of a talent pool.

Ms Fung concurred with Mr Goh, adding that there was a large pool of talent and that a person should be evaluated based on merits, and not on their membership status. She added that a person should not be excluded from serving in the committees if they had the right skills and attitude.

Mr Philip Tay questioned how spouse members can be committee members but are not held responsible for their actions. Mr Teo Koon Hong (T2024) clarified if the resolution was carried, that the Lady Golf Captain would have to be a Principal Member, which the meeting confirmed.



Mr Henry Ling (L2205) questioned the need for 18 Sub-Committees to assist in the running of the Club. While he acknowledged that there are talented spouses who are willing to help the club, spouse members are not the same as Principal members.

Treasurer Mr Kenneth Koh, on the other hand, wanted to appeal against this resolution. He emphasised that SICC positions itself as a family-oriented country club and this resolution would be bucking the trend. Mr Koh assured members that key activities such as elections are reserved for Principal members as it has always been. He was against the idea of various tiers in subscription fees, and opined that there should be only one family membership to reduce segregation.



Dr Chew Beng Keng highlighted that the resolution arose as Principal Members had abused the rule to serve their purposes.



Ms Woon Lai Har (W1083) pointed out that the lady golfing fraternity is very active and comprised mainly of spouse members. Ms Woon acknowledged that there had been abuses, but urged members to consider looking at strengthening control measures instead. She expressed her unhappiness that the Lady Golf Captain position is nominated as opposed to an election position. She opined that the issue had to be dealt the right way instead of passing a resolution which has a consequence for a large group.

Mr Suppiah commented that members have no power to amend the Constitution and that it has to be approved by the GC, Club Chairman and the Registrar of Societies (ROS). Mr Rada agreed with Mr Suppiah and pointed out that, once the motion is carried, then the motion goes to the GC, then the Chairman and ROS. He added that the wording would be fine-tuned in the process.

Mr Chandran Arul (A0019) stated that the power lies with the general membership and in the event the GC does not follow through with members' wishes, the membership will deal with it accordingly. Dr Chew concurred, saying that SICC is the only Club which its GC can change the constitution with approval from the Chairman and said that Mr Arul had raised this issue for the past two to three AGMs. Dr Chew also remarked that when the lease for the Club is signed, the GC should be careful and ensure that the powers to make any amendment to the rules should lie with the general membership.

Mr Rada responded that there was an amendment proposed in the last AGM that all the amendments must go to the general membership to approved first before going up to the Chairman. This amendment has yet to be passed or approved by the ROS.

Mr Arul shared a little on the background of the Club, saying it was intentional that the members were not given the power when the club was taken over in 1992 as the committee was fully appointed by the Government and not elected by members. Mr Arul added that he had proposed that the constitution be amended for the last five to six years and it had been unanimously carried twice. However, Chairman did not approve it even though members have been asking for so long. He hoped that the incoming committee would take this matter up to the Chairman as that is what members want.

President asked if members favoured a show of hands or a secret ballot for the voting. President sought and received a majority (145 votes for, and 3 votes against) for the show of hands.



Thereafter, President sought and received a majority (152 votes for, and 27 votes against) for the motion - Proposed amendment to Rule 6 of the Club's Constitution be amended by the addition of Rule 6(d) which states that "A member's spouse and children below the age of 21 shall not be allowed to hold office in any committee of the Club."

President declared the resolution carried.

Letter No. 3 - Roles, responsibilities and accountability of GC and Management

Ms Grace Fung expressed her frustrations and concerns regarding the roles, responsibilities and accountabilities of the GC and Management. In her letter, Ms Fung said she expected GC members to give, assess, evaluate and review Management's performance and ensure that Management carried out their duties and responsibilities effectively. She opined that there appeared to be a constant dilemma, the desire to please and the required collaboration of GC and Management, both of which seemed to attract micro-managing by GC members.



