

WARREN'S TOWN HALL MEETING ON 27 NOVEMBER 2025

FINANCIAL UPDATES OF WARREN GOLF & COUNTRY CLUB

This financial summary details the current state of financial affairs prepared by the Honorary Treasurer.

This financial summary addresses members' concerns regarding our Club's financial health, future, F&B operations, and membership fees.

I. Club Financial Status & Future

Our Club is currently facing significant financial pressure, leading to plans for revenue increases.

TOPIC	KEY INFORMATION
Financial Health	<p>Our Club's Cash Balance has been depleting since 2007. Beyond 2028, our Club risks having no funds to meet its operational needs and obligations and may have to cease operations by the end of 2027 or thereabouts.</p> <p><i>NB: This is before addressing the legal obligations of staff retrenchment payout and Club's reinstatement cost.</i></p>
Cash Call/Top-Up	<p>Presently, the Management Committee's last resort is a one-time cash call from members. However, this may change depending on the financial situation.</p>
Revenue Plans	<p>Current plans are in place to improve revenue, including increasing range rental fees, outsourcing F&B outlets, car parking fees, golfing fees, and a proposal to increase members' monthly subscriptions.</p>
Retrenchment Compensation/ Restoration Cost	<p>If we carry on business as usual, the severe depletion of funds will lead to the Club being left with no funds to pay retrenchment benefits or carry out required land reinstatement work when the Club closes in 2030.</p>
Future Club Model	<p>If we remain status quo and do not carry out these unpopular financial initiatives, our Club will be insolvent and unable to operate. The depletion of</p>

TOPIC	KEY INFORMATION
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funds by 2026 also means our Club will not be able to look beyond 2030 to convert Warren into a social Club with golf access in the future.

II. F&B Operations and Minimum Spending Levy (MSL)

The interim closure of several F&B outlets has prompted the Management Committee (MC) to waive the MSL temporarily.

- MSL Waiver Period: Management has waived the Minimum Spending Levy (MSL) for the period from November 2025 – January 2026 (3 months) in consideration of the interim closure of the Golfers' Terrace and Water Hazard.
 - Reopening of F&B Outlets: Reopening of Golfers' Terrace is scheduled on 3 December 2025. Water Hazard will be opened shortly thereafter.
 - Muslim Member Consideration: For Muslim members concerned about the limited F&B options, Management considers a total waiver of MSL on a case-by-case basis.
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III. Unbudgeted Operating Costs (Tax)

An unbudgeted Water Borne Tax (WBT) in 2025's budget.

- Reason for not budgeting: This WBT was not included in Budget 2025 as Management had hoped for a negotiation chance with PUB.
 - Funding: The estimated tax amount for Oct–Dec 2025 is \$43,000, which is more than covered by the YTD 2025 positive variance of \$236k against budgeted deficit.
 - Future Budget: A total of \$303,000 has been budgeted for this WBT in 2026.
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IV. Other Cost Increases

We have been informed by SLA that our annual land lease fee will be increased from \$2.31m to \$2.47m, effective 1st November 2025.

In addition, our annual Property Tax has also increased from \$502,500 to \$532,900 effective 1st January 2025.

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NEW CAR PARKING SYSTEM IMPLEMENTATION

This summary details the rationale, financial model, and operational plan for implementing a new paid car parking system at our Club, as prepared by the House Convenor.

I. Financial and Operational Model

The implementation of the new system is projected to generate new revenue with zero upfront capital investment required from our Club.

TOPIC	KEY INFORMATION
Projected Revenue	The study projects a potential monthly revenue of S\$11,947 (based on \$1 per hour charges).
Tender Award	The tender was awarded to Re-Sustainability Solutions Pte Ltd, which submitted the lowest-cost model.
Capital Outlay	Our Club requires zero capital outlay for installation.
Contract Framework	Our Club will use a system-rental framework with a four-year contractual term.
Operating Cost	A fixed monthly maintenance fee of S\$2,700 will be paid to the operator. Currently, it costs our Club more than \$5,000 to employ 2 guards to monitor the car park parking and traffic flow which we will do away after the gantry has been installed.
Equipment Ownership	All equipment and system components will remain the operator's property throughout the contract.

II. Tariff Structure and Member Benefits

The new tariff structure aims to generate revenue from visitors while ensuring members and certain guests are minimally impacted. Rates quoted are subject to change depending on demand.

USER GROUP	TARIFF/BENEFIT	DETAILS
Club Members	Free Parking	Members will continue to enjoy complimentary parking.
Standard Day Rate	S\$0.60 per half hour (before GST)	Charged on a per-minute basis. This rate is subject to change depending on demand.
Lunchtime Free Parking	Free	Offered daily from 12:00 pm to 2:00 pm.
Evening Rate	S\$3.00 per entry (before GST)	Applies daily after 6:00 pm.
Guest Golfers	Complimentary tickets	Provided for guest golfers and golfers participating in golf events.
Tenants' Customers	Fixed allocation of complimentary tickets	Additional tickets may be purchased from our Club at a nominal cost.

III. Projected Impact and Monitoring

Our Club anticipates minimal impact on patronage and plans to monitor the situation closely after implementation.