Ms Fung added that the opaque understanding of accountabilities and responsibilities seemed to have allowed abuse and failure of Management controls and pro-active management. She brought up the over-use of complimentary green passes of certain GC members and wanted to know the consequences of such breaches. Ms Fung also cited rising club expenses as a cause of concern due to the Club's deficit and the inability to rely on a one-off investment income to carry the Club through. Ms Fung opined that members' subscription fee would have to be doubled to maintain the Club's expenses.

Mr Lai Chong Meng (L1896) concurred with Ms Fung and observed that successive GCs have always tried to micromanage the Management. Mr Lai added that it did not make sense to have so many Sub-Committee members instructing the Management on what to do. Mr Lai opined that the relationship between the GC, Sub-Committee members and Management needed a complete overhaul.

In response, President said he agreed with the aforementioned views to a large extent but stated that this suggestion and proposal should be taken up with the new GC as this would mean an amendment to the Constitution.

Mr Philip Tay also commented that there were many committees and members and said that he was glad that the GC and Management have indicated their plans to reduce the number of committees. Mr Tay also commented that GM should not be beholden to the GC members, to which President said that under the current system, the GC acts on the behalf of the membership and then directs the management. In order to change this structure, the incoming committee would have to look into that.

Letter No. 4 - Complimentary Green Fee privileges



accorded to General Committee members



Mr Joseph Tan (T1465) raised a concern on the alleged abuse of Complimentary Green Fees (CGF) privileges given to certain past and present GC members. Mr Tan mentioned that concerned members had written to the GM on the Members' Forum asking for information on the abuse (if any) but had yet to receive a reply that the information were classified.

He expressed his views that members were given an impression that the CGF privileges were well managed, but it appeared otherwise.

Mr Tan said that it was time to put a stop to the abuse of the CGF privileges, and alleged free usage of lockers in the Changing Room and asked for clarification. Mr Low Teo Ping (L0783) wished to know the size of the entitlement and the size of the abuse.

GM replied that every GC member is entitled to 36 CGF passes per year and shared with the meeting the status of the audit review with past and present GC members concerned. He updated that the Club's Internal Auditor (IA) had carried out a review of the alleged abuse of the CGF and found that several GC members, past



and present, had exceeded their entitlements. As such, the IA then lodged formal complaints against those members, commencing the Club's formal disciplinary process, with the formal complaints filed to the GC and the Disciplinary Committee (DC).



To Ms Natalia Tan's question if the "Withdrawn" status on the audit review list of GC members meant that the Internal Auditor had verified the records and found that there was no basis to charge members for passes, GM confirmed it. GM added that as the audit and disciplinary proceedings were underway, he was unable to disclose details of the cases per the advice of the Club's lawyers.

Mr Henry Ling said that it was unfair to the GM as the abuse of the CGF passes had probably been going on for a while.

Mr Ling questioned how the CGF passes were given out so freely and added that the Management is partly to be blamed in this matter. Ms Grace Fung said that according to the report by the Internal Auditor, the Golf Operations (Golf Ops) did not bring the matter to the GC's attention and asked why this process was not institutionalised.

GM replied that Golf Ops had in the past, reported to the Greens Committee and the Club Captain, and GC members insisted to use the CGF passes even though staff had highlighted to them regarding the usage of CGF passes. GM said that since July 2017, all CGF privileges fall under the control of the Management with a monthly report submitted to him and the GC. He added that every GC member will receive an update of their CGF usage monthly.

To Mr Rada's request for details of GC members abusing their power to get free lockers, Mr Tan replied that he would be providing more details at a later time and thought Management had performed an audit on the lockers already. GM explained that there was no Internal Audit review carried out on the usage of the lockers in the Changing Room. He shared that the Management knew that members were keeping the locker keys overnight, and had conducted a spring cleaning exercise to open up all lockers. GM shared that all locker keys were accounted for, and reminded that members should not be holding locker keys overnight for personal use.