- **Benchmark:** The proposed low rates have been benchmarked against HDB car parks, which serve as the most common public reference point in Singapore.
- **Patronage Expectation:** Our Club does not anticipate any significant impact on patronage, as paid parking is standard across Singapore.
- **Revenue Loss Analysis:** Our Club cannot provide a financial analysis of potential loss of revenue from guests/visitors at this stage.
- **Review Plan:** Footfall will be monitored closely after implementation. Any notable adverse trends will trigger a review and necessary adjustments in consultation with stakeholders.

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F&B OUTSOURCING AND FINANCIAL RATIONALE

This section clarifies the reasons for outsourcing the main F&B outlets, the cause of the temporary closure, the staff retrenchment outcomes, and current operational updates.

I. Rationale for F&B Outsourcing

The decision to outsource the Golfer's Terrace, Starter's Hut, and Water Hazard was initiated to stem the significant, long-term operating losses suffered over the years.

TOPIC	KEY INFORMATION
Primary Goal	To reduce operating losses and raise revenue as a key initiative to maintain our Club's longevity.
Financial Burden	Our Club has been subsidising F&B operations over the years.
Average Annual Deficit	The yearly deficit from 2017 to 2024 was approximately \$355,000.
Main Cost Drivers	The primary causes of the deficit were rising staff costs (increased by since 2017) and costs of sales (increased by since 2017).

II. Failure to Outsource and Temporary Closure

The planned outsourcing failed to materialise on schedule, leading to a temporary closure due to manpower issues.

TOPIC	KEY INFORMATION
Failure Point	Our Club could not obtain timely confirmation from the Ministry of Manpower (MOM) to use our Club's foreign worker quota to second shortlisted F&B staff to the incoming operator.
Timing Issue	The retrenchment letters had already been distributed to all F&B staff before the critical MOM approval was secured.
Manpower Shortfall	Due to the failed secondment, our Club attempted to re-employ retrenched staff to run the three outlets from 12 November 2025 but could only secure five staff, which was an insufficient number for continued operation.

III. Retrenchment Benefits and Compensation

The affected staff were paid retrenchment benefits (RB) as negotiated with the Union.

TOPIC	KEY INFORMATION
Total Paid Out	A total of \$501,000 was paid out in retrenchment benefits (RB).
Agreement	This amount was agreed upon between our Club and the Union, compared to the Union's originally proposed amount of \$709,000 (based on full RB calculation).
Financial Forecast	This \$501,000 payment is accounted for as part of the overall retrenchment benefits our Club had forecasted for the employees during our Club's eventual closure in 2030.

IV. Current F&B Updates

Our Club has found an interim solution to resume operations and confirmed a waiver for members.

- Resumed Operations (Interim): Starter's Hut operation resumed on 14 November 2025, and Golfer's Terrace will resume on 3 December 2025, both with an interim Operator.
- Water Hazard Status: Our Club will continue working on a similar arrangement with potential operators to resume Water Hazard operations.
- Future Outsourcing: A fresh tender exercise for the long-term outsourcing option is scheduled for end-December/early-January 2026.
- MSL Waiver: Our Club has granted a waiver of the Minimum Spending Levy (MSL) for all members for three months (November 2025 to January 2026) due to the inconvenience caused by the temporary closures.

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1. Club Viability and Future

Our financial situation remains dire, with the Cash Balance depleting since 2007.

- Survival is at stake: Without member support for financial initiatives, our Club risks ceasing operations by late 2027, not 2030. Our primary goal is to secure funds to sustain operations and discharge obligations until October 2030.
- Post-2030 Fate: Our fate beyond 2030 rests with the government and is beyond the MC's control, likely resulting in Club closure and membership termination.
- Cash Call: While increasing subscriptions and fees is the focus, a one-time cash call remains the last resort.

2. Governance and Management Actions

We acknowledge concerns regarding recent management decisions and communication.

- F&B Outsourcing Investigation: In response to concerns regarding F&B contract handling and staff retrenchment, the MC has convened a Board of Inquiry (BOI). The findings will be made public to members.
- Staff Retrenchment: We confirm that our Club provided retrenchment benefits and the Annual Wage Supplement to all affected F&B staff based on years of service, having fulfilled all financial obligations in consultation with MOM and the union.
- Captain's Suspension: The decision regarding Captain Stanley Ang was made thoughtfully, considering the far-reaching consequences of the case due to his role within our Club.
- Staff Morale: Staff resignations are partly attributed to the necessary right-sizing of operating manpower and outsourcing of functions required for financial survival beyond 2027.

3. Operational Issues and Member Experience

We are committed to addressing operational improvements and member participation.

- Townhall Format: As this was our first Townhall initiative, we used a personal platform. We plan to consider live streaming future events based on member recommendations for better reach.
- Golf Programmes: We acknowledge concerns over cutbacks to Junior Training and Inter-Club League participation. The MC will consult with the Captain to seek sponsorship to support future league events.
- Buggy Policy: We understand the frustration with strict buggy-on-track decisions. We will discuss improving communication and decision-making regarding course conditions at the Townhall.