Ms Woon Lai Har commented that the office of the GC is meant to be an honourable position and that character, honour and integrity were expected from office holders. She commented that she was shocked to see that members who were pending DC hearing and are still running for office.

Mr John Yau (Y0160) wished to know if the IA was just one person and opined for a bigger audit team. Mr Joseph Tan asked about the IA's functions and powers, and if he had the powers to forgive, exonerate, decide or judge. He felt that the audit review list of GC members shared at the meeting did not tally with his version, and asked to move a motion to publish his list instead.

GM reassured members that the whole audit process was independent and the IA would check all the figures thoroughly, and verify every detail before concluding on the cases. To Ms Grace Fung's question if the abuse of CGF privileges had happened only for the past two years, GM replied that the IA had checked through records from 2013 to 2017.

Ms Fung concurred with Mr Joseph Tan on the discrepancy on the published figures and personal copies and proposed for a Committee of Inquiry (COI) to be formed. She expressed her disappointment in GC members as they were entrusted to supervise and strengthen the Club's processes. Ms Fung added that the reporting line for staff should have been more stringent and easy for them to highlight discrepancies. She suggested for a supervisory body on the GC to ensure transparency. Mr Henry Ling asked for more governance on these matters.



Mr Bernard Yeo (Y0749), whose name was on the audit review list, said that he did not abuse the CGF passes. He wished for the incoming GC to investigate the allegation by that the audit review list details were changed. He elaborated GC members could assign CGF passes under a Club account if they were hosting guests on Club official duties, which he confirmed the practice during his tenure in the GC.

Mr P Suppiah asked that the details and procedures in management of CGF passes be shared with the membership as the rules might have changed over the years. President assured that the GC wanted to be transparent and that there was nothing to hide.



Letter No. 5 – Regarding the External Audit Report on the Bukit Buggy Track Project

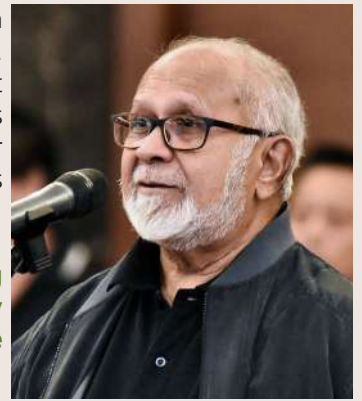
Referencing the AC letters dated 23 March 2017 and published on 22 September 2017, Ms Woon Lai Har observed that some processes and procedures of the tender

were not followed and asked who would be accountable for it. While the recommendations in the memorandum stated a review of the processes and procedures, she felt that any stringent processes and procedures were only as good as the people who implemented them, and thus asked for tighter controls. She also questioned why the AC letters were made known to members only six months later.

Ms Woon observed that while many shortfalls were attributed to Management's oversight, she noted that the various Sub-Committees and the GC had approved the award of the contract to Interno, seemingly due to the cost savings of \$300,000. She asked if the committees had acted on recommendations from the Management and if there

were information gaps in the decision-making process. Ms Woon emphasised that the leaders and authorisers tasked to adhere to, or oversee these procedures must be held accountable.

Letter No. 12 – Relating to Audits on Bukit Buggy Track and Bukit Course Improvement Works



Mr Lee Choon Peng said that this letter asked for transparency in the tender and award process of the projects as the issues and reports were not known to members. He expressed concern on the matter as it might set the wrong precedence for upcoming projects with big CAPEX. He said he did not believe that it was the intention for people to intentionally breach the procurement procedure. Mr Lee wished to know the reasons for the retention or engagement of the external consultants which the Audit Committee (AC) had engaged to undertake the investigations of the Bukit Buggy Track.

Mr Lee said he wished to know the findings and recommendations of the external consultants on the breaches of the tender process. He asked that in the event of breaches found, why the AC's and the external consultants' reports were not released to members and that this was what members wanted to know when the investigations must have had reasons for members' disquiet over the tender process in the first place.

Mr Lee asked what steps had been taken by the AC to address the findings and the conclusions of the AC report and if any staff or Committee Member had been implicated in any of the breaches. He commented that following the Members' Dialogue in August 2017, members were told that the AC report was strictly confidential and available only to the AC and the GC. As the report was commissioned by the Club and using money from members' contributions, he questioned why contents of the report were not made known to members.

Letter No. 8 – Requesting that a Commission of Inquiry be Convened Relating to the Closure of the Bukit Course as well as the Bukit Buggy Track and Bukit Course Improvement Works projects

Mr Ling said that the letter asked for a Commission of Inquiry (COI) be formed to officially look into the closure of the Bukit course for nine months, to investigate the processes of the Bukit Buggy Track project, to look into the Bukit Course Improvement Works project and to recommend the necessary follow up actions, including claims against those who had caused the Club to incur losses.





COVERSTORY

GM said that immediately after receiving the three AOB items letters, the Management had circulated, with permission from the Club's lawyers, the two AC letters to members. He summarised the key points in the letters:

- AC had stated that the tender policies were silent on many fronts.
- When the project started, the Consultants were engaged to run the project.
- The entire tender was handled by the Club's Consultant.
- The Consultant did not disqualify any tenderer in the evaluation papers.
- These tender evaluation papers were presented for approval to the Project Committee, Tender Committee, Greens Committee, GC and Chairman's Office.
- The award of the project was discussed at length at the GC meeting held on 23 September 2016. All the facts and details were presented then.
- At the end of the presentation and discussion, GC was of the view that it was defensible to award the contract to the lowest tenderer. The lowest tenderer quoted \$312,000 less than the next lowest tenderer.
- GC, at that time, was also of the view that out of the Joint Venture company involved, it would be prudent for the Club to execute the contract with the company that has a stronger financial standing as this would give the Club better financial security.
- It is important to note the main points from the AC's two memos (letters):
 - (i) The various Sub-Committees and the GC did approve the awarding of the contract to Interno having accepted Management's reasons for awarding the contract to Interno-the primary reason being the cost saving of approximately \$300,000 subject to the contract being signed with Interno who is said to be of better financial standing than Lim CS.
 - (ii) Improvements are needed to the Club's procurement and tender policies and procedures. Management should be tasked to do this as soon as possible.
 - (iii) The email sent to the GC on the closure of Bukit Course was not *ultra vires* as option for works on the full 18 holes had already been approved by the GC on 23 September 2016 in principle and again on 4 October 2016 before the email in question was sent.

GM said that with the AC letters sent to the Club's Chairman, Chairman had also responded to the GC in this letter dated 22 June 2017 where he stated that the GC should study all aspects of the audit documents carefully and take cognisance of the fact that decisions made by the GC should be in compliance with Club's rules, tender policies and at all times be in the Club's interest. In particular, the GC should look at:

1. Ascertaining how best to address the findings made and increase the adequacy, efficiencies and effectiveness of the controls which are in place; and
2. Fixing a time frame for a review of the Club's tender policies and procedures to be completed

GM added that the Club had since proceeded to carry out

the tender for the review of its policies and an external audit firm had been engaged for it.



With regard to the question on how much money the Club had paid to the Singapore Land Authority for the lease of Bukit Course for nine months but did not get to use it during the same period, GM replied that the land lease was a sunk cost which would have needed to be paid by the Club in any event. GM said that while the enjoyment for the members had certainly been compromised, it was more difficult to say that a sum of money was potentially being expended or lost as a direct result of the closure.

GM shared that golfing revenue decreased by \$209,000 during the closure of the Bukit Course (November 16 - July 17) as compared to the same period in the previous year (November 15 - July 16). He added that because of the closure, certain cost control measures were put in place and that expenditure over the nine-month period as compared to the same period in the previous year decreased by \$113,000, giving a net variance of \$96,000.

By the same note, GM shared the F&B outlets at the Bukit Location reported a drop in revenue of \$392,000 and a reduction of expenses of \$431,000 from Nov 16 - Jul 17, as compared to the same period in the previous year. GM concluded that, due to the closure of the Bukit Course, the Club had savings of \$39,000 on the F&B outlets.

GM said that the Management had learnt much during the course closure, especially on the utilisation and reallocation of resources. He added that since the opening of the Bukit Course, golf and F&B operations are now more efficient and smooth.



Mr Lai Chong Meng said that members who submitted AOB letters (No. 5, 8 and 12) had good intentions to provide checks and balances to the actions by the Club's office bearers. He said that office bearers had good intentions to improve the golf course conditions and



said that to put committee members on a witch-hunt would discourage future members to serve the Club. Mr Lai then proposed that this resolution be withdrawn.

Mr Lee Choon Peng disagreed with Mr Lai and said that the COI aimed to uncover the unknown, so it would provide the transparency for future projects and procurement process.



Mr Edwin Lee (L0018) asked if the Management could release the Audit Report to see if there were breaches and to let members decide if a COI was necessary. Mr Lee suggested that GM read out the key findings in the AC letters as most members might not have read the circulated copies. GM read out the issues and findings in the AC letters, circulated to members on 22 September 2017 pertaining to the issues raised regarding the Bukit Buggy Track project.

Mr Lee Choon Peng opined that there were breaches in the findings but he would leave it to the GC to resolve this matter. Dr Chew Beng Keng disagreed to conduct a COI as there was no evidence of fraudulence. Mr Jimmy Yim said that there were two contractors identified that should have been disqualified, as stated by the AC - Interno and Lim CS. He wanted to know how the Tender Committee and the committees were misled. Mr Jimmy Yim (Y0111) asked Mr

the voting on the resolution in AOB Letter No. 8 would disrupt the harmony in the Club. Since explanations on the matter had been given by the Management and the AC had not found anything fraudulent, he asked for members to give the benefit of the doubt to the office bearers for giving their best to do the renovations in the shortest period of time. He



Mr Rada said that he did not see a necessity for a COI as Committee Members had done their best and there was no evidence of any fraud and corruption thus far. He opined that it would be a waste of time as it would raise more questions, for example, who would chair and sit in the COI. He objected to the COI as it would get a lot of acrimony and unhappiness.

Ling to withdraw the motion as a COI would be a waste of Club resources and discourage committees from doing work for the Club.

Mr Ling, on behalf of the other members who signed the letter but were absent, agreed to withdraw the resolution in Letter No. 8 and Mr P Suppiah opined that it was legally correct for Mr Ling to withdraw as he did not need the consent of the others who were absent.

Letter No. 6 – Solution for Golf Facilities

Mr Paul Kwek in his elaboration of his letter said he had the impression that nothing had moved on the Biodiversity Impact Assessment (BIA) since March 2016. He then asked for an explanation to be given to members as to why the Club had delayed the opportunity to get approval for the usage of land (which the Club is already paying for in the lease) from the government.

GM shared that the NParks Rapid Assessment, Environmental Consultant Verification, Initial Survey Data, Environmental Scoping Tender, Associated meeting with governmental stake holders, Final scoping report had all been done. He said that all the studies done by the consultants had been submitted the previous year when the report was out in March 2016. He added that the Category 2 classification was the result obtained in August 2016 and that was why the Management had shared in September 2016 that it required a Category 2 submission. GM said that the next step was to conduct a BIA and that would depend on the selected golf course redevelopment option.



GM shared the the four Island Golf Redevelopment options were ready to be presented to the general membership in July this year for voting but the outgoing GC had decided to let the incoming GC decide on the plans moving forward.

Letter No. 7 – Club's Members' Forum

Mr Frank Lim (L2688) said that over the last couple of months, many things had happened and members were seeking clarification in the forum but the GC or GM had not been forthcoming in the replies. He hoped the next GC would use the Members' Forum to communicate to members.

GM replied that for questions that concern operational matters or are straightforward, the Management would usually respond within a couple of days. He added however, for matters which were in violation of the Code of Conduct (CoC) or were confidential, the Management would not be able to provide the answers and those matters would normally be then brought to the attention of the GC for review. GM clarified that most letters and questions written in or emailed to the GM, the GC or the Chairman's office



were usually addressed and dealt with promptly.

Mr Philip Tay commented that he noticed very few GC members use the forum to communicate even though the previous Chairman had set it up to allow interaction amongst members and office bearers. He said that he hoped the new GC would use the forum to communicate more with members, and explained that most of the AOB Letters that were surfaced were actually questions in the forum but left unanswered. Mr Tay urged the new GC to look into the data metrics and the CoC, and review them to facilitate communications to members.



Letter No. 9 – Captain's Day Golf Event

Mr Frank Lim asked that all Club events be open to all members, instead of reserving 40% of the slots for GC members and sponsors. He said that there were 150 members on the waiting list for Captain's Day Golf Event, and estimated that the first few members would take up about 8 slots each, leaving insufficient slots behind. In addition, he pointed out that some members on the Waiting List were only notified that they could play two days before the event. Mr Lim asked for transparency as to why and how the slots were released in the end. He suggested that if the course was over-subscribed, the committee could open up all the four courses to accommodate all members. He urged the next Club Captain to ensure a fair sign-up procedure so that everybody has a chance to play in the golf events.

Mr John Yeow (Y0160) suggested that Captain's Day not be held in the month of September as it was too near the election period and would probably be used as a campaign event. He added that every member who wanted to play should just put his name down instead of putting eight names together, and suggested a ballot system for fairness.

Club Captain Andrew Lim thanked all members for their support for the Captain's Day event before proceeding to answer the six questions per the letter submitted.

1. This is an annual event in our golf calendar. Did Captain Andrew Lim personally direct the staff on how the event should be organised and run?

Captain Lim disagreed and said that it was the same as the previous year as they had an Organising Committee, chaired by the Lady Golf Captain. Club Captain Lim said that proposals were submitted to the Greens Committee for approval.

2. Why is it that 40% of the total of slots for the 2 Courses at the Island Location that should be available for all members' participation were reserved by Captain Andrew Lim?

Captain Lim shared that 40% had only represented 115

slots, which were provisionally reserved for GC members, Sub-Committee members and sponsors. He added that members were aware that as the Club had 13 GC members and around 105 Sub-Committee members, and the remaining slots which were provisionally reserved were released to those on the waiting list on a first-come-first-served basis. He said that most of the provisionally reserved slots were released and only 28 members on the waiting list were not able to participate on that day.

Can Captain Andrew Lim explain A) amongst the 13 GC members, how many have confirmed to participate in the Captain's Day event; B) who are the Sponsors?

Captain Lim replied that only 9 out of the 13 GC members had participated and listed all the sponsors.

3. The after golf dinner will be served at the Island Grand Ballroom. It deviated from the traditionally "makan kecil" at the Terrace where all members present can participate. These are all additional expenses. Please explain:

a) Are the GC or Captain carrying out their fiduciary duties properly to the members by spending such big sums instead of the traditional "makan kecil", especially when we should be on an austerity drive to bring down our deficit as per KPMG Report?

b) May we ask, why is this event held just 3 days before the SICC Election of Club Officials?

Captain Lim replied that Captain's Day used to be only one course with Makan-kecil at 19th hole opened to all members. He added that it was last done during Andrew



Lim's Captaincy in 2013. He shared that under Paul Thomas' Captaincy in 2014 and 2015, it was changed to two golf courses with local delights dinner and a liberal serving of booze served at the ballroom. It was then changed to the ballroom for bigger capacity to accommodate more members and to free up space for members dining at the 19th Hole.

Captain Lim said that there was no breach of fiduciary duties as the event was organised within the allocated budget. He shared that the budget was \$18,000 and \$17,000 (including \$5,000 on trophies and prizes for the medal winners) was expended. He added that sponsorships had been in practice in the past for prizes, t-shirts, booze, door gifts etc.

Captain Lim said that the event date was in the event fixtures and confirmed at the beginning of each financial year. Captain Lim added that if members wished to change the date of future Captain's Day event, they could propose it to the new Club Captain or get the Management to change it.

4. *Is there any good reason or Captain Andrew Lim to change the booking system for the popular Captain's Day event, by allowing a member to book 8 slots each, thus depriving several other members from participating? Where is the fairness?*

Captain Lim said that in the past, there was no limit to the number of slots each member could book. He shared that the revised booking procedure allowed each member to book up to 8 slots only, and booking commenced one month before the event and information was advertised on the posters and published in the Islander. He concluded that this year's event was fairer than past practice.

5. *There are/were so many verbal and written complaints on the booking system for Captain's Day and many members are seeking clarifications and have expressed unhappiness. Why is it that Captain Andrew Lim does not come forward to answer our queries and put things right?*

Captain Lim replied that it was not possible to address all unhappiness expressed in the Forum, and had issued a Statement to explain the rationale. He said that in the past, there was no limit as to how many slots one person could book and that the possibility of booking eight slots per person was actually advertised in the poster and published in Islander so that members knew they could book 8 slots each.

Mr Frank Lim thanked Captain Lim for his clarifications. In the event that the golf course was over-subscribed, he suggested a ballot be held instead of letting the first 12 members in the queue take up all the available slots. Mr Lim wished to know why the provisionally reserved slots were released so late to those on the waiting list.

Mr Frank Lim shared that GC members and Sub-committee members already participate in a Committee Golf game, and questioned the need to reserve golfing slots for committees in Captain's Day Golf Event. Captain Andrew Lim replied that it was consistent with the Club's practice all along.



Ms Grace Fung commented that Captain's Day was a victim of the popularity of the event. She observed that perhaps the overwhelming response was because of the many sponsors, as compared with other Mixed Day events as everybody would have wanted to participate in Captain's Day Golf Event to get freebies. She suggested taking those perks away in future and perhaps nobody would want to join again or otherwise

to implement a ballot system to register participants. Ms Fung also acknowledged that the GC had worked hard and they deserved to be involved and said the next Organising Committee would have to try to balance all of these factors.

Letter No. 10 – Legal proceedings initiated against the Club by a GC member standing at the upcoming elections

Mr KC Leong (L0044) asked if GC member Mr Thomas Lee who was involved in a legal case against the Club be allowed to contest for a seat in the GC. GM answered that the Club rules do not expressly cover the issue of whether a member may stand for GC elections if he is involved in a matter with the Club in the Court. He added that a member may continue to stand for GC elections as such a member would ordinarily continue to enjoy all the rights and privileges of membership, one of which is the right to stand for election to the GC under Rule 22(c).

GM shared that the Club is covered by insurance for the expenses incurred in contesting the cases, and once insurance is activated, there would be excess charges levied on the Club. As this matter involves two Defendants, he shared that the excess would be \$50,000 (meaning \$25,000 per Defendant, per case). GM added that if the total sum exceeds \$50,000, insurance policy will cover the additional cost but it will affect the premium for next year's renewal.

Letter No. 11 - Suspension of GC member Mr Goh Ho Wee

Mr Chung Sing Yee (C5028) who had submitted Letter No. 11 was absent at the AGM, thus the meeting moved on to the next item.

Letter No. 13 - Suspension of a GC member

Mr Raymond Tan (T1176) stated that since the GC had made its order to stay Mr Goh Ho Wee's suspension, he would have to withdraw the item for the evening.

Mr How Seen Yong (H0900) said he thought members should give a vote of thanks to the Committee for doing the work.

The meeting adjourned at 11:17pm.